

THIS AMALGAMATION AGREEMENT made as of the 13th day of August, 2024.

AMONG:

EXCALIBUR METALS CORP., a corporation existing under the laws of the Province of British Columbia

(hereinafter called the “**Corporation**”)

OF THE FIRST PART

AND:

VICTORY OPPORTUNITIES 1 CORP., a corporation existing under the laws of the Province of British Columbia

(hereinafter called the “**Purchaser**”)

OF THE SECOND PART

AND:

1496606 B.C. Ltd., a corporation existing under the laws of the Province of British Columbia

(hereinafter called the “**Purchaser Subco**”)

OF THE THIRD PART

WHEREAS Purchaser is a reporting issuer under Canadian securities legislation with its shares listed for trading on the TSXV (as defined herein) as a capital pool company;

AND WHEREAS Corporation is a private corporation that holds the right to acquire mineral property interests in the United States;

AND WHEREAS Purchaser has caused Purchaser Subco to be incorporated under the BCBCA (as defined herein) as a wholly-owned subsidiary of Purchaser;

AND WHEREAS Purchaser and Corporation propose a business combination whereby Purchaser Subco and Corporation will amalgamate under the BCBCA (as defined herein) on the terms described in this Agreement and continue as one corporation;

AND WHEREAS the Amalgamation (as defined herein) is intended to serve as the Purchaser’s “Qualifying Transaction” (as such term is defined in the policies of the TSXV) pursuant to Policy 2.4 of the TSXV;

AND WHEREAS The Corporation Board has determined that the transactions contemplated by this Agreement are fair and that the Amalgamation is in the best interests of Corporation, and the Corporation Board has unanimously resolved to recommend that the shareholders of the

Corporation vote in favour of the Amalgamation, all subject to the terms and the conditions contained in this Agreement;

AND WHEREAS the Purchaser Board has determined that the transactions contemplated by this Agreement are fair and that the Amalgamation in the best interests of Purchaser, all subject to the terms and the conditions contained in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Where used herein or in any amendments or schedules hereto, the following terms shall have the following meanings:

“Acquisition Proposal” means, other than the transactions contemplated by this Agreement, any *bona fide* offer, proposal, expression of interest, or inquiry from any Person (other than the Purchaser or any of its affiliates) made after the date hereof relating to:

- (a) any acquisition or sale, direct or indirect, whether in a single transaction or a series of related transactions, of: (i) assets of the Corporation that constitute 50% or more of the fair market value of the assets of the Corporation; or (ii) 50% or more of any voting or equity securities of the Corporation; or
- (b) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving the Corporation;

“Agreement” means this Agreement and all amendments made hereto by written agreement signed by the parties and includes the schedules hereto;

“Amalco” means the continuing amalgamated corporation following the Effective Time created by the Amalgamation;

“Amalco Shares” means common shares in the capital of Amalco;

“Amalgamation” means the amalgamation of Purchaser Subco and Corporation under the provisions of Division 3 of Part 9 of the BCBCA contemplated by this Agreement;

“Amalgamating Companies” means Purchaser Subco and Corporation;

“Assets” includes all assets of the Corporation having a fair market value in excess of \$50,000, and includes, but is not limited to, all of the Assets listed in Schedule “G” hereto;

“**BCBCA**” means the *Business Corporations Act* (British Columbia) as amended and any legislation enacted in substitution thereof;

“**Bellehelen Property**” means the concessions listed in Schedule “D” attached hereto;

“**Bellehelen Option Agreement**” means the option agreement between the Corporation, Excalibur USA, Manta Minerals Ltd. and Silver Range Resources Ltd. dated December 16, 2022, as amended by agreements dated May 17, 2023, February 27, 2024, June 28, 2024 and July 15, 2024 pursuant to which the Corporation has the option to acquire a 100% legal and beneficial interest in and to the Bellehelen Property, and all upon such further terms as set out therein, and attached hereto as Schedule “E”;

“**Business**” means the mineral exploration and development business of the Corporation, as currently conducted;

“**Business Day**” means any day which is not a Saturday, Sunday or a statutory holiday in the Province of British Columbia;

“**Closing Date**” has the meaning ascribed to such term in Section 2.8 hereof;

“**Closing**” has the meaning ascribed to such term in Section 2.8 hereof;

“**Concurrent Offering**” means the sale and issuance of up Subscription Receipts (which upon satisfaction of the Release Conditions shall automatically convert into Concurrent Offering Units at the Exchange Ratio) issued at a price per Subscription Receipt determined by the Corporation for aggregate gross proceeds of a minimum of \$2,000,000;

“**Concurrent Offering Unit**” means a unit consisting of one Corporation Share and either one or one-half of one (as determined by the Corporation) Concurrent Offering Warrant;

“**Concurrent Offering Warrant**” means a warrant exercisable for a Corporation Share at a price per Corporation Share determined by the Corporation for a period of two years from the Closing Date;

“**Confidentiality Agreement**” means the confidentiality agreement entered into between the Purchaser and the Corporation dated July 30, 2024;

“**Consideration Shares**” means the Purchaser Shares issuable pursuant to the terms of the Amalgamation;

“**Corporation Amalgamation Resolution**” means the special resolution of the Corporation Shareholders approving the Amalgamation, substantially in the form and content of Schedule “J” hereto;

“**Corporation Board**” means the Board of Directors of the Corporation;

“Corporation Dissenting Shareholder” means a registered Corporation Shareholder who duly exercises its Corporation Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Corporation Dissent Rights;

“Corporation Shareholder Approval” means that the requisite approval for the Corporation Amalgamation Resolution, which shall be (i) 100% of Corporation Shareholders if approved by written consent resolution or (ii) 66^{2/3}% of the votes cast on such resolution by Corporation Shareholders, present in person or by proxy at a meeting of Corporation Shareholders;

“Corporation Shares” means common shares in the capital of the Corporation;

“Dissent Rights” means the rights of dissent exercisable by shareholders in respect of the Amalgamation pursuant to Division 2 of Part 8 of the BCBCA;

“Effective Time” means 12:01 a.m. (Vancouver time) on the Closing Date, or such other time as the parties may agree;

“Encumbrances” means any and all claims, liens, security interests, mortgages, pledges, pre-emptive rights, charges, options, equity interests, encumbrances, proxies, voting agreements, voting trusts, leases, tenancies, easements or other interests of any nature or kind whatsoever, howsoever created;

“Environmental Laws” means all applicable federal, provincial, state, local and foreign laws, imposing liability or standards of conduct for, or relating to, the regulation of activities, materials, substances or wastes in connection with, or for, or to, the protection of human health, safety, the environment or natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation);

“Environmental Liabilities” means, with respect to any Person, all liabilities, remedial and removal costs, investigation costs, capital costs, operation and maintenance costs, losses, damages, (including punitive damages, property damages, consequential damages and treble damages), costs and expenses, fines, penalties and sanctions incurred as a result of, or related to, any claim, suit, action, administrative order, investigation, proceeding or demand by any Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law arising under, or related to, any Environmental Laws, Environmental Permits, or in connection with any Release or threatened Release or presence of a Hazardous Substance whether on, at, in, under, from or about or in the vicinity of any real or personal property

“Environmental Permits” means all permits, licenses, written authorizations, certificates, approvals, program participation requirements, sign-offs or registrations required by or available with or from any Governmental Entity under any Environmental Laws;

“Excalibur USA” means Excalibur Metals (USA) Corp., a company incorporated under the laws of Nevada;

“Exchange Ratio” means two Purchaser Shares for each Corporation Share;

“Governmental Entity” means any applicable: (a) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign; (b) subdivision, agent, commission, board or authority of any of the foregoing; (c) quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) stock exchange, including the TSXV;

“Hazardous Substance” means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous or deleterious substance, or material, including petroleum, polychlorinated biphenyls, asbestos and urea-formaldehyde insulation, and any other material or contaminant regulated or defined under any Environmental Law;

“IFRS” means the International Financial Reporting Standards as issued by the International Accounting Standards Board;

“Material Adverse Change” means a change with respect to a Person that would have a Material Adverse Effect;

“Material Adverse Effect” means, in respect of any Person, any change, effect, event, circumstance, fact or occurrence that individually or in the aggregate with other such changes, effects, events, circumstances, facts or occurrences, is or would reasonably be expected to be, material and adverse to the business, condition (financial or otherwise), properties, assets (tangible or intangible), liabilities (including any contingent liabilities), operations or results of operations of that Person and its subsidiaries, taken as a whole, except any change, effect, event, circumstance, fact or occurrence resulting from or relating to: (i) the announcement of the execution of this Agreement or the transactions contemplated hereby; (ii) general political, economic or financial conditions in Canada; (iii) the state of securities or commodity markets in general (provided that it does not have a materially disproportionate effect on that Person relative to comparable exploration and/or mining companies); (iv) changes affecting the mining industry generally (provided that such changes do not have a materially disproportionate effect on that Person relative to comparable mining and/or exploration companies); (v) any change in the price of iron ore; (vi) any natural disaster or the commencement or continuation of any war, armed hostilities or acts of terrorism (provided that it does not have a materially disproportionate effect on that Person relative to comparable exploration and/or mining companies); (vii) any change or proposed change in any laws or in the interpretation, application or non-application of any laws; or (viii) any decrease in the trading price or any decline in the trading volume of that Person’s common shares (it being understood that the causes underlying such change in trading price or trading volume (other than those in items (i) to (vi) above) may be taken into account in determining whether a Material Adverse Effect has occurred);

“Material Contract” is any contract material to the business, prospects or affairs of the Corporation and includes but is not limited to, those Material Contracts listed in Schedule “G” attached hereto;

“Permit” means any license, permit, certificate, consent, order, grant, approval, classification, registration or other authorization of and from any Governmental Entity;

“Person” includes an individual, partnership, association, unincorporated organization, trust and corporation and a natural person acting in such person’s individual capacity or in such person’s capacity as trustee, executor, administrator, agent or other legal representative;

“Property” means the Silver Rock Property and the Bellehelen Property, collectively;

“Property Agreements” means the Silver Rock Option Agreement and the Bellehelen Option Agreement, collectively;

“Purchaser Board” means the Board of Directors of the Purchaser;

“Purchaser Options” means options to acquire Purchaser Shares, pursuant to the terms and conditions of the Stock Option Plan;

“Purchaser Public Disclosure Record” means the Purchaser’s publicly filed documents, as filed on SEDAR+;

“Purchaser Shareholders” means the holders of Purchaser Shares;

“Purchaser Shares” means the common shares in the capital of the Purchaser;

“Purchaser Warrants” means warrants to acquire Purchaser Shares;

“Release” means any release, spill, emission, leaking, pumping, pouring, emitting, emptying, escape, injection, deposit, disposal, discharge, dispersal, dumping, leaching or migration of Hazardous Substance in the indoor or outdoor environment, including the movement of Hazardous Substance through or in the air, soil, surface water, groundwater or property;

“Release Conditions” means the (i) conditional acceptance by the TSXV of the Amalgamation; (ii) written confirmation from the Corporation that all conditions to the Amalgamation have been satisfied (or waived) (other than the release of the Subscription Receipt escrowed funds) and that the Amalgamation shall be completed forthwith upon the release of the Subscription Receipt escrowed funds; and (iii) receipt of the Corporation Shareholder Approval shall have occurred;

“Representatives” means, collectively, in respect of a Person, (a) its directors, officers, employees, agents, representatives and any financial advisor, law firm, accounting firm or other professional firm retained to assist the Person in connection with the transactions contemplated in this Agreement, and (b) the Person’s affiliates and subsidiaries and the directors, officers, employees, agents and representatives and advisors thereof;

“Restricted Corporation Shareholder” means, collectively, the holders of an aggregate of 10,365,000 Corporation Shares as listed in Schedule “A” that were issued other than in connection with the Concurrent Offering;

“**Restricted Shares**” means certain of the Consideration Shares issued to the Restricted Corporation Shareholders and that bear a restrictive legend setting forth the resale restrictions more particularly described in Section 2.5;

“**Securities Authorities**” means the securities commissions or other securities regulatory authorities in British Columbia and each of the other provinces and territories of Canada;

“**Securities Act**” means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time;

“**Securities Laws**” means the Securities Act, together with all applicable Canadian provincial securities laws, rules and regulations and published policies thereunder as now in effect and as they may be promulgated or amended from time to time;

“**Silver Rock Property**” means the concessions listed in Schedule “B” attached hereto;

“**Silver Rock Option Agreement**” means the option agreement between the Corporation, Excalibur USA and Idaho Silver Corp. dated February 14, 2023, as amended by agreement dated February 6, 2024 and July 4, 2024, pursuant to which the Corporation has the option to acquire up to a 90% legal and beneficial interest in and to the Silver Rock Property, and all upon such further terms as set out therein and attached hereto as Schedule “C”;

“**Stock Option Plan**” means the stock option plan of the Purchaser;

“**Subscription Receipt**” means a subscription receipt issued in the Concurrent Offering that upon satisfaction of the Release Conditions shall automatically convert into a Concurrent Offering Unit without any further act or formality, and for no additional consideration;

“**Tax Act**” means the *Income Tax Act* (Canada), as amended from time to time;

“**Taxes**” in respect of a Party means: any and all taxes, imposts, levies, withholdings, duties, fees, premiums, assessments and other charges of any kind, however denominated and instalments in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Entity, including for greater certainty all income or profits, taxes (including Canadian federal, provincial and territorial income taxes), payroll and employee withholding taxes, employment taxes, unemployment insurance, disability taxes, social insurance taxes, sales and use taxes, *ad valorem* taxes, excise taxes, goods and services taxes, harmonized sales taxes, franchise taxes, gross receipts taxes, capital taxes, business license taxes, mining royalties, alternative minimum taxes, estimated taxes, abandoned or unclaimed (*escheat*) taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, severance taxes, workers’ compensation, Canada, British Columbia and other government pension plan premiums or contributions and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which such Party or any of its subsidiaries is required to pay, withhold or collect, together with any interest, penalties or other additions to tax that may become payable in respect of such taxes, and any interest in respect of such interest, penalties and additions whether disputed or not;

“**TSXV**” means the TSX Venture Exchange;

“**U.S. Person**” has the meaning as set forth in Regulation S under the U.S. Securities Act; and

“**U.S. Securities Act**” means the *United States Securities Act of 1933*, as amended, and the rules and regulations promulgated thereunder.

1.2 Parties

The Corporation, the Purchaser and each person or entity that becomes a party hereto in accordance with the terms hereof are collectively referred to as “**Parties**” and individually as a “**Party**”.

1.3 Interpretation Not Affected by Headings

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section or Schedule by number or letter or both refer to the Article, Section or Schedule, respectively, bearing that designation in this Agreement.

1.4 Number and Gender

In this Agreement, unless the contrary intention appears, words importing the singular include the plural and *vice versa*, and words importing gender include all genders.

1.5 Date for Any Action

If the date on or by which any action is required or permitted to be taken hereunder by a Party is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

1.6 Currency

Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada and “\$” refers to Canadian dollars.

1.7 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature required to be made shall be made in a manner consistent with IFRS consistently applied.

1.8 Knowledge

In this Agreement, references to “the knowledge of the Corporation” means the actual collective knowledge of Mark J. Morabito and Daniel Lee in their respective capacities as Chief Executive Officer and Chief Financial Officer, respectively, of the Corporation.

In this Agreement, references to “the knowledge of the Purchaser” means the actual collective knowledge of Brian Shin in his capacity as Chief Executive Officer, Chief Financial Officer and Corporate Secretary of the Purchaser.

1.9 Schedules

The following Schedules are annexed to this Agreement and are incorporated by reference into this Agreement and form a part hereof:

Schedule “A”	Shareholders of the Corporation
Schedule “B”	Silver Rock Property
Schedule “C”	Silver Rock Option Agreement
Schedule “D”	Bellehelen Property
Schedule “E”	Bellehelen Option Agreement
Schedule “F”	Draft Annual Financial Statements of the Corporation
Schedule “G”	Assets of the Corporation/Material Contracts of the Corporation
Schedule “H”	Amalgamation Application
Schedule “I”	Articles of Amalco
Schedule “J”	Corporation Amalgamation Resolution

ARTICLE 2

AMALGAMATION

2.1 Statement of General Intent. This Agreement and the Amalgamation are intended, subject to the terms and conditions hereof, to result in the Amalgamation to form Amalco; the issuance of Consideration Shares to the shareholders of the Corporation (the “**Corporation Shareholders**”) in exchange for their Corporation Shares outstanding at the Effective Time on a two-for-one basis; and Amalco becoming a wholly-owned subsidiary of Purchaser. To this end, each of Purchaser, Purchaser Subco and Corporation agrees to act in good faith and use all commercially reasonable efforts to take and do, or cause to be taken and done, all acts and other things necessary, proper or advisable to obtain all necessary approvals to complete the Amalgamation and Closing in accordance with the terms and conditions hereof and applicable laws, and to cooperate with each other in connection therewith.

2.2 Structure of Amalgamation. Upon and subject to the terms and conditions hereof, the Amalgamating Companies hereby agree to effect the Amalgamation under Division 3 of Part 9 of

the BCBCA and to continue as one corporation subsequent to the Amalgamation on the terms and conditions prescribed herein. At the Effective Time:

- (a) the Amalgamating Companies shall be amalgamated under the BCBCA and shall continue as one corporation subsequent to the Amalgamation on the terms and conditions prescribed in this Agreement, and in connection therewith:
 - (i) the Amalgamation of the Amalgamating Companies and their continuation as one company shall become irrevocable;
 - (ii) the Amalgamation Application that will be filed with the Registrar, shall be as set forth in Schedule "H" attached hereto;
 - (iii) Amalco shall have, as its Notice of Articles, the Notice of Articles contained in the Amalgamation Application;
 - (iv) Amalco shall have, as its Articles, the Articles attached hereto as Schedule "I", provided that those Articles have been signed by one or more of the individuals identified in this Agreement as the directors of Amalco;
 - (v) Amalco shall become capable immediately of exercising the functions of an incorporated company;
 - (vi) the shareholders of Amalco shall have the powers and liability provided in the BCBCA;
 - (vii) each shareholder of each of the Amalgamating Companies is bound by this Agreement;
 - (viii) the property, rights and interests of each of the Amalgamating Companies shall continue to be the property, rights and interests of Amalco;
 - (ix) Amalco shall continue to be liable for the obligations of each of the Amalgamating Companies;
 - (x) an existing cause of action, claim or liability to prosecution is unaffected;
 - (xi) a legal proceeding being prosecuted or pending by or against either of the Amalgamating Companies may be prosecuted, or its prosecution may be continued, as the case may be, by or against Amalco; and
 - (xii) a conviction against, ruling, order or judgment in favour or against either of the Amalgamating Companies may be enforced by or against Amalco;
- (b) each Purchaser Subco Share issued and outstanding to Purchaser at the Effective Time shall be exchanged for one fully paid and non-assessable Amalco Share, and

thereafter all the Purchaser Subco Shares shall be cancelled without any repayment of capital in respect thereof;

- (c) each Corporation Share issued and outstanding to Corporation Shareholders at the Effective Time (including the Corporation Shares forming part of the Concurrent Offering Units), other than in respect of the Corporation Dissent Shares, shall be exchanged for two fully paid and non-assessable Consideration Shares, and thereafter all the Corporation Shares shall be cancelled without any repayment of capital in respect thereof;
- (d) as consideration for the issuance of Consideration Shares under Section 2.2(c), Purchaser shall receive two fully paid and non-assessable Amalco Shares for each Consideration Share so issued;
- (e) the stated capital of the Amalco Shares shall be equal to the aggregate “paid-up capital”, as defined in the Tax Act, of the Purchaser Subco Shares and Corporation Shares immediately prior to the Effective Time; and
- (f) each Concurrent Offering Warrant shall remain outstanding in accordance with its existing terms and shall be deemed to be amended such that, in lieu of being exercisable for one Corporation Share, be exercisable for the number of Purchaser Shares equal to the Exchange Ratio and shall have an exercise price per Purchaser Share, rounded up to the nearest whole cent, equal to the quotient obtained by dividing (a) the exercise price per Concurrent Offering Warrant immediately prior to the Closing Date by (b) the Exchange Ratio, except that the aggregate number of Corporation Shares issuable to a warrant holder on the exercise of Concurrent Offering Warrants having a common exercise date and price shall be rounded down to the nearest whole number. Purchaser shall take all necessary corporate action required to authorize and reserve, in the unissued share capital of Purchaser, Purchaser Shares issuable upon exercise of Concurrent Offering Warrants.

No fractional shares will be issued pursuant to this Agreement, and in the event that any share exchange pursuant to paragraphs (b) and (c) above results in the issuance of a fraction of a share, the number of shares to be issued will be rounded down without any compensation in lieu thereof to the next nearest whole number.

2.3 Rights of Dissent for Purchaser. Purchaser, being the sole shareholder of Purchaser Subco and having full notice and knowledge of the Dissent Rights and the details of the Amalgamation, hereby waives its Dissent Rights in respect of the Amalgamation.

2.4 Rights of Dissent for Corporation Shareholders. The Corporation Shareholders may exercise Dissent Rights in respect of the Amalgamation pursuant to, in the manner set forth in, and in strict compliance with Division 2 of Part 8 of the BCBCA. The Corporation Shareholders who

duly exercise their Dissent Rights with respect to their Corporation Shares (the "**Corporation Dissent Shares**") will:

- (a) if they are ultimately entitled to be and are paid fair value for their Corporation Dissent Shares, be deemed to have transferred their Corporation Dissent Shares to Corporation immediately prior to the Effective Time for cancellation without any repayment of capital in respect thereof and the certificates representing same shall cease to represent any right or claim of any nature or kind; or
- (b) if they are not ultimately entitled, for any reason, to be paid fair value for their Corporation Dissent Shares, be deemed to have participated in the Amalgamation on the same basis as a Corporation Shareholder who did not exercise the Dissent Rights, and shall receive Consideration Shares in exchange for their Corporation Shares on the same basis as every other Corporation Shareholder in accordance with Section 2.2(c),

always provided that in no case shall Purchaser or Amalco be required to recognize such persons as holding Corporation Shares on or after the Effective Time. Corporation shall provide prompt notice to Purchaser of any Corporation Shareholder's exercise or purported exercise of Dissent Rights.

In no circumstances shall Corporation, Purchaser or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is a registered holder of those Corporation Shares in respect of which such rights are sought to be exercised. For greater certainty, in no case shall Corporation, Purchaser or any other Person be required to recognize Dissenting Shareholders as holders of Corporation Shares after the Effective Time, and the names of such Dissenting Shareholders shall be deleted from the register of Corporation Shareholders as of the Effective Time. In addition to any other restrictions under Division 2 of Part 8 of the BCBCA and, for greater certainty, Corporation Shareholders who vote, or who have instructed a proxyholder to vote, in favour of the Amalgamation Resolution shall not be entitled to exercise Dissent Rights.

2.5 Share Certificates. After the Effective Time, the certificates formerly representing Purchaser Subco Shares and Corporation Shares (other than the Corporation Dissent Shares in respect of which Section 2.4(a) applies) shall represent the right to receive, respectively, Amalco Shares and Consideration Shares in accordance with the terms hereof, and:

- (a) the holders of the certificates representing such Purchaser Subco Shares and Corporation Shares, upon surrender of said certificates to, respectively, Amalco and Purchaser, shall receive certificates representing, respectively, the Amalco Shares

and Consideration Shares to which they are entitled pursuant to, as the case may be, Sections 2.2(b) and 2.2(c) or by operation of Section 2.4(b) hereof;

- (b) upon the surrender of certificates representing Purchaser Subco Shares and Corporation Shares under Section 2.2(a) above, such certificates shall be cancelled;
- (c) upon the issuance by Purchaser of the Consideration Shares under Section 2.2(c) hereof, Amalco shall issue to Purchaser a certificate representing the Amalco Shares to which Purchaser is entitled pursuant to Sections 2.2(b) and 2.2(d); and
- (d) the Corporation acknowledges and agrees with the Purchaser that the Consideration Shares may be subject to resale restrictions under applicable Securities Laws and TSXV policies and that the Consideration Shares will not be transferable if such Consideration Shares are subject to TSXV escrow requirements or resale restrictions, until the escrowed Consideration Shares are released from escrow,

always provided that if any certificate formerly representing Purchaser Subco Shares and Corporation Shares is not surrendered in accordance with the terms of this Section 2.5 on or prior to 4:00 p.m. (Vancouver Time) on the sixth (6th) anniversary after the Closing Date, such certificates shall cease to represent any right or claim of any nature or kind, and the Amalco Shares

and Consideration Shares issued in respect thereof pending the surrender of such certificates shall be cancelled and returned to treasury.

2.6 Initial Amalco Corporate Matters. At the Effective Time, and thereafter subject to such change as may be properly effected under the BCBCA and the Articles of Amalco, as the case may be:

- (a) **Name.** The name of Amalco shall be Excalibur Metals Operating Corp.
- (b) **Registered Office.** The registered and records office of Amalco shall be 2400 – 1055 West Georgia Street, Vancouver B.C. V6E 3P3
- (c) **First Directors.** The names and addresses of the first directors of Amalco shall be as follows:

Name	Address
Mark J. Morabito	2400 – 1055 West Georgia Street, Vancouver, B.C. V6E 3P3
Ken Engquist	2400 – 1055 West Georgia Street, Vancouver, B.C. V6E 3P3

- (d) **Authorized Capital.** The authorized capital of Amalco shall consist of an unlimited number of common shares without par value, with the rights and restrictions set out in the Articles of Amalco.
- (e) **Restrictions on Business.** There shall be no restrictions on the business that Amalco may carry on.
- (f) **Restrictions on Share Transfer.** Unless and for so long as Amalco is not a public company, no Amalco Shares may be transferred without the written consent of the

directors of Amalco, which consent may be withheld at their sole discretion and without reason therefor.

- (g) **Fiscal Year.** The fiscal year of Amalco shall be December 31.
- (h) **Auditor.** The auditor of Amalco will be the auditor of Purchaser, unless the appointment of an auditor is waived.
- (i) **Amalgamation Application.** The form of the Amalgamation Application to be filed with the Registrar in connection with the Amalgamation, including the form of Amalco's Notice of Articles, is attached hereto as Schedule "H".
- (j) **Articles.** A copy of the Articles of Amalco, signed by one or more of the individuals referred to in paragraph (c) above, is attached hereto as Schedule "I".
- (k) **Business Purpose.** Amalco shall be the legal owner and operator of the assets of Corporation, unless otherwise agreed by Amalco and Purchaser.
- (l) **Officers.** The officers of Amalco shall be determined by the directors of Amalco.

2.7 Purchaser Matters on Closing. Subject to the terms and conditions of this Agreement, at the Closing:

- (a) **Directors.** Purchaser shall reconstitute its board of directors such that the following directors will either remain as directors, or be appointed in substitution thereof, subject to Purchaser's receipt of all necessary documentation or authorizations to effect such appointments:
 - (i) Mark Morabito (to be appointed);
 - (ii) Ken Engquist (remain as a director);
 - (iii) Brian Shin (remain as a director); and
 - (iv) Charanjit Hayre (remain as a director).
- (b) **Officers.** Purchaser shall reconstitute its senior management such that all existing officers will resign and the following officers will be appointed in substitution

thereof, subject to Purchaser's receipt of all necessary documentation or authorizations to effect such appointments:

- (i) Mark Morabito - Chief Executive Officer
 - (ii) Daniel Lee - Chief Financial Officer
 - (iii) Sheila Paine - Corporate Secretary
- (c) **Name Change.** Purchaser shall change its corporate name to Excalibur Metals Corp.

2.8 The Amalgamation shall be closed (the “**Closing**”), at the offices of the Purchaser’s counsel or by virtual exchange of documents at the Effective Time on the day that is within five days following the last to occur of the (i) acceptance by the TSXV of the Amalgamation; (ii) closing of the Concurrent Offering; (iii) satisfaction or waiver by the relevant Party of the conditions to closing on the Closing Date; and (iv) receipt of the Corporation Shareholder Approval (the “**Closing Date**”) or on such other date or at such other time and place as the parties may agree.

2.9 Any cheque, document, instrument or thing which is to be delivered by any Party hereto at the Closing shall be tabled at a pre-Closing at the place of Closing referred to above by the Party which is to deliver such cheque, document, instrument or thing, and any cheque, document, instrument or thing so tabled by a Party hereto shall be held in escrow by counsel for such Party until the Effective Time and released from escrow at the Effective Time provided all cheques, documents, instruments and things which are to be delivered at the Closing are tabled in accordance with this section at the Closing.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF THE CORPORATION

3.1 The Corporation hereby represents and warrants to the Purchaser as at the date hereof and as at the Closing Date and acknowledges and confirms that the Purchaser is relying upon such representations and warranties in connection with the Closing as follows:

- (a) Organization and Qualification. Each of the Corporation and Excalibur USA are a corporation duly incorporated and validly existing under the applicable laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate or legal power and capacity to own its property and assets as now owned and to carry on its business as it is now being conducted. A true and complete copy of the constating documents of the Corporation and Excalibur USA have been provided to the Purchaser. Each of the Corporation and Excalibur USA is duly registered, licensed or otherwise authorized and qualified to do business and each is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities, makes such qualification necessary, except where the failure to be so registered or in good

standing or to have such permits would not have a Material Adverse Effect on the Corporation or Excalibur USA, as applicable.

- (b) Authority Relative to this Agreement. The Corporation has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by the Corporation as contemplated by this Agreement, and to perform its obligations hereunder and under such agreements and instruments. The execution and delivery of this Agreement by the Corporation and the performance by the Corporation of its obligations under this Agreement have been duly authorized by the Corporation Board in the manner contemplated herein, and subject to providing the Director under the BCBCA any records, information or other documents required by him in connection with the Amalgamation, no other corporate proceedings on its part are necessary to authorize this Agreement. This Agreement has been duly executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation, enforceable against the Corporation in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.
- (c) No Violation. Neither the authorization, execution and delivery of this Agreement by the Corporation nor the completion of the Amalgamation, nor the performance of its obligations herein, nor compliance by the Corporation with any of the provisions hereof will:
 - (i) result in a violation or breach of, constitute a default (or an event which, with notice or lapse of time or both, would become a default), require any consent or approval to be obtained or notice to be given under, or give rise to any third party right of termination, cancellation, suspension, acceleration, penalty or payment obligation or right to purchase or sale under, any provision of:
 - (A) its notice of articles, articles, charters or other comparable organizational documents;
 - (B) any Permit or Material Contract to which the Corporation is a party or to which it, or any of its properties or assets, may be subject or by which it is bound; or
 - (C) any laws, regulation, order, judgment or decree applicable to the Corporation or any of its respective properties or assets;
 - (ii) give rise to any rights of first refusal or trigger any change in control provisions, rights of first offer or first refusal or any similar provisions or

any restrictions or limitation under any note, bond, mortgage, indenture, Material Contract, license, franchise or Permit;

- (iii) give rise to any termination or acceleration of indebtedness, or cause any third party indebtedness to come due before its stated maturity or cause any available credit to cease to be available;
 - (iv) result in the imposition of any Encumbrance upon any of the property or assets of the Corporation or restrict, hinder, impair or limit the ability of the Corporation to conduct the Business which would reasonably be expected to have a Material Adverse Effect on the Corporation; or
 - (v) result in any material payment (including retention, severance, unemployment compensation, golden parachute, bonus or otherwise) becoming due to any director, officer or employee of the Corporation, or increase any benefit payable to such director, officer or employee by the Corporation, or result in the acceleration of the time of payment or vesting of any such benefits.
- (d) Capitalization. The authorized share capital of the Corporation consists of an unlimited number of Corporation Shares. As of the date of this Agreement, there are issued and outstanding 10,365,000 Corporation Shares. As of the date of this Agreement, none of the Corporation Shareholders are U.S. Persons. In addition, Corporation Shares are issuable pursuant to the terms of the Property Agreements. There are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by the Corporation of any securities of the Corporation (including Corporation Shares), or any securities or obligations convertible into, or exchangeable or exercisable for, or otherwise evidencing a right or obligation to acquire, any securities of the Corporation (including Corporation Shares), other than those that are proposed to be issued in connection with the Concurrent Offering. All outstanding Corporation Shares have been duly authorized and validly issued, are fully paid and non-assessable. All securities of the Corporation have been issued in compliance with all applicable laws and Securities Laws applicable in the Province of British Columbia. There are no outstanding contractual or other obligations of the Corporation or any subsidiary to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any outstanding securities of any of its subsidiaries. There are no outstanding bonds, debentures or other evidences of indebtedness of the Corporation having the right to vote with the holders of the outstanding Corporation Shares on any matters.
- (e) Ownership of Subsidiaries. Except for Excalibur USA, the Corporation does not beneficially own, or exercise control or direction over the outstanding voting shares

of any company and does not own any securities or, have any interest in any joint venture entity.

- (f) Non-reporting issuer. The Corporation is not a reporting issuer, as that term is defined by Securities Laws, there is no published market for the Corporation Shares and the number of holders of common shares in the capital of the Corporation as at the date hereof is not more than 50, exclusive of holders who (i) are in the employment of the Corporation or an affiliate of the Corporation, or (ii) were formerly in the employment of the Corporation or in the employment of an entity that was an affiliate of the Corporation at the time of that employment and who while in that employment were, and have continued after that employment to be, security holders of the Corporation.
- (g) Books and Records. The financial books, records and accounts of the Corporation: (i) have been maintained in accordance with applicable laws and IFRS; and (ii) are stated in reasonable detail and accurately and fairly reflect the material transactions, acquisitions and dispositions of the assets of the Corporation.
- (h) Minute Books. The corporate minute books of the Corporation contain minutes of all meetings and resolutions of the Corporation Board and committees thereof, and shareholders or members, as applicable, held according to applicable laws and are complete and accurate in all material respects.
- (i) No Undisclosed Liabilities. The Corporation has no outstanding indebtedness, liability or obligation (including liabilities or obligations to fund any operations or work or exploration program, to give any guarantees or for Taxes due), whether accrued, absolute, contingent or otherwise, and are not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any Person, other than those incurred in the ordinary course of business.
- (j) No Material Change. Since January 1, 2024, except as contemplated by this Agreement, or otherwise disclosed to the Purchaser:
 - (i) the Corporation has conducted its business only in the ordinary and regular course of business;
 - (ii) there has not occurred any event that constituted or with the passage of time would constitute a Material Adverse Effect in respect of the Corporation;
 - (iii) other than in the ordinary and regular course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by the Corporation of any debt for borrowed money, any creation or assumption by the Corporation of any Encumbrance or any making by the

Corporation of any loan, advance or capital contribution to or investment in any other Person;

- (iv) there has been no dividend or distribution of any kind declared, paid or made by the Corporation on any Corporation Shares;
 - (v) the Corporation has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding Corporation Shares; and
 - (vi) there has not been any material increase in or modification of the compensation payable to or to become payable by the Corporation to any of its directors, officers, employees or consultants or any grant to any such director, officer, employee or consultant of any increase in severance or termination pay or any increase or modification of any bonus, pension, insurance or benefit arrangement made to, for or with any of such directors, officers, employees or consultants.
- (k) Litigation. There is no claim, action, suit, grievance, complaint, proceeding or investigation that has been commenced or, to the knowledge of the Corporation, is threatened affecting the Corporation or affecting any of its property or assets at law or in equity before or by any Governmental Entity, including matters arising under Environmental Laws, which, individually or in the aggregate, if determined adversely to the Corporation, as the case may be, has or could reasonably be expected to result in liability to the Corporation in excess of \$100,000. Neither the Corporation nor its respective assets or properties is subject to any outstanding judgment, order, writ, injunction or decree.
- (l) Taxes.
- (i) The Corporation has filed or caused or will cause to be filed all returns required to be filed by applicable law on or before the Closing Date. All such returns are correct and complete in all material respects. The Corporation has timely paid all material Taxes that are due and payable by the Corporation, including all instalments on account of taxes for the current year that are due and payable by the Corporation whether or not assessed (or reassessed) by the appropriate Governmental Entity, and has, as applicable, timely remitted such Taxes to the appropriate Governmental Entity under applicable law. There are no Encumbrances for Taxes upon any of the assets or properties of the Corporation.
 - (ii) There is no material dispute or claim, including any audit, investigation or examination by any Governmental Entity, actual, pending or, to the knowledge of the Corporation, threatened, concerning any Tax liability of the Corporation, no written notice of such an audit, investigation,

examination, material dispute or claim has been received by the Corporation.

- (iii) The Corporation has not requested, or entered into any agreement or other arrangement, or executed any waiver providing for, any extension of time within which:
 - (A) to file any return (which has not since been filed) in respect of any Taxes for which the Corporation is or may be liable;
 - (B) to file any elections, designations or similar filings relating to Taxes (which have not since been filed) for which the Corporation is or may be liable;
 - (C) the Corporation is required to pay or remit any Taxes or amounts on account of Taxes (which have not since been paid or remitted); or
 - (D) any Governmental Entity may assess or collect Taxes for which the Corporation is liable.
- (iv) The Corporation has duly and timely deducted, collected or withheld from any amount paid or credited by it to or for the account or benefit of any Person and has duly and timely remitted the same (or is properly holding for such remittance) to the appropriate Governmental Entity all Taxes and amounts it is required by applicable law to so deduct or collect and remit.
- (v) The Corporation has not acquired property or services from, or disposed of property or provided services to, any Person with whom it does not deal at arm's length, within the meaning of the Tax Act, for an amount that is other than the fair market value of such property or services.
- (vi) No claim has ever been made by any Governmental Entity in a jurisdiction where the Corporation does not file returns that the Corporation is or may be subject to Taxes or is required to file returns in that jurisdiction.
- (vii) There are no rulings or closing agreements relating to the Corporation which could affect the Corporation's liability for Taxes for any taxable period after the Closing Date other than rulings of general application. The Corporation has not requested an advance tax ruling from the Canada Revenue Agency or comparable rulings from other taxing authorities.

(m) Property.

- (i) the Silver Rock Option Agreement is a valid and subsisting agreement in full force and effect, enforceable in accordance with its respective terms, and the Corporation is not in material default of any of the provisions of

such agreement nor has any default been alleged and the completion of the Amalgamation will not have a Material Adverse Effect on the Corporation's right, title and interest in and to the Silver Rock Property in accordance with the terms of the Silver Rock Option Agreement;

- (ii) the mineral claims comprising the Silver Rock Property, as set out in Schedule "B" hereto, are valid and subsisting and have been properly located and recorded in compliance with applicable laws;
- (iii) the Bellehelen Option Agreement is a valid and subsisting agreement in full force and effect, enforceable in accordance with its respective terms, and the Corporation is not in material default of any of the provisions of such agreement nor has any default been alleged and the completion of the Amalgamation will not have a material adverse effect on the Corporation's right, title and interest in and to the Bellehelen Property in accordance with the terms of the Bellehelen Option Agreement;
- (iv) the mineral claims comprising the Bellehelen Property, as set out in Schedule "D" hereto, are valid and subsisting and have been properly located and recorded in compliance with applicable laws;
- (v) the Property Agreements describe all mineral interests, mining concessions, mining tenements or other mineral rights owned by or subject to any license, option or similar agreement in favour of the Corporation that are material to the Corporation's business. The Corporation does not hold licenses or have any other material interest in any mineral interests, mining concessions, mining tenements or other mineral rights other than those described in the Property Agreements;
- (vi) the Silver Rock Property, Bellehelen Property, together with other governmental approvals required as disclosed to the Purchaser, comprise the only material mining concessions, unpatented claims, leases, licenses, permits or other rights that are required to authorize and enable the Corporation to conduct the activities as currently conducted;
- (vii) applying customary standards in the mining industry,
 - (A) the Property is in good standing with the applicable Governmental Entities;
 - (B) to the knowledge of the Corporation, any and all Taxes and other payments required to be paid by the date hereof in respect of the

Property and all rental payments required to be paid by the date hereof in respect of the Property have been paid;

- (C) to the knowledge of the Corporation, any and all filings required to be filed by the date hereof in respect of the Property have been filed;
- (D) the Corporation has the right to deal with the Property subject to the terms of the Property Agreements, to the paramount title of the United States of America, and to the statutory rights of third parties to use the surface of such claims; and
- (E) the Corporation has not received any notice, whether written or oral from any Governmental Entity or any Person with jurisdiction or applicable authority of any revocation or intention to revoke the Corporation's interest in the Property.

Notwithstanding the foregoing, the Corporation makes no representation or warranty of any kind as to whether any of the Properties contains a discovery of valuable minerals.

(n) Permits.

- (i) To the knowledge of the Corporation, the Corporation has obtained and is in material compliance with all material Permits required by applicable laws, necessary to conduct its Business as now being conducted; and
- (ii) to the knowledge of the Corporation, there are no facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in material compliance with such material Permits as are necessary to conduct the Business.

(o) Assets. The Corporation is the beneficial owner of its Assets or interests therein and any and all agreements pursuant to which the Corporation holds any such interest in its Assets are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms, and the Corporation is not in material default of any of the provisions of any such agreement nor has any default been alleged.

(p) Anti-Bribery Laws. The Corporation nor to the knowledge of the Corporation, any director, officer, employee, consultant, representative or agent of the foregoing, has (i) violated any anti-bribery or anti-corruption laws applicable including but not limited to the *U.S. Foreign Corrupt Practices Act* and Canada's *Corruption of Foreign Public Officials Act*, or (ii) offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, that goes beyond what is reasonable and customary and/or of modest value: (X) to any government official, whether directly or through

any other person, for the purpose of influencing any act or decision of a government official in his or her official capacity; inducing a government official to do or omit to do any act in violation of his or her lawful duties; securing any improper advantage; inducing a government official to influence or affect any act or decision of any Governmental Authority; or (Y) to any person, in a manner which would constitute or have the purpose or effect of public or commercial bribery, or the acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage.

- (q) Material Contracts. Each Material Contract of the Corporation, including the Property Agreements, is set out in Schedule “G” hereto and is a legal, valid and binding obligation of the Corporation, enforceable against the Corporation in accordance with its terms and neither the Corporation nor any other party to a Material Contract is in material default thereunder.
- (r) Environmental Matters.
 - (i) the Corporation has carried on its Business and operations in compliance with all applicable Environmental Laws and all terms and conditions of all Environmental Permits;
 - (ii) the Corporation has not received any order, request or notice from any Person alleging a material violation of any Environmental Law;
 - (iii) the Corporation (i) is not a party to any litigation or administrative proceeding, nor is any litigation or administrative proceeding threatened against it or its property or assets, which in either case (1) asserts or alleges that it violated any Environmental Laws, (2) asserts or alleges that it is required to clean up, remove or take remedial or other response action due to the Release of any Hazardous Substances, or (3) asserts or alleges that it is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arises out of or is related to the Release of any Hazardous Substances, and (ii) is not subject to any judgment, decree, order or citation related to or arising out of applicable Environmental Law and has not been named or listed as a potentially responsible party by any Governmental Entity in a matter arising under any Environmental Laws; and
 - (iv) is not involved in remediation operations and does not know of any facts, circumstances or conditions, including any release of Hazardous Substance, that would reasonably be expected to result in any Environmental Liabilities.
- (s) Compliance with Laws. The Corporation has complied with and is not in violation of any applicable laws, other than non-compliance or violations which would not, individually or in the aggregate, have a Material Adverse Effect on the Corporation

and it has not received any written notices or other correspondence from any Governmental Entity regarding any circumstances that have existed or currently exist which would lead to a loss, suspension, or modification of, or a refusal to issue, any material license, permit, authorization, approval, registration or consent of a Governmental Entity relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of the Corporation to operate its Business in a manner which would have a Material Adverse Effect on the Corporation.

(t) Employment Matters.

(i) The Corporation is not:

- (A) a party to any written or oral agreement, arrangement, plan, obligation, policy or understanding providing for severance or termination payments or change of control payments to, or any employment or consulting agreement with, any director or officer of the Corporation;
- (B) a party to any collective bargaining agreement nor, to the knowledge of the Corporation, subject to any application for certification or threatened or apparent union-organizing campaigns for employees not covered under a collective bargaining agreement nor are there any current, or to the knowledge of the Corporation, pending or threatened strikes or lockouts at the Corporation; and
- (C) subject to any claim for wrongful dismissal, constructive dismissal or any other tort claim, actual or, to the knowledge of the Corporation, threatened, or any litigation, actual or, to the knowledge of the Corporation, threatened, relating to its employees or independent contractors (including any termination of such individuals).

(ii) The Corporation has been and is now in compliance, in all material respects, with all applicable laws with respect to employment and labour and there are no current, or, to the knowledge of the Corporation, pending or threatened proceedings before any Governmental Entity with respect to any of the areas listed herein.

(iii) The Corporation has not and is not subject to any present or future obligation or liability under, any pension plan, deferred compensation plan, retirement income plan, stock option or stock purchase plan, profit sharing plan, bonus plan, employee benefit plan or policy, employee group

insurance plan, program policy or practice, formal or informal, with respect to its employees.

- (u) Related Party Transactions. With the exception of any contracts disclosed to the Purchaser, there are no contracts or other transactions currently in place between the Corporation, and: (i) any officer or director of the Corporation; (ii) any holder of record or, to the knowledge of the Corporation, beneficial owner of 10% or more of the Corporation Shares; and (iii) any affiliate or associate of any such, officer, director, holder of record or beneficial owner, on the other hand.
- (v) Expropriation. No part of the property or assets of the Corporation has been taken, condemned or expropriated by any Governmental Entity nor has any written notice or proceeding in respect thereof been given or commenced nor does the Corporation know of any intent or proposal to give such notice or commence any such proceedings.
- (w) Rights of Other Persons. Except in respect of the Purchaser's interest in the Property, no Person has any right of first refusal or option to purchase or any other right of participation in any of the properties or assets owned by the Corporation or any part thereof.
- (x) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, constitutional ruling, order or decree binding upon the Corporation that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing any business practice of the Corporation, any acquisition or disposition of property by the Corporation, or the conduct of the business by the Corporation as currently conducted, which could reasonably be expected to have a Material Adverse Effect on the Corporation.
- (y) Brokers. Other than in connection with the Concurrent Offering, no broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of the Corporation.
- (z) The Corporation Financial Statements. The Corporation's draft financial statements as at and for the fiscal years ended December 31, 2023 and December 31, 2022 (including the notes thereto and related management's discussion and analysis (collectively, the "**Purchaser Financial Statements**") attached as Schedule "F" to this Agreement were prepared in accordance with IFRS, consistently applied (except as otherwise indicated in such financial statements and the notes thereto or in the related report of the Purchaser's independent auditors) and present fairly in all material respects the consolidated financial condition, results of operations and changes in financial position of the Corporation and its subsidiaries as of the dates thereof and for the periods indicated therein and reflect

reserves required by IFRS, as applicable, in respect of all material contingent liabilities, if any, of the Corporation and its subsidiaries on a consolidated basis.

- (aa) Information. The information in the Filing Statement relating to the Corporation and Excalibur USA will be true, correct and complete in all material respects and will not contain any untrue statement of any material fact, nor omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading in light of the context in which they are to be made.

3.2 The representations and warranties of the Corporation contained in this Agreement shall survive the execution and delivery of this Agreement and shall expire and be terminated on the earlier of the Closing Time and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

4.1 The Purchaser represents and warrants to the Corporation as follows as at the date hereof and as at the Closing Date and acknowledges that the Corporation is relying upon such representations and warranties in connection with the Closing:

- (a) Authority Relative to this Agreement. The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by the Purchaser and the performance by the Purchaser of its obligations hereunder have been duly authorized by its board of directors and no other corporate proceedings on its part are necessary to authorize this Agreement or the Amalgamation. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.
- (b) Organization and Qualification. The Purchaser is a corporation duly incorporated and validly existing under the applicable laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate or legal power and capacity to own its property and assets as now owned and to carry on its business as it is now being conducted. The Purchaser (a) has all Permits necessary to conduct its business substantially as now conducted, and (b) is duly registered, licensed or otherwise authorized and qualified to do business and each is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary,

except where the failure to be so registered or in good standing or to have such Permits would not have a Material Adverse Effect on the Purchaser.

- (c) No Material Change. Since July 1, 2023, except as disclosed in the Purchaser Public Disclosure Record:
- (i) the Purchaser has conducted its business only in the ordinary and regular course of business;
 - (ii) there has not occurred any event that constituted or with the passage of time would constitute a Material Adverse Effect in respect of the Purchaser;
 - (iii) the Purchaser has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding Purchaser Shares;
 - (iv) the Purchaser has not effected any material change in its accounting methods, principles or practices;
 - (v) there has been no dividend or distribution of any kind declared, paid or made by the Purchaser on any the Purchaser Shares;
 - (vi) there has not occurred any event that constituted or with the passage of time would constitute a Material Adverse Effect in respect of the Purchaser and its subsidiaries taken as a whole;
 - (vii) the business and property of the Purchaser and its subsidiaries conform in all material respects to the description thereof contained in the Purchaser Public Disclosure Record and there has not been any acquisition or sale by the Purchaser or any of its subsidiaries of any material property or assets; and
 - (viii) other than in the ordinary and regular course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by the Purchaser of any debt for borrowed money, any creation or assumption by the Purchaser of any Encumbrance or any making by the Purchaser or any of its subsidiaries of any loan, advance or capital contribution to or investment in any other Person.
- (d) No Violations. Neither the authorization, execution and delivery of this Agreement by the Purchaser nor the completion of the transactions contemplated by the Agreement or the Amalgamation, nor the performance of its obligations thereunder, nor compliance by the Purchaser with any of the provisions hereof will:
- (i) result in a violation or breach of, constitute a default (or an event which, with notice or lapse of time or both, would become a default), require any

consent or approval to be obtained or notice to be given under, or give rise to any third party right of termination, cancellation, suspension, acceleration, penalty or payment obligation or right to purchase or sale under, any provision of: (A) the notice of articles, articles of incorporation, or other constating documents of the Purchaser or any of its subsidiaries, (B) any Permit or material contract to which the Purchaser or any of its subsidiaries is a party or to which any of them, or any of their respective properties or assets, may be subject or by which the Purchaser or any of its subsidiaries is bound, or (C) any law, regulation, order, judgment or decree applicable to the Purchaser or any of its subsidiaries or any of their respective properties or assets.

- (ii) give rise to any rights of first refusal or trigger any change in control provisions, rights of first offer or first refusal or any similar provisions or any restrictions or limitation under any note, bond, mortgage, indenture, material contract, license, franchise or Permit to which the Purchaser or any of its subsidiaries is a party;
- (iii) give rise to any termination or acceleration of indebtedness, or cause any third party indebtedness to come due before its stated maturity or cause any available credit to cease to be available; or
- (iv) result in the imposition of any Encumbrance upon any of the property or assets of the Purchaser or any of its subsidiaries or restrict, hinder, impair or limit the ability of the Purchaser or any of its subsidiaries to conduct the business of the Purchaser or such subsidiary as and where it is now being conducted which would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Purchaser.

No consents, approvals and notices required from any third party under any material contracts of the Purchaser or any of its subsidiaries in order for the Purchaser to proceed with the execution and delivery of this Agreement and the completion of the Amalgamation.

- (e) Capitalization. The authorized share capital of the Purchaser consists of an unlimited number of Purchaser Shares. As of the date of this Agreement, 6,388,000 Purchaser Shares were issued and outstanding, an aggregate of up to 637,000 Purchaser Shares were issuable upon the exercise of the Purchaser Options and an aggregate of up to 241,440 Purchaser Shares were issuable upon the exercise of the Purchaser Warrants, and, except for such Purchaser Options and Purchaser Warrants, as of the date hereof, there are no options, warrants, conversion privileges or other rights, shareholder rights plans, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by the Purchaser of any securities of the Purchaser (including the Purchaser Shares), or any securities or obligations convertible into, or exchangeable or exercisable for, or otherwise evidencing a right

or obligation to acquire, any securities of the Purchaser (including the Purchaser Shares) or subsidiaries of the Purchaser. All outstanding the Purchaser Shares have been duly authorized and validly issued, are fully paid and non-assessable, and all the Purchaser Shares issuable upon the exercise of the Purchaser Options and Purchaser Warrants in accordance with their respective terms have been duly authorized and, upon issuance, will be validly issued as fully paid and non-assessable, and are not and will not be subject to, or issued in violation of, any pre-emptive rights.

- (f) Reporting Status and Securities Laws Matters. The Purchaser is a “reporting issuer” and not on the list of reporting issuers in default under applicable Canadian provincial Securities Laws applicable in the Provinces of British Columbia, Alberta and Ontario. The Purchaser Shares are listed on, and the Purchaser is in material compliance with the rules and policies of, the TSXV as a capital pool company. No delisting, suspension of trading in or cease trading order with respect to any securities of the Purchaser and, to the knowledge of the Purchaser, no inquiry or investigation (formal or informal) of any Securities Authority (including, for purposes of this paragraph, any similar authority in the United States) or the TSXV, is in effect or ongoing or, to the knowledge of the Purchaser, expected to be implemented or undertaken.
- (g) Public Filings. The Purchaser has filed all documents required to be filed by it in accordance with applicable Securities Laws with the Securities Authorities or the TSXV. All such documents and information comprising the Purchaser Public Disclosure Record, as of their respective dates (and the dates of any amendments thereto), (1) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, and (2) complied in all material respects with the requirements of applicable Securities Laws, and any amendments to the Purchaser Public Disclosure Record required to be made have been filed on a timely basis with the Securities Authorities or the TSXV. The Purchaser has not filed any confidential material change report with any Securities Authorities that at the date of this Agreement remains confidential. There has been no change in a material fact or a material change (as those terms are defined under the Securities Act) in any of the information contained in the Purchaser Public Disclosure Record, except for changes in material facts or material changes that are reflected in a subsequently filed document included in the Purchaser Public Disclosure Record.
- (h) The Purchaser Financial Statements. The Purchaser’s audited consolidated financial statements as at and for the fiscal years ended June 30, 2023 and June 30, 2022 (including the notes thereto and related management’s discussion and analysis (the “**Purchaser MD&A**”) and the Purchaser’s unaudited consolidated financial statements as at and for the nine months ended March 31, 2024 (collectively, the “**Purchaser Financial Statements**”) were prepared in accordance with IFRS, consistently applied (except as otherwise indicated in such financial statements and

the notes thereto or in the related report of the Purchaser's independent auditors) and present fairly in all material respects the consolidated financial condition, results of operations and changes in financial position of the Purchaser and its subsidiaries as of the dates thereof and for the periods indicated therein and reflect reserves required by IFRS, as applicable, in respect of all material contingent liabilities, if any, of the Purchaser and its subsidiaries on a consolidated basis.

- (i) No Undisclosed Liabilities. The Purchaser has no outstanding indebtedness, liability or obligation (including liabilities or obligations to fund any operations or work or exploration program, to give any guarantees or for Taxes), whether accrued, absolute, contingent or otherwise, and are not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any Person, other than those specifically disclosed in the Purchaser Public Disclosure Record filed prior to the date of this Agreement, specifically identified in the Purchaser Financial Statements, or incurred in the ordinary course of business since the date of the most recent financial statements of the Purchaser Financial Statements.
- (j) Litigation. There are no material claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of the Purchaser, threatened affecting the Purchaser or affecting any of its respective property or assets at law or in equity before or by any Governmental Entity, including matters arising under Environmental Laws. Neither the Purchaser nor its assets or properties is subject to any outstanding material judgment, order, writ, injunction or decree.
- (k) Taxes.
 - (i) The Purchaser has filed or caused or will cause to be filed all returns required to be filed by applicable law on or before the Closing Date. All such returns are correct and complete in all material respects. The Purchaser has timely paid all material Taxes that are due and payable by the Purchaser, including all instalments on account of taxes for the current year that are due and payable by the Purchaser whether or not assessed (or reassessed) by the appropriate Governmental Entity, and has, as applicable, timely remitted such Taxes to the appropriate Governmental Entity under applicable law. There are no Encumbrances for Taxes upon any of the assets or properties of the Purchaser.
 - (ii) There is no material dispute or claim, including any audit, investigation or examination by any Governmental Entity, actual, pending or, to the knowledge of the Purchaser, threatened, concerning any Tax liability of

the Purchaser, no written notice of such an audit, investigation, examination, material dispute or claim has been received by the Purchaser.

- (iii) The Purchaser has not requested, or entered into any agreement or other arrangement, or executed any waiver providing for, any extension of time within which:
 - (A) to file any return (which has not since been filed) in respect of any Taxes for which the Purchaser is or may be liable;
 - (B) to file any elections, designations or similar filings relating to Taxes (which have not since been filed) for which the Purchaser is or may be liable;
 - (C) the Purchaser is required to pay or remit any Taxes or amounts on account of Taxes (which have not since been paid or remitted); or
 - (D) any Governmental Entity may assess or collect Taxes for which the Purchaser is liable.
- (iv) The Purchaser has duly and timely deducted, collected or withheld from any amount paid or credited by it to or for the account or benefit of any Person and has duly and timely remitted the same (or is properly holding for such remittance) to the appropriate Governmental Entity all Taxes and amounts it is required by applicable law to so deduct or collect and remit.
- (v) The Purchaser has not acquired property or services from, or disposed of property or provided services to, any Person with whom it does not deal at arm's length, within the meaning of the Tax Act, for an amount that is other than the fair market value of such property or services.
- (vi) No claim has ever been made by any Governmental Entity in a jurisdiction where the Purchaser does not file returns that the Purchaser is or may be subject to Taxes or is required to file returns in that jurisdiction.
- (vii) There are no rulings or closing agreements relating to the Purchaser which could affect the Purchaser's liability for Taxes for any taxable period after the Closing Date. The Purchaser has not requested an advance tax ruling

from the Canada Revenue Agency or comparable rulings from other taxing authorities.

(l) Permits.

- (i) The Purchaser has obtained and is in material compliance with all material Permits required by applicable laws, necessary to conduct its current business as now being conducted.
- (ii) There are no facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in material compliance with such material Permits as are necessary to conduct the business of the Purchaser and each of its subsidiaries as it is currently being conducted as set forth in the Purchaser Public Disclosure Documents.

(m) Issuance of the Purchaser Shares. The Consideration Shares will, when issued pursuant to the Amalgamation, be duly and validly issued as fully paid and non-assessable common shares in the capital of the Purchaser.

(n) Expropriation. No part of the property or assets of the Purchaser or any of its material subsidiaries has been taken, condemned or expropriated by any Governmental Entity nor has any written notice or proceeding in respect thereof been given or commenced nor does the Purchaser or any of its material subsidiaries know of any intent or proposal to give such notice or commence any such proceedings.

(o) Rights of Other Persons. No Person has any right of first refusal or option to purchase or any other right of participation in any of the material properties or assets owned by the Purchaser, or any part thereof, except as disclosed in the Purchaser Financial Statements.

(p) Compliance with Laws. The Purchaser has complied with and is not in violation of any applicable laws, other than non-compliance or violations which would not, individually or in the aggregate, have a Material Adverse Effect on the Purchaser and has not received any written notices or other correspondence from any Governmental Entity regarding any circumstances that have existed or currently exist which would lead to a loss, suspension, or modification of, or a refusal to issue, any material license, permit, authorization, approval, registration or consent of a Governmental Entity relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of the Purchaser to operate its businesses in a manner which would have a Material Adverse Effect on the Purchaser.

(q) Related Party Transactions. With the exception of any contracts related to the Purchaser Options and the Purchaser Warrants, and as set forth in the Purchaser Public Disclosure Record, there are no contracts or other transactions currently in

place between the Purchaser or its subsidiaries, on the one hand, and: (i) any officer or director of the Purchaser or its subsidiaries; (ii) any holder of record or, to the knowledge of the Purchaser, beneficial owner of 10% or more of the Purchaser Shares; and (iii) any affiliate or associate of any such, officer, director, holder of record or beneficial owner, on the other hand.

- (r) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, constitutional ruling, order or decree binding upon the Purchaser or its subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing any business practice of any of them, any acquisition or disposition of property by any of them, or the conduct of the business by any of them as currently conducted, which could reasonably be expected to have a Material Adverse Effect on the Purchaser.
- (s) Data Provided. To the knowledge of the Purchaser, the Confidential Information (as defined in the Confidentiality Agreement) provided by or on behalf of the Purchaser to the Corporation and its Representatives is true and accurate in all material respects.
- (t) No Cease Trade. The Purchaser is not subject to any cease trade or other order of any applicable Securities Authority and, to the knowledge of the Purchaser, no investigation or other proceedings involving the Purchaser which may operate to prevent or restrict trading of any securities of the Purchaser are currently in progress or pending before any applicable Securities Authority.
- (u) United States Securities Laws. The Purchaser is not registered, and is not required to be registered as, an “investment company” under the United States Investment Company Act of 1940, as amended.

4.2 The representations and warranties of the Purchaser contained in this Agreement shall not survive the completion of the Amalgamation and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms. Any investigation by the Corporation and its Representatives shall not mitigate, diminish or affect the representations and warranties of the Purchaser pursuant to this Agreement.

ARTICLE 5

MUTUAL CONDITIONS PRECEDENT

5.1 The respective obligations of the Purchaser and the Corporation to complete the Amalgamation are subject to the fulfillment prior to or at the Closing of each of the following conditions:

- (a) the TSXV shall have conditionally approved the Amalgamation and shall have conditionally approved the listing of the Consideration Shares and any Purchaser

Shares issuable upon the exercise of the Concurrent Offering Warrants, subject only to compliance with the usual requirements of such exchange;

- (b) if required by the TSXV, the shareholders of the Purchaser shall have approved the Amalgamation;
- (c) the Corporation Amalgamation Resolution shall have been approved and adopted by the Corporation Shareholders;
- (d) on or before the Closing Date, there shall have been obtained all regulatory approvals (including the TSXV) and all third party consents (including the Property Agreements) as may be required to complete the Amalgamation, if any, in form and terms satisfactory to the Purchaser and the Corporation, each acting reasonably, unless otherwise provided for between the parties, or if a failure to obtain such approvals or consents would not have a Material Adverse Effect on the Purchaser or the Corporation or materially impede the completion of the Amalgamation;
- (e) to obtain all necessary consents, assignments, waivers and amendments to or terminations of any agreements (including the Property Agreements) and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated hereby;
- (f) the Concurrent Offering shall have been completed for minimum gross proceeds of \$2,000,000; and
- (g) holders of no more than 5% of the Corporation Shares shall have exercised Dissent Rights.

The conditions precedent in this Article 5 are for the mutual benefit of the Purchaser and the Corporation and may be waived, in whole or in part, at any time if waived by both the Purchaser and the Corporation, such waiver being without prejudice to any other right that any Party may have. In case any of the foregoing conditions cannot be fulfilled on or before the Closing Date to the satisfaction of the Purchaser and the Corporation, any of the Purchaser and the Corporation may rescind this Agreement by notice to the other Party and in such event each of the Corporation and the Purchaser shall be released from all obligations hereunder.

ARTICLE 6

CONDITIONS PRECEDENT TO PURCHASER'S OBLIGATIONS

6.1 All obligations of the Purchaser to complete the transactions contemplated under this Agreement are subject to the fulfillment prior to or at the Closing of each of the following conditions:

- (a) the representations and warranties made by the Corporation under this Agreement shall be true in all material respects as of the Effective Time (any breach of a representation or warranty shall be determined without reference to any materiality qualifier with respect thereto) and the Corporation shall deliver a certificate signed

by a senior officer, dated the Closing Date in the form satisfactory to counsel to the Purchaser confirming this and confirming such other matters as may be reasonably requested by counsel to the Purchaser;

- (b) no action, suit or proceeding shall have been instituted and be continuing by any Person to restrain, modify or prevent the consummation of the Amalgamation as contemplated by this Agreement, or to seek damages against the Corporation in connection with such Amalgamation, or that has been or is reasonably likely to have a material adverse affect on the ability of any Party hereto to fully consummate the Amalgamation as contemplated by this Agreement;
- (c) no action shall have been taken by any court or governmental body prohibiting or making illegal the execution and delivery of this Agreement or any transaction contemplated by this Agreement;
- (d) no change, fact or circumstance shall have occurred in the affairs, operations, business or financial condition of the Corporation that the directors of the Purchaser determine, in their sole discretion, to have a Material Adverse Effect on such Party in proceeding with the Amalgamation and except as is disclosed in this Agreement; and
- (e) following the execution of this Agreement, the Corporation shall cause the preparation of a National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* compliant technical report (the “**Technical Report**”) on the Bellehelen Property, and shall deliver to the Purchaser, the completed Technical Report, on or before Closing and such Technical Report must be approved by the TSXV.

In case any of the foregoing conditions cannot be fulfilled on or before the Closing Date to the satisfaction of the Purchaser, the Purchaser may rescind this Agreement by notice to the Corporation and in such event each of the Purchaser and the Corporation shall be released from all obligations hereunder; provided, however, that any such conditions may be waived in whole or in part by the Purchaser without prejudice to its rights of rescission in the event of the non-fulfillment of any other condition or conditions, and that the Closing of the Amalgamation as contemplated by the Agreement shall be deemed to be a waiver of any unfulfilled conditions.

ARTICLE 7

CONDITIONS PRECEDENT TO THE CORPORATION'S OBLIGATIONS

7.1 The obligations of the Corporation to complete the transactions contemplated herein are subject to the fulfilment prior to or at the Closing of each of the following conditions:

- (a) the representations and warranties made by the Purchaser under this Agreement shall be true in all material respects as of the Effective Time (any breach of a representation or warranty shall be determined without reference to any materiality qualifier with respect thereto) and the Purchaser shall deliver to the Corporation a

certificate signed by a senior officer, dated the Closing Date in the form satisfactory to counsel to the Corporation confirming this and such other matters as may reasonably requested by counsel to the Corporation;

- (b) the Purchaser shall have complied with all covenants and agreements herein agreed to be performed or caused to be performed by it;
- (c) no action, suit or proceeding shall have been instituted and be continuing by any Person to restrain, modify or prevent the consummation of the Amalgamation as contemplated by this Agreement, or to seek damages against the Purchaser in connection with such Amalgamation, or that has been or is reasonably likely to have a Material Adverse Effect on such Party to fully consummate the Amalgamation as contemplated by this Agreement;
- (d) the Purchaser Options exercisable for an aggregate of up to 637,000 Purchaser Shares shall expire 90 days after the applicable directors and/or officers of the Purchaser resigned;
- (e) the Purchaser shall deliver to the Corporation Shareholders certificates, in form reasonably satisfactory to counsel to the Vendors, representing the Consideration Shares to be issued in accordance with Section 2.5 hereto registered in the names of the Corporation Shareholders.

In case any of the foregoing conditions cannot be fulfilled on or before the Closing Date to the satisfaction of the Vendors, the Corporation may rescind this Agreement by notice to the Purchaser and in such event each of the Corporation and the Purchaser shall be released from all obligations hereunder, provided, however, that any such conditions may be waived in whole or in part by the Corporation without prejudice to its rights of rescission in the event of the non- fulfilment of any other condition or conditions, and that the Closing of the Amalgamation as contemplated by the Agreement shall be deemed to be a waiver of any unfulfilled conditions.

ARTICLE 8

COVENANTS OF THE CORPORATION

8.1 The Corporation agrees that during the period commencing on the date of this Agreement and continuing until Closing or the earlier termination of this Agreement, the Corporation shall ensure that the Corporation:

- (a) will carry on its business in, and only in, the ordinary course in substantially the same manner as heretofore conducted;
- (b) will not declare any dividends on or make any other distributions in respect of its outstanding shares and it will not amend its articles or by-laws;
- (c) except in connection with the Concurrent Offering, will not issue, authorize or propose the issuance of, or purchase or propose the purchase of, any shares of its capital stock of any class or securities convertible into, or rights, warrants or options

to acquire, any such shares or other convertible securities other than those currently outstanding or upon exercise of existing convertible securities or as otherwise contemplated hereby;

- (d) will not acquire or agree to acquire by amalgamating, merging or consolidating with, purchasing substantially all of the assets of or otherwise, any business or any corporation, partnership, association or other business organization or division thereof, which acquisition would be material to the business or financial condition of the Corporation;
- (e) will not sell, lease or otherwise dispose of any of its Assets;
- (f) will use its reasonable efforts to comply promptly with all requirements which applicable law may impose on the Corporation with respect to the Amalgamation;
- (g) will not guarantee the payment of indebtedness or incur indebtedness for money borrowed or issue or sell any debt securities;
- (h) will not grant any executive officer or employee any increase in compensation or in severance or termination pay whether or not such compensation or pay is payable in cash, or enter into any employment agreement with any person;
- (i) will not enter into any Material Contracts or contracts, commitments or obligations which it cannot terminate on 30 days' notice or less without penalty except in the ordinary course of business;
- (j) will promptly advise the Purchaser orally and in writing of any Material Adverse Change of the Corporation; and
- (k) will cooperate in obtaining all necessary and desirable consents and regulatory approvals in connection with the Amalgamation including the preparation of the filing statement as required by TSXV Policy 2.4 and will ensure that the filing statement provides information in compliance in all material respects with TSXV policies.

8.2 The Corporation covenants and agrees that during the period commencing on the date of this Agreement and continuing until Closing or the earlier termination of this Agreement it will:

- (a) ensure that the financial statements of the Corporation (including the Corporation Financial Statements which must be audited) will present fairly the financial position of the Corporation as of the dates provided therein and the results of its operations and changes in financial position for the periods then ended and will be prepared in accordance with IFRS;
- (b) cooperate and provide the Purchaser and its representatives with full copies of and access to, all contracts, financial records and statements, books, records, consultant reports, laboratory test results, documents and other such information regarding its

previous businesses as they may require, as well as access to the Purchaser's auditors, technical personnel and to such premises and personnel of the Purchaser, if any, as may be reasonably requested; and

- (c) take no action that is materially inconsistent with its obligations hereunder and to the extent requested by the Purchaser, publicly support the Amalgamation.

ARTICLE 9

COVENANTS OF THE PURCHASER

9.1 The Purchaser covenants and agrees that until Closing or the earlier termination of this Agreement it will:

- (a) promptly advise the Corporation orally and in writing of any Material Adverse Change with respect to the Purchaser;
- (b) cooperate in obtaining all necessary consents and regulatory approvals in connection with the Amalgamation;
- (c) maintain its corporate status, comply with all applicable securities requirements (including any applicable filing requirements), and maintain its listing on, and continue to satisfy its obligations under the rules and policies of, the TSXV;
- (d) will take no steps that would extend the expiration date of the Purchaser Options exercisable for an aggregate of up to 637,000 Purchaser Shares;
- (e) provide the Corporation with full copies of, and access to, all contracts, financial records and statements, books, records, consultant reports, laboratory test results, documents and other such information regarding its previous businesses as they

may require, as well as access to the Purchaser's auditors and to such premises and personnel of the Purchaser, if any, as may be reasonably requested;

- (f) as soon as practicable (a) apply to the TSXV and diligently seek the approval of the TSXV to the Qualifying Transaction, and (b) deliver to the TSXV the filing statement as required by TSXV Policy 2.4; and
- (g) use its commercially reasonable best efforts to obtain TSXV approval of the Amalgamation as expeditiously as possible.

ARTICLE 10

ADDITIONAL COVENANTS

10.1 Non-Solicitation.

- (a) On and after the date hereof until the date upon which this Agreement is terminated, and except as otherwise expressly provided in this Section 10.1, the Corporation shall not, directly or indirectly, or through any of its Representatives:
 - (i) solicit, initiate, encourage or facilitate (including by way of furnishing information or entering into any form of agreement, arrangement or understanding) the initiation of any inquiries or proposals whatsoever which would constitute an Acquisition Proposal;
 - (ii) participate in any discussions or negotiations with any Person (other than the Purchaser, any of its affiliates or its or their Representatives) regarding an Acquisition Proposal;
 - (iii) approve, accept, endorse or recommend, or propose publicly to accept, approve, endorse or recommend, any Acquisition Proposal; or
 - (iv) accept or enter into or publicly propose to accept or enter into, any agreement, understanding or arrangement or other contract in respect of an Acquisition Proposal.
- (b) The Corporation shall, and shall cause its Representatives to, immediately cease and cause to be terminated any solicitation, encouragement, discussion or negotiation with any Persons (other than Purchaser and its Representatives) conducted heretofore by the Corporation or its Representatives with respect to any potential Acquisition Proposal and, in connection therewith, the Corporation will discontinue access to any of its confidential information (and not establish or allow access to any of its confidential information, or any data room, virtual or otherwise). The Corporation agrees that it shall not terminate, waive, amend or modify any provision of any existing confidentiality agreement relating to a potential Acquisition Proposal or any standstill agreement to which it is a party (it being acknowledged and agreed that the automatic termination of any standstill provisions of any such agreement as the result of the entering into and

announcement of this Agreement by the Corporation, pursuant to the express terms of any such agreement, shall not be a violation of this Section 10.1(b)) and the Corporation undertakes to enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants that it has entered into prior to the date hereof.

10.2 Notification of Acquisition Proposals. The Corporation shall promptly notify the Purchaser, at first orally and then in writing within 48 hours of receipt of any proposal, inquiry, offer or request received by the Corporation or its Representatives after the date hereof (i) relating to an Acquisition Proposal or potential Acquisition Proposal; (ii) for discussions or negotiations in respect of an Acquisition Proposal or potential Acquisition Proposal; or (iii) for non-public information relating to the Corporation, access to properties, books and records or a list of the Corporation's Shareholders. Such notice shall indicate the identity of the Person making such proposal, inquiry or request, include a copy of the Acquisition Proposal and include a copy of any other documentation received by the Corporation or its Representatives and such other details of the Acquisition Proposal known to the Corporation as the Purchaser may reasonably request.

ARTICLE 11 **TERMINATION**

11.1 This Agreement may, by notice given before or at the Closing, be terminated by:

- (a) mutual agreement of the Purchaser and the Corporation;
- (b) either the Purchaser or the Corporation upon notice to the other in the event that any condition set forth in this Agreement for their benefit is not satisfied to the satisfaction of such Party or becomes incapable of being satisfied and such Party does not waive such condition;
- (c) either the Purchaser or the Corporation, if there shall be any applicable law that makes consummation of the Amalgamation illegal or otherwise prohibited, or if any judgment, injunction, order or decree of a competent governmental entity enjoining the Purchaser or the Corporation from consummating the Amalgamation shall be entered and such judgment, injunction, order or decree shall have become final and non-appealable;
- (d) either the Purchaser or the Corporation upon notice to the other in the event that the Amalgamation is not completed before November 30, 2024, or such other date as the Purchaser and the Corporation may agree in writing;
- (e) the Corporation if:
 - (i) the Purchaser has breached any of its representations, warranties or covenants in this Agreement and such breach is not curable or if curable,

is not cured within five Business Days after notice thereof has been received by the Party alleged to be in breach;

- (ii) there shall occur after the date hereof, any change, effect, event, circumstance or fact that constitutes a Material Adverse Effect in respect of the Purchaser;

(f) by the Purchaser if:

- (i) the Corporation is in material breach or in default of any of its obligations or covenants set forth in Sections 11.1 or 11.2;
- (ii) if the Corporation has breached any of its representations, warranties or covenants in this Agreement and such breach is not curable or if curable, is not cured within five Business Days after notice thereof has been received by the Corporation; or
- (iii) there shall occur after the date hereof, any change, effect, event, circumstance or fact that constitutes a Material Adverse Effect in respect of the Corporation.

11.2 Each Party's right of termination under Section 11.1 hereto is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of such right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 11.1 hereto, all obligations of the Parties under this Agreement will terminate, except as provided under Section 11.3 hereto; provided, however, that for greater certainty if this Agreement is terminated by a Party because of the breach of the Agreement by another Party or because one or more of the conditions to the terminating Party's obligations under this Agreement is not satisfied as a result of any other Party's failure to comply with its obligations under this Agreement, the terminating Party's right to pursue all legal remedies will survive such termination unimpaired.

11.3 Expenses and Reimbursement.

- (a) All fees, costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such fees, costs or expenses, provided that if a Party terminates this Agreement pursuant to any of Sections 11.1(e)(i), 11.1(f)(i) or 11.1(f)(ii) above, all fees, costs and expenses of the terminating Party shall be paid by the other Party hereto.
- (b) Nothing in this Section 11.3 shall preclude a Party from seeking injunctive relief to restrain any breach or threatened breach of the covenants or agreements set forth in

this Agreement or otherwise to obtain specific performance of any such covenants or agreements.

ARTICLE 12

NOTICES

12.1 All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given, if delivered in person, emailed, or mailed by certified registered mail, postage prepaid:

- (a) If to the Corporation, addressed as follows:

Excalibur Metals Corp.
2400 – 1055 W. Georgia St.
Vancouver, B.C. V6E 3P3

Email: [REDACTED: Email]
Attention: Mark J. Morabito, CEO

- (b) If to the Purchaser, addressed as follows:

Victory Opportunities 1 Corp.
228 – 1122 Mainland Street
Vancouver, B.C., V6B 5L1

Email: [REDACTED: Email]
Attention: Brian Shin, CEO, CFO, Corp. Secretary and Director

or to such other address as the Party to be notified shall have furnished to the other parties in writing. Any notice given in accordance with the foregoing shall be deemed to have been given when delivered in person or on the next Business Day following the date on which it shall have been emailed or mailed.

ARTICLE 13

GENERAL

13.1 This Agreement:

- (a) shall be construed and enforced in accordance with the laws of the Province of British Columbia and the Parties attorn to the exclusive jurisdiction of the courts of the Province of British Columbia in respect of all disputes arising hereunder; and
- (b) shall enure to the benefit of and be binding upon the Purchaser and the Corporation and their respective executors, administrators, legal representatives, successors and

permitted assigns, nothing in this Agreement, express or implied, being intended to confer upon any other person any rights or remedies hereunder.

13.2 This Agreement may be amended or modified only by a written instrument executed by the parties affected thereby, or by their respective successors and permitted assigns.

13.3 This Agreement, the Schedules hereto and the documents specifically referred to herein or executed and delivered concurrently herewith or at the Closing constitute the entire agreement, understanding, representations and warranties of the parties hereto and supersede any prior agreement, understanding, representation, warranty or documents relating to the subject matter of this Agreement.

13.4 Time shall be of the essence hereof.

13.5 The Corporation represents that each Corporation Shareholder has been encouraged to obtain independent legal, tax, and investment advice with respect to this Agreement and that the Purchaser's counsel and the Corporation's counsel are not acting as counsel to any Corporation Shareholder.

13.6 Each of the Parties hereto covenants and agrees that at any time and from time to time after the Closing Date such Party will, upon the request of any other Party, do, execute, acknowledge and deliver all such further acts, documents and assurances as may be reasonably required for the better carrying out of the terms of this Agreement.

13.7 This Agreement may be executed by electronic means and in one or more counterparts, each of which shall be considered an original but all of which together shall constitute one and the same agreement.

13.8 The parties hereto agree to file in a timely manner all forms required to be filed after the Closing Date by applicable law and by the regulations and policies of all applicable securities regulatory authorities in connection with the Amalgamation.

13.9 Neither this Agreement nor any right or obligation hereunder shall be assignable by any Party hereto without the prior written consent of the other parties hereto, which consent may be arbitrarily withheld.

13.10 Until immediately after the Effective Time, all documents and information exchanged or received hereunder by the Purchaser or the Corporation and their respective auditors and solicitors

shall be treated as confidential information except as may be required by law, or regulation. Any press releases shall be subject to joint approval of the Purchaser and the Corporation.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the date first above written.

EXCALIBUR METALS CORP.

By: “Mark Morabito”
Authorized Signatory

VICTORY OPPORTUNITIES 1 CORP.

By: “Brian Shin”
Authorized Signatory

SCHEDULE “A”
SHAREHOLDERS OF CORPORATION
[REDACTED: Personal information]

SCHEDULE “B”

CONCESSIONS COMPRISING SILVER ROCK PROPERTY

Refer to Schedule “A” of the Silver Rock Option Agreement.

SCHEDULE “C”
SILVER ROCK OPTION AGREEMENT
[See Following Page]

MINERAL PROPERTY OPTION AGREEMENT

THIS AGREEMENT is dated effective February 14, 2023.

BETWEEN:

SILVER ROCK RESOURCES, INC. a company incorporated under the laws of Idaho, and having an office situated at 4881 E. Shoreline Dr., Post Falls ID 83854

(the “**Optionor**”)

AND:

IDAHO SILVER CORP. a company incorporated under the laws of British Columbia, and having an office situated at 335-1632 Dickson Ave, Kelowna, BC V1Y 7T2

(the “**Optionor Parent**”)

AND:

EXCALIBUR METAL (USA) CORP. a company incorporated under the laws of Nevada, and having an office situated at Suite 2400, 1055 West Georgia Street, Vancouver, BC, V6E 3P3

(the “**Optionee**”)

AND:

EXCALIBUR METALS CORP. a company incorporated under the laws of British Columbia, and having an office situated at Suite 2400, 1055 West Georgia Street, Vancouver, BC, V6E 3P3

(the “**Optionee Parent**”)

WHEREAS:

- (A) The Optionor is the registered and beneficial owner of 28 unpatented mining claims located in Owyhee County, Idaho, known as Silver Rock, as more particularly described on Schedule “A” hereto (the “**Property**”); and
- (B) The Optionor has agreed to grant an exclusive option to the Optionee, or its designated Affiliate (as defined herein) (an “**Optionee Assignee**”), to acquire a 90% interest in and to the Property, on the terms and conditions hereinafter set forth (the “**Option**”).

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties covenant and agree as follows:

PART 1 DEFINITIONS AND INTERPRETATION

Definitions

1.1 For the purposes of this Agreement, except as otherwise expressly provided herein, the following words and phrases will have the following meanings:

- (a) “**Act**” has the meaning set forth in Section 12.4;
- (b) “**Affiliate**” means any person, partnership, limited liability company, optionee, corporation or other form of enterprise which directly or indirectly controls, is controlled by, or is under common control with, a party. For purposes of the preceding sentence, “control” means possession, directly or indirectly, of the power to direct or cause direction of management and policies through ownership of voting securities, contract, voting trust or otherwise;
- (c) “**Agreement**” means this Mineral Property Option Agreement and the Schedules hereto;
- (d) “**After-Acquired Property**” has the meaning set forth in Section 9.1;
- (e) “**Area of Common Interest**” means the area lying within two and a half (2.5) miles of the perimeter of the Property;
- (f) “**Business Day**” means any day, other than a Saturday, a Sunday or a statutory holiday in Vancouver, British Columbia or Boise, Idaho;
- (g) “**Closing**” has the meaning set forth in Section 5.1;
- (h) “**Effective Date**” means the date of this Agreement;
- (i) “**Encumbrances**” means all interests, mortgages, charges, royalties, security interests, liens, encumbrances, actions, claims, demands and equities of any nature whatsoever or however arising and any rights or privileges capable of becoming any of the foregoing;
- (j) “**Environmental Laws**” means all applicable federal, state, municipal and local laws, statutes, ordinances, by-laws, regulations, orders, directives and decisions, rendered by any ministry, department or administrative or regulatory agency relating to pollution or protection of the environment, reclamation, public health and safety, or employee health and safety, including laws relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes into ambient air, surface water, ground water, or lands or otherwise relating to

the existence, manufacture, processing, distribution, use, treatment, storage, disposal, recycling, transport, or handling or reporting or notification to any governmental authority in the collection, storage, use, treatment or disposal of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes;

(k) **“Exploration Data”** means any map, 3D representation, drill core, sample, assay, drill logs, geological, geophysical, geochemical or other technical report and any study, design, plan and financial or other record (whether in tangible or electronic form) related to the Property;

(l) **“Exploration Expenditures”** means all costs and expenses of whatever kind or nature spent or incurred in the conduct of operations on the Property including:

- (i) in preparing for and in the application for and acquisition of environmental and other permits necessary or desirable to commence and complete exploration and development activities, including the cash amount of any bonds posted for required reclamation on the Property;
- (ii) in undertaking geochemical, geophysical, geological surveys and airborne surveys, bulk sampling, prospecting, drilling, assaying and metallurgical testing in, on or in respect of the Property, including costs of surface access, establishment of grids, assays, metallurgical testing and other tests and analyses to determine the quantity and quality of minerals, water and other materials or substances;
- (iii) in the preparation of work programs and the presentation and reporting of data and other results obtained from those work programs including any program for the preparation of a feasibility study or other evaluation of the Property;
- (iv) for environmental remediation and rehabilitation;
- (v) for keeping the Property in good standing (including Holding Costs);
- (vi) in acquiring or obtaining the use of facilities, equipment or machinery, and for all parts, supplies and consumables;
- (vii) travelling expenses of all persons engaged in work with respect to and for the benefit of the Property, including for their food, lodging and other reasonable needs;
- (viii) payments of fees, wages, salaries and fringe benefits to employees, contractors or consultants for work done, services rendered or materials supplied; and
- (ix) an amount for administration equal to 10% of all costs and expenses listed in (i) through (viii) of this definition;

- (m) **“Going Public Transaction”** means an initial public offering, reverse takeover or other transaction structure which results in the Optionee’s common shares becoming listed, or being exchanged for shares which are listed, on a recognized Canadian stock exchange;
- (n) **“Holding Costs”** means required claim maintenance fees and associated fees payable to the federal Bureau of Land Management (**“BLM”**), recording and any related fees for recording affidavits of payment of claim maintenance fees in county recorder’s offices, and all ad valorem real property taxes assessed against the Property;
- (o) **“Joint Venture”** has the meaning set forth in Section 4.5;
- (p) **“Net Smelter Returns”** has the meaning set forth in Schedule B and will be calculated in accordance with Schedule B;
- (q) **“Option”** has the meaning set forth on page one hereof;
- (r) **“Optionee”** has the meaning set forth on page one hereof;
- (s) **“Optionee Assignee”** has the meaning set forth on page one hereof;
- (t) **“Optionee Parent”** has the meaning set forth on page one hereof;
- (u) **“Optionee Parent Shares”** means common shares in the capital of Optionee Parent;
- (v) **“Optionor”** has the meaning set forth on page one hereof;
- (w) **“Optionor Parent”** has the meaning set forth on page one hereof;
- (x) **“Option Period”** means the period from the date hereof to and including the Option Termination Date;
- (y) **“Option Termination Date”** means the date that is three (3) years from the Effective Date, or four (4) years from the Effective Date if extended in accordance with Section 4.2;
- (z) **“parties”** means the Optionor and the Optionee together and **“party”** means either the Optionor or the Optionee, as the context dictates;
- (aa) **“person”** means an individual, corporation, body corporate, partnership, optionee, association, trust or unincorporated organization or a trustee, executor, administrator or other legal representative;
- (bb) **“Permitted Encumbrance”** means, with respect to the Property (a) mechanic’s, materialmen’s or similar encumbrances if payment of the secured obligation is not yet overdue or being contested in good faith by appropriate proceedings, (b) encumbrances for taxes, assessments, obligations under workers’ compensation or other social welfare

legislation or other requirements, charges or levies of any governmental authority, in each case not yet overdue or being contested in good faith by appropriate proceedings, (c) easements, servitudes, rights-of-way and other rights, exceptions, reservations, conditions, limitations, covenants and other restrictions that will not materially interfere with, materially impair or materially impede operations on the Property or the value or use of the Property, (d) encumbrances consisting of (i) rights reserved to or vested in any governmental authority to control or regulate the Property, (ii) obligations or duties to any governmental authority with respect to any permits and the rights reserved or vested in any governmental authority to terminate any such permits or to condemn or expropriate any property, and (iii) zoning or other land use or environmental laws of any governmental authority, in each case which will not materially impair or materially impede operations (or anticipated operations) on the Property or the value or use (or expected use) of the Property, and (e) encumbrances arising under this Agreement, including the Royalty;

(cc) “**Property**” has the meaning set forth in Recital (A), and for further clarity means the mineral claims described in Schedule A as they may be augmented under Part 9, and all mining leases and other mining rights and interests derived from any such claims, and a reference herein to a mineral claim comprising the Property includes any mineral leases or other interests into which such mineral claim may have converted and Property includes all Property Rights;

(dd) “**Property Rights**” means the all licenses, permits, easements, rights-of-way, certificates and other approvals obtained by any person before or after the date of this Agreement and necessary or desirable for the exploration and development of the Property, or for the purpose of the commencing or continuing commercial production;

(ee) “**Royalty**” has the meaning set forth in Section 4.5;

(ff) “**Schedules**” means the documents attached hereto as follows:

- (i) Schedule A – Mineral Claims Comprising the Property, and
- (ii) Schedule B – Royalty Agreement.

Interpretation

1.2 For the purposes of this Agreement, except as otherwise expressly provided herein:

- (a) the words “**herein**”, “**hereof**”, and “**hereunder**” and other words of similar import refer to this Agreement as a whole and not to any particular Part, clause, subclause or other subdivision or Schedule;
- (b) a reference to a Part means a Part of this Agreement and a reference to a Section means a section, paragraph or subparagraph of this Agreement so designated;

- (c) the headings are for convenience only, do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any of its provisions;
- (d) the word “**including**”, when following a general statement, term or matter, is not to be construed as limiting such general statement, term or matter to the specific items or matters set forth or to similar items or matters (whether or not qualified by non-limiting language such as “without limitation” or “but not limited to” or words of similar import) but rather as permitting the general statement or term to refer to all other items or matters that could reasonably fall within its possible scope;
- (e) where the phrase “**to the knowledge of**” or phrases of similar import are used in respect of the parties, it will be a requirement that the party in respect of who the phrase is used will have made such due inquiries as is reasonably necessary to enable such party to make the statement or disclosure;
- (f) all references to currency mean Canadian. dollars; and
- (g) words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

PART 2

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE OPTIONOR

Representations and Warranties

2.1 The Optionor and the Optionor Parent jointly and severally represent and warrant to the Optionee and Optionee Parent that:

- (a) each of them has been duly incorporated and validly exists as a corporation in good standing under the laws of its jurisdiction of incorporation and has full corporate power and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate proceedings and obtained all necessary approvals in respect thereof and, upon execution and delivery of this Agreement by it, this Agreement will constitute a legal, valid and binding obligation of Optionor and Optionor Parent enforceable against it in accordance with its terms except that:
 - (i) enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights generally;
 - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
 - (iii) a court may stay proceedings before it by virtue of equitable or statutory powers; and

- (iv) rights of indemnity and contribution hereunder may be limited under applicable law;
- (b) neither the execution of this Agreement nor the consummation of the transactions contemplated hereby conflict with, result in a breach of or accelerate the performance required by any agreement to which it is a party;
- (c) the Optionor is legally entitled to hold the Property and the Property Rights and will remain so entitled until the interest of the Optionor in the Property which is subject to the Options has been duly exercised;
- (d) the mineral claims comprising the Property have been duly and validly located and recorded pursuant to the laws of the jurisdiction in which the Property is situate and, except as specified in Schedule A and accepted by the Optionee in writing, are in good standing with respect to all filings, fees, taxes, assessments, work commitments or other conditions on the date hereof and are free and clear of all Encumbrances, except for Permitted Encumbrances;
- (e) there are not any adverse claims or challenges against or to the ownership of or title to any of the mineral claims comprising the Property, nor is there any basis therefor, and there are no outstanding agreements or options to acquire or to purchase the Property or any portion thereof, and no person has any royalty or other interest whatsoever in production from any of the mineral claims comprising the Property;
- (f) except for existing reclamation bonds pertaining to the Property, there are no outstanding orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Property and the conduct of the operations related to the Property, and it has not received any notice of the same and it has no knowledge of any basis on which any such order or direction could be made;
- (g) all work carried out, or caused to be carried out, on the Property by the Optionor has been carried out in substantial compliance with all applicable laws, including Environmental Laws, and neither Optionor nor Optionor Parent has received any notice of any breach of any such laws, and it has no knowledge of any facts which would lead a well-informed operator in the mining industry to believe there are any environmental liabilities associated with the Property, and there are no environmental audits, evaluations, assessments or studies relating to the Property;
- (h) there is no claim, complaint or other proceeding initiated by or on behalf of any aboriginal group or to which any aboriginal group is legally a necessary party pending or, to the knowledge of the Optionor or Optionor Parent, threatened by any aboriginal group with respect to the Optionor's exploration of the Property and neither Optionor nor Optionor Parent has engaged in any negotiations with any aboriginal group in respect of the Property or entered into any impact and benefits agreement with any aboriginal group in respect of the Property;

(i) no proceedings are pending for, and the Optionor and the Optionor Parent are unaware of any basis for the institution of any proceedings leading to the placing of the Optionor in bankruptcy or subject to any other laws governing the affairs of insolvent persons;

(j) no third party consent of any kind is required by the Optionor or Optionor Parent to enter into this Agreement and grant the Option contemplated hereby;

(k) the Optionor's ownership of the Property is in compliance with, and is not in default or violation in any material respect under, and the Optionor has not been charged with or received any notice at any time of any material violation of any statute, law, ordinance, regulation, rule decree or other applicable regulation in connection with the Optionor's ownership of the Property; and

(l) Optionor has made full disclosure to Optionee and Optionee Parent of all material facts of which the Optionor has knowledge relating to the Property and all material information that Optionee possesses which relates to the Property which could reasonably be expected to have an effect upon Optionee or Optionee Parent determining whether it shall enter into this Agreement.

2.2 The representations and warranties contained in Section 2.1 are provided for the exclusive benefit of the Optionee, and any misrepresentation or breach of warranty may be waived by the Optionee in whole or in part at any time without prejudice to its rights in respect of any other misrepresentation or breach of the same or any other representation or warranty; and the representations and warranties contained in Section 2.1 will survive the execution hereof and continue through the Option Period and for two years thereafter.

Covenants

2.3 The Optionor hereby covenants and agrees with the Optionee that on execution hereof, the Optionor will deliver or cause to be delivered to the Optionee copies of all available maps and other Exploration Data in the Optionor's possession respecting the Property.

2.4 During the Option Period, the Optionor and Optionor Parents shall not:

(a) dispose of, grant any interest, permit an Encumbrance (other than a Permitted Encumbrance) to exist on or otherwise encumber, any of the Property;

(b) enter into any contract or any other transaction that could affect any of the Property, except with the prior written consent of Optionee;

(c) terminate, cancel, modify or amend in any respect any contract related to the Property or take or fail to take any action that would entitle any party to a contract related to the Property to terminate, modify, cancel or amend such contract; or

(d) agree, commit or enter into any understanding to take any action set out in paragraphs (a), (b) or (c) of this Section 2.4.

2.5 The covenants and agreements contained in Section 2.3 are provided for the exclusive benefit of the Optionee, and any breach may be waived by the Optionee in whole or in part at any time without prejudice to its rights in respect of any other breach of the same; and the covenants and agreements contained in Section 2.3 survive the execution hereof and continue through the Option Period and for two years thereafter.

PART 3

REPRESENTATIONS AND WARRANTIES OF THE OPTIONEE

Representations and Warranties

3.1 The Optionee and Optionee Parent jointly and severally represents and warrants to the Optionor and Optionor Parent that:

- (a) it has been duly incorporated and validly exist as a corporation in good standing under the laws of its jurisdiction of incorporation and has full corporate power and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate proceedings and obtained all necessary approvals in respect thereof and, upon execution and delivery of this Agreement by it, this Agreement will constitute a legal, valid and binding obligation of Optionee and Optionee Parent enforceable against it in accordance with its terms except that:
 - (i) enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally;
 - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
 - (iii) a court may stay proceedings before it by virtue of equitable or statutory powers; and
 - (iv) rights of indemnity and contribution hereunder may be limited under applicable law;
- (b) the Optionee is, or the Optionee Affiliate that will become the registered holder of the Property upon exercise of the Option will be, lawfully authorized to hold mineral claims and real property under the laws of the jurisdiction in which the Property is situate;
- (c) neither the execution and delivery of this Agreement by the Optionee, nor the performance by the Optionee of its obligations hereunder conflicts with its constating documents or any agreement to which it is bound; and
- (d) any Optionee Parent Shares issued pursuant to this Agreement will be fully paid and non-assessable common shares in the capital of the Optionee Parent.

3.2 The representations and warranties contained in Section 3.1 are provided for the exclusive benefit of the Optionor and a misrepresentation or breach of warranty may be waived by the Optionor in whole or in part at any time without prejudice to its rights in respect of any other misrepresentation or breach of the same or any other representation or warranty; and the representations and warranties contained in Section 3.1 will survive the execution hereof and continue through the Option Period and for two years thereafter.

PART 4

GRANT OF OPTION AND ROYALTY

Grant of Option

4.1 The Optionor hereby grants to the Optionee the sole and exclusive right to the Option to acquire, directly or through an Optionee Assignee, a 90% interest in the Property free and clear of all Encumbrances, subject only to the Royalty and any Permitted Encumbrances, by:

- (a) completing a Going Public Transaction within 18 months of Effective Date;
- (b) the Optionee Parent issuing to Optionor Parent an aggregate of \$400,000 of Optionee Parent Shares, as follows:
 - (i) \$75,000 of Optionee Parent Shares upon closing of a Going Public Transaction;
 - (ii) a further \$75,000 of Optionee Parent Shares on the date that is one year from the the Effective Date, provided that if a Going Public Transaction has not been completed by such date then the payment will be required to be made upon closing of the Going Public Transaction;
 - (iii) a further \$100,000 of Optionee Parent Shares on the date that is two years from the Effective Date; and
 - (iv) a further \$150,000 of Optionee Parent Shares on the date that is three years from the Effective Date;
- (c) reimbursing the Optionor for its costs associated with the Property of \$48,012, as follows:
 - (i) \$15,000 upon execution of this Agreement; and
 - (ii) \$33,012 upon closing of the Going Public Transaction;
- (d) incurring an aggregate of at least \$1,500,000 in Exploration Expenditures by the end of the Option Period, as follows:
 - (i) \$200,000 of Exploration Expenditures by the date that is one year from the Effective Date; and

- (ii) a further \$1,300,000 of Exploration Expenditures by the date that is three years from the Effective Date, provided that any Exploration Expenditures incurred in the first year after the Effective Date which are in excess of the \$200,000 of Exploration Expenditures required pursuant to Section 4.1(d)(i) may be included in the minimum Exploration Expenditures required pursuant to this Section 4.1(d)(ii).

4.2 The deadline for incurring a further \$1,300,000 of Exploration Expenditures pursuant to Section 4.1(d)(ii) may be extended by the Optionee by one year to the date that is four years from the Effective Date by, prior to the date that is three years from the Effective Date, making a payment of \$50,000 to the Optionor Parent, which may be paid in cash, Optionee Parent Shares, or a combination of cash and Optionee Parent Shares at the election of the Optionee.

4.3 For the share payments payable pursuant to Sections 4.1(b), 4.2 and 4.7, as applicable, (a) for any share payment payable upon completion of the Going Public Transaction, the deemed price per Optionee Parent Share will be equal to the financing price for the Optionee Parent Shares issued in the Going Public Transaction, and (b) for any share payment payable subsequent to the closing of the Going Public Transaction, the deemed price per Optionee Parent Share will be equal to the volume weighted average trading price of the Optionee Parent Shares on the Optionee Parent's primary stock exchange for the ten trading days prior to the date of issuance, provided that if such deemed price is not permitted under any minimum pricing requirements of any stock exchange on which the Optionee Parent Shares are listed on at the applicable time then the Optionee Parent will have the option to make such payment in cash instead of Optionee Parent Shares.

4.4 Following the completion of the transactions described in Section 4.1, and subject to the satisfaction of the requirements of Part 5, the Option will be deemed to have been exercised, and the Optionee will have earned a 90% interest in the Property. If the Optionee does not fulfill all the terms and conditions described in Section 4.1, the Optionee will have earned no interest in the Property. At any time during the term of this Agreement, Optionee shall have the right but not the obligation to accelerate the payments, Optionee Parent Share issuances and Exploration Expenditures set forth in Section 4.1. An acceleration of the payments, Optionee Parent Share issuances and Exploration Expenditures set forth in Section 4.1 shall not obligate Optionee to accelerate any or all subsequent payments, Optionee Parent Share issuances and Exploration Expenditures set forth in Section 4.1

4.5 Following the valid exercise of the Option by the Optionee, a joint venture will be deemed to have been formed between the parties (a "**Joint Venture**"), with Optionor holding a 10% participating interest and Optionee holding a 90% participating interest. Optionee will be the operator of the Joint Venture and will be responsible for all costs and expenses related to the maintenance, management, exploration and development of the Property and the Optionor will hold a carried interest in the Property. The parties may together elect that the Joint Venture be conducted by a Joint Venture company in which case a company will promptly be incorporated and organized for that purpose.

4.6 On exercise of the Option, the Joint Venture will grant the Optionor a 2.0% Net Smelter Returns royalty (the "**Royalty**") on the Property, on the terms and conditions as set out in this

paragraph and in Schedule B. The Joint Venture will have the right to reduce the NSR to a 1.0% net smelter returns royalty by paying the Optionor \$1,000,000.

4.7 Upon the commencement of Commercial Production (as such term is defined in Schedule B), the Optionee will pay to the Optionor Parent a one time payment of \$1,000,000, which may be paid in cash, Optionee Parent Shares, or a combination of cash and Optionee Parent Shares at the election of the Optionee.

4.8 Unless consented to by the Optionee Parent in writing, the Optionor will not assign, transfer or sell Optionee Parent Shares through the facilities of a stock exchange over a single trading day in an amount greater than 30% of the average daily trading volume over previous 5 trading days on such stock exchange. For greater certainty, the restrictions provided in this Section 4.8 will not prevent the Optionor from assigning, transferring or selling Optionee Parent Shares in private transactions with (i) arm's length third parties which are not made through the facilities of a stock exchange; or (ii) non-arm's length third parties provided that such parties agree with Optionee Parent to be bound by the provisions of this Section 4.8.

PART 5 EXERCISE OF OPTION

Closing

5.1 The closing of the exercise of the Option (the "**Closing**") shall occur at a date, time and location agreeable to the Parties no later than 15 days after the date that the Optionee provides notice to the Optionor of the satisfaction of the conditions in Section 4.1 hereof.

Deliveries at Closing

5.2 At Closing, the following events shall occur, each being a condition precedent to the others and each being deemed to have occurred simultaneously with the others:

- (a) Optionor shall execute and deliver to the Optionee such documents as necessary to convey to the Optionee or the Optionee Assignee, as applicable, a 90% interest in the claims comprising the Property free and clear of all encumbrances arising by, through or under Optionor, other than Permitted Encumbrances, and Optionee at its sole cost and expense shall obtain all required approvals and consents to register the claims thereafter;
- (b) the Optionee, Optionee Assignee and the Joint Venture, as applicable, shall execute and deliver a fully executed and acknowledged royalty agreement on substantially the terms forth in Schedule B hereto granting to the Optionor the Royalty; and
- (c) the Parties shall execute, acknowledge and deliver such other documents and take such other actions as may be required to give effect to the exercise of the Option.

5.3 Optionee shall have the right to assign the Option to acquire the Property to an Optionee Assignee that is an Affiliate of the Optionee, provided that Optionee and Optionee Parent do hereby covenant and agree that it shall cause any Optionee Assignee to comply with all of its

obligations under this Agreement and the Royalty Agreement. In such regard, each of Optionee and Optionee Parent unconditionally and irrevocably guarantees and agrees to be jointly and severally liable with the Optionee Assignee for, the due and punctual performance of all obligations, covenants and indemnities of the Optionee Assignee arising under this Agreement, upon the terms and subject to the conditions of this Agreement. The liability of Optionee and Optionee Parent under this section will be for the full amount of the obligations without apportionment, limitation or restriction of any kind, will be continuing, absolute and unconditional and will not be affected by any applicable law, or any other act, delay, abstention or omission to act of any kind by the Optionor or any other person, that might constitute a legal or equitable defense to or a discharge, limitation or reduction of Optionee's obligations under this section. The liability of Optionee and Optionee Parent under this section will not be released, discharged, limited or in any way affected by anything done, suffered, permitted or omitted to be done by the Optionor in connection with any duties, obligations or liabilities of the Optionee and Optionee Parent to the Optionor. The Optionor will not be bound or obligated to exhaust its recourse against the Optionee, Optionee Parent or other persons or take any other action before being entitled to demand payment from Optionee and Optionee Parent under this section.

5.4 Optionor Parent does hereby covenant and agree that it shall cause Optionor to comply with all of its obligations under this Agreement and the Royalty Agreement. In such regard, Optionor Parent unconditionally and irrevocably guarantees and agrees to be jointly and severally liable with the Optionor for, the due and punctual performance of all obligations, covenants and indemnities of the Optionor arising under this Agreement, upon the terms and subject to the conditions of this Agreement. The liability of Optionor Parent under this section will be for the full amount of the obligations without apportionment, limitation or restriction of any kind, will be continuing, absolute and unconditional and will not be affected by any applicable law, or any other act, delay, abstention or omission to act of any kind by the Optionee or any other person, that might constitute a legal or equitable defense to or a discharge, limitation or reduction of Optionor Parent's obligations under this section. The liability of Optionor Parent under this section will not be released, discharged, limited or in any way affected by anything done, suffered, permitted or omitted to be done by the Optionee in connection with any duties, obligations or liabilities of the Optionor or Optionor Parent to the Optionee. The Optionee will not be bound or obligated to exhaust its recourse against the Optionor or other persons or take any other action before being entitled to demand payment from Optionor Parent under this section.

PART 6

RIGHT OF ENTRY

6.1 Throughout the Option Period, the directors and officers of each of the Optionee and Optionee Parent, and its servants, agents and independent contractors, will, to the extent permitted under the terms of the mineral rights that comprise the Property and applicable law, have the sole and exclusive right in respect of the Property to:

- (a) do such prospecting, exploration, development and/or mining work thereon and thereunder as the Optionee may, in its sole discretion, determine to be necessary, desirable or advisable;

- (b) bring upon and erect upon the Property and use in its operations, at any time and from time to time, such buildings, plant, machinery, equipment, vehicles, tools, appliances and supplies as the Optionee may deem necessary, desirable or advisable;
- (c) remove therefrom and dispose of reasonable quantities of ores, minerals and metals for the purposes of sampling, including bulk sampling, obtaining assays or making other tests;
- (d) to secure, maintain and comply with all permits required to be maintained under applicable laws, rules, orders and regulations, including mineral exploration, municipal and environmental permits and post all required bonds or other surety in connection therewith.

PART 7

OBLIGATIONS OF THE OPTIONEE DURING OPTION PERIOD

7.1 During the Option Period, unless otherwise agreed between the parties in writing, the Optionee will:

- (a) maintain in good standing those mineral claims comprised in the Property by the payment of BLM maintenance fees, taxes and rentals and the performance of all other actions and in order to keep such mineral claims free and clear of all Encumbrances, except for Permitted Encumbrances, and other charges arising from the Optionee's activities thereon except those at the time contested in good faith by the Optionee;
- (b) make all payments necessary to maintain the mineral claims comprised in the Property in good standing during the Option Period, by providing Optionor Parent with a payment by June 1st of each year that covers the annual claim maintenance fees for all mineral claims comprised in the Property that are due by September 1st of each year, and upon receipt of payment the Optionor will make the necessary filings;
- (c) permit the directors, officers, employees and designated consultants of the Optionor, at their own risk, access to the Property at all reasonable times, and provided that the Optionor agrees to indemnify the Optionee against and to save the Optionee harmless from all costs, claims, liabilities and expenses that the Optionee may incur or suffer as a result of any injury (including injury causing death) to any director, officer, employee or designated consultant of the Optionor while on the Property;
- (d) do all work on the Property in a good and workmanlike fashion and in accordance with all applicable laws, regulations, orders and ordinances of any governmental authority;
- (e) indemnify and save harmless the Optionor in respect of any and all costs, claims, liabilities and expenses arising out of the Optionee's activities on the Property, but the Optionee will incur no obligation hereunder in respect of claims arising or damages suffered after termination of the Option if upon termination of the Option any workings on or improvements to the Property made by the Optionee are left in a safe condition; and

(f) deliver to the Optionor an annual summary including, copies of all digital data, reports, maps, assay results and other technical data compiled by or prepared at the direction of the Optionee with respect to the Property together with a report on all expenditures incurred during the period covered by such report.

PART 8 GOING PUBLIC TRANSACTION

8.1 The Optionee Parent agrees to use its commercially reasonable efforts to complete a Going Public Transaction as soon as reasonably practicable, and the Optionor agrees to co-operate with the Optionee Parent to provide any documents or information reasonably required in connection therewith.

PART 9 SURRENDER OF PROPERTY INTERESTS BEFORE TERMINATION OF AGREEMENT AND AREA OF COMMON INTEREST

Acquisition of After-Acquired Property

9.1 After the date of this Agreement, if either the Optionor or Optionee or an Affiliate of either party (the “**Offeror**”) acquires directly or indirectly or pursuant to any third party agreement, any mining claim, lease, license or other form of interest in minerals, or surface or water rights, located wholly or in part within the Area of Common Interest (an “**After-Acquired Property**”), the Offeror will promptly (and in any event within 30 days after such acquisition) offer such interest to the other party with respect to the Property (the “**Offeree**”) by notice in writing setting out the nature of such After-Acquired Property and including all information known by the Offeror about such After-Acquired Property, the Offeror’s acquisition costs and all other details relating thereto. Within 60 days from the date of the receipt of such notice, the Offeree may accept such After-Acquired Property and make it subject to this Agreement by notice in writing to the Offeror.

9.2 If the Offeree elects to make the After-Acquired Property part of the Property and to be subject to this Agreement pursuant to Section 9.1, then the After-Acquired Property shall form a part of the Property for all purposes of this Agreement.

Optionee as Offeree

9.3 If Optionee is the Offeree and accepts such interest, Optionee shall reimburse the acquisition costs of Optionor or its Affiliate acquiring such interest and the After-Acquired Property shall form a part of the Property for all purposes of this Agreement.

Optionor as Offeree

9.4 If Optionor or an Affiliate of Optionor is the Offeree and accepts such interest, Optionee shall pay all acquisition costs and the After-Acquired Property shall form a part of the Property for all purposes of this Agreement.

Failure to Give Notice

9.5 If the Offeree does not give notice of its intent to accept the After-Acquired Property within the 60 day time period noted above, the Offeree shall not have any interest in the After-Acquired Property and the After-Acquired Property shall not be a part of the Property or otherwise be subject to this Agreement.

No Restriction Outside Area of Common Interest

9.6 For greater certainty, each party acknowledges that the other party and their respective Affiliates are competitors outside of the Area of Common Interest and are free to acquire property outside of the Area of Common Interest, and neither party has any restriction or obligation whatsoever outside of the Area of Common Interest.

After-Acquired Property Following Termination of Agreement

9.7 If Optionor terminates this Agreement due to an event of default by Optionee pursuant to Section 13.1 or the Agreement is otherwise terminated, Optionor shall have the right to demand that the Optionee transfer to Optionor or its designee any After-Acquired Property, free of encumbrances for no further consideration. If the Optionor demands a transfer of After-Acquired Property pursuant to this Section 9.7, then, in addition to complying with all other applicable sections of the Agreement, Optionee shall execute and deliver, or cause to be executed and delivered, all instruments, and take all actions necessary or reasonably requested by Optionor to transfer the After-Acquired Property to Optionor or its designee on an "as-is where-is" basis except that Optionee shall represent and warrant that the Optionee is the sole legal owner of the After-Acquired Property, free from all Encumbrances (other than Permitted Encumbrances).

PART 10 FORCE MAJEURE

10.1 If the Optionee is at any time either during the Option Period or thereafter prevented from or delayed in complying with any provisions of this Agreement by reason of strikes; lock-outs; power shortages; fires; wars; acts of God; changes to governmental regulations restricting normal operations; inordinate delays in obtaining required governmental or regulatory approvals or permits; aboriginal land claims; civil strife, terrorism, insurrection or rebellion; explosion; earthquake; inordinate delay or failure by suppliers or transporters of materials, parts, supplies, services or equipment; accidents; or breakdown of equipment, machinery or facilities, the time limited for the performance by the Optionee of its obligations hereunder will be extended by a period of time equal in length to the period of each such prevention or delay, not to exceed twelve (12) months.

10.2 The provisions of Section 10.1 will not apply to the Optionee's cash payment or share issuances to the Optionor set out in Part 4 nor will it apply to the Optionee's obligation to maintain in good standing those mineral claims comprised in the Property as set out in Section 7.1.

10.3 The Optionee will give prompt notice to the Optionor of each event of force majeure under Section 10.1 and upon cessation of such event will furnish the Optionor with notice to that effect together with particulars of the number of days by which the obligations of the Optionee hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

PART 11 CONFIDENTIAL INFORMATION

11.1 No information furnished by the Optionee to the Optionor hereunder in respect of the activities carried out on the Property by the Optionee, will be published by the Optionor without the written consent of the Optionee, but such consent in respect of the reporting of factual data will not be unreasonably withheld, and will not be withheld in respect of information required to be publicly disclosed pursuant to applicable law, regulation or legal process. This provision will terminate in the event that the Option is terminated without being exercised.

11.2 No Party will make any public statement or issue any press release concerning the transactions contemplated herein or operations engaged in hereunder except in accordance with the following procedure. Prior to a Party (the "Releasing Party") releasing a public announcement or disclosure in connection with the transactions contemplated herein or operations engaged in hereunder, the other Party (the "Reviewing Party") must be furnished with a copy of such public statement or announcement. The Reviewing Party shall have a period of two business days to review such public announcement or disclosure and provide comments to the Releasing Party. The Releasing Party shall consider the comments from the Reviewing Party, acting reasonably, but the Releasing Party shall have ultimate discretion over the final content of the public announcement or disclosure. The provisions of Section 11.1 shall survive any termination of this Agreement.

PART 12 ARBITRATION

12.1 All questions or matters in dispute with respect to the interpretation of this Agreement will, insofar as lawfully possible, be submitted to arbitration pursuant to the terms hereof using arbitration procedures.

12.2 It will be a condition precedent to the right of any party to submit any matter to arbitration pursuant to the provisions hereof, that any party intending to refer any matter to arbitration will have given not less than 10 days' prior notice of its intention so to do to the other party together with particulars of the matter in dispute.

12.3 On the expiration of such 10 days, the party who gave such notice may proceed to commence procedure in furtherance of arbitration as provided in this Part 12.

12.4 The party desiring arbitration will appoint one arbitrator, and will notify the other party of such appointment, and the other party will, within 15 days after receiving such notice, either consent to the appointment of such arbitrator which will then carry out the arbitration or appoint

an arbitrator, and the two arbitrators so named, before proceeding to act, will, within 30 days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator to act with them and be chairman of the arbitration herein provided for. If the other party will fail to appoint an arbitrator within 15 days after receiving notice of the appointment of the first arbitrator, the first arbitrator will be the only arbitrator. If the two arbitrators appointed by the parties will be unable to agree on the appointment of the chairman, the chairman will be appointed under the provisions of the *Commercial Arbitration Act* (British Columbia) (the “Act”). Except as specifically otherwise provided in this section, the arbitration herein provided for will be conducted in accordance with the Act. The chairman, or in the case where only one arbitrator is appointed, the single arbitrator, will fix a time and place in Vancouver, British Columbia for the purpose of hearing the evidence and representations of the parties, and will preside over the arbitration and determine all questions of procedure not provided for under the Act or this Section 12.4. After hearing any evidence and representations that the parties may submit, the single arbitrator, or the arbitrators, as the case may be, will make an award and reduce the same to writing, and deliver one copy thereof to each of the parties. The expense of the arbitration will be paid as specified in the award.

12.5 The parties agree that the award of a majority of the arbitrators, or in the case of a single arbitrator, of such arbitrator, will be final and binding on each of them.

PART 13

DEFAULT AND TERMINATION

13.1 If at any time during the Option Period either party fails to perform any obligation hereunder in any material respect or any representation or warranty given by it proves to be untrue in any material respect, then the other party may terminate this Agreement (without prejudice to any other rights it may have) provided that:

- (a) it first gives to the party allegedly in default a notice of default containing particulars of the obligation which such has not performed, or the warranty breached, and
- (b) if it is reasonably possible to cure the default without irreparable harm to the non-defaulting party, the defaulting party does not, within 30 days after delivery of such notice of default, cure such default by appropriate payment or commence to correct such default and diligently prosecute the matter until it is corrected.

13.2 The Optionor may terminate this Agreement if the Going Public Transaction has not been completed by the date which is 18 months from the date hereof.

13.3 At any time prior to the exercise of the Option, provided that the Optionee is not in breach of this Agreement, the Optionee may terminate this Option by giving notice of termination to the Optionor and will thereupon be relieved of any further obligations in connection herewith but will remain liable for obligations which have accrued to the date of notice.

13.4 If the Option is terminated prior to the exercise thereof pursuant to the terms of the Agreement, the Optionee will:

- (a) have no interest in the Property and the Optionee must, if the Optionee has conducted Operations on the Property, leave the Property free and clear of any Encumbrance resulting from the operations conducted by the Optionee on the Property (except for Permitted Encumbrances);
- (b) deliver to the Optionor within 90 days after the date of termination, a copy of all Exploration Data obtained by the Optionee or its personnel under this Agreement;
- (c) if the Optionee has conducted Operations on the Property, then (i) the Optionee must comply with applicable laws and regulations regarding reclamation in relation to operations conducted on the Property by the Optionee; and (ii) the Optionee must reclaim all disturbances on the Property within 12 months from the date of termination;
- (d) leave in good standing until the first September 1st occurring after the date of termination those mineral rights that comprise the Property, and if the Agreement is terminated within 90 days prior to September 1st of any year, Optionee will be responsible for the maintenance fees for the Property for the ensuing year;
- (e) any plant, building, machinery, tools, equipment, camp facilities and supplies owned by the Optionee or its personnel ("**Optionee Equipment**") and brought and placed upon the Property in connection with the Operations will remain the Optionee's exclusive property and may be removed by the Optionee at any time within a period of 90 days following the termination of this Agreement but if the Optionee has not removed all the Optionee Equipment within that 90 day period, then the Optionee Equipment not so removed thereafter will become the absolute property of the Optionor or, at the Optionor's option, may within a further 90 days be removed by Optionor at the Optionee's expense. All the Optionee Equipment, until it becomes Optionor's property or is removed from the Property, will be the sole responsibility of the Optionee and Optionor will have no liability with regard to it; and
- (f) indemnify Optionor, and its directors, officers, agents, and attorneys (each, an "**Indemnified Person**"), against any third party related loss, cost, expense, damage, or liability ("**Loss**") relating to the Property or operations thereon, whether conducted by or on behalf of Optionee, including under applicable environmental legislation. If any claim or demand is asserted against an Indemnified Person, written notice of such claim or demand will promptly be given to Optionee. Within 30 days after its receipt of the notice of the claim or demand, Optionee shall have the right but not the obligation to assume control of (subject to the right of the Indemnified Person to participate at the Indemnified Person's expense and with counsel of the Indemnified Person's choice), the defense, compromise, or settlement of the matter, including at Optionee's expense, the employment of counsel of the Indemnified Person's choice.

PART 14

ASSIGNMENT

14.1 Prior to the exercise of the Option, except as provided herein, neither party may assign its interest in this Agreement to a third party without the express written consent of the other party,

which consent must not be unreasonably withheld, provided that Optionee or Optionee Parent may enter into a joint venture on the Property without the consent of Optionor or Optionor Parent as long as Optionee retains at least a 50% participating interest in the Property.

14.2 After the exercise of the Option, this Agreement may be assigned, in whole (or in part by way of joint venture, option or similar transfer), by Optionee and Optionee Parent without the consent of the Optionor or Optionor Parent.

14.3 In the case of Section 14.1 and 14.2, a consenting party does not unreasonably withhold its consent if it requires:

- (a) the assigning party to pay all expenses (including legal costs on a solicitor and own client or full indemnity basis, whichever is greater) incurred by the consenting party in investigating the proposed assignee or in connection with the proposed assignment; and
- (b) the proposed assignee to agree in writing with the consenting party to comply with this Agreement as if it were an original party to this Agreement.

PART 15 NOTICES

15.1 Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a party will be in writing and will be delivered by hand to the party to which the notice is to be given at the following address or sent by email to the following email address or to such other email address as will be specified by a party by like notice. Any notice, consent, waiver, direction or other communication aforesaid will, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day or, if not, then the next succeeding Business Day) and if sent by email be deemed to have been given and received at the time of receipt (if a Business Day or, if not, then the next succeeding Business Day) unless actually received after 4:00 p.m. (Vancouver time) at the point of delivery in which case it will be deemed to have been given and received on the next Business Day.

The address for service of each of the parties will be as follows:

- (a) to the Optionee or Optionee Parent:

2400 – 1055 West Georgia Street
Vancouver, B.C. V6E 3P3
Attention: Mark Morabito

Email Address: [REDACTED: Email] to the

- (b) Optionor or Optionor Parent

335-1632 Dickson Ave
Kelowna, BC

V1Y 7T2
Attention: Clayton Fisher

Email Address: [REDACTED: Email]

with a copy to (which will not constitute notice hereunder):

McMillan LLP
1055 W Georgia Street, Suite 1500
Vancouver, BC
V6E 4N7

Attention: Mark Neighbor

Email Address: [REDACTED: Email]

Any party may at any time and from time to time notify the other parties in writing of a change of address and the new address to which notice will be given to it thereafter until further change.

PART 16 GENERAL

16.1 The parties acknowledge that they have participated in settling the terms of this Agreement, and that any rule of construction to the effect that any ambiguity is to be resolved against the drafting parties will not be applicable to the interpretation of this Agreement.

16.2 No consent or waiver expressed or implied by any party in respect of any breach or default by any other party in the performance of such other of its obligations hereunder will be deemed or construed to be a consent to or a waiver of any other breach or default.

16.3 The parties will promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance which may be reasonably necessary or advisable to carry out fully the intent of this Agreement or to record wherever appropriate the respective interests from time to time of the parties in the Property.

16.4 This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and assigns, subject to the conditions hereof.

16.5 This Agreement will be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

16.6 Nothing herein will constitute or be taken to constitute the parties as partners or create any fiduciary relationship between them. It is not the intention of the parties to create, nor will this Agreement be construed to create, any mining, commercial or other partnership. None of the parties will have any authority to act for or to assume any obligation or responsibility on behalf of any other party, except as expressly provided herein. The rights and duties of the parties will be several and not joint or joint and several.

16.7 No modification, alteration or waiver of the terms herein contained will be binding unless the same is in writing, dated subsequently hereto, and fully executed by the parties.

16.8 The parties do not intend that there will be any violation of the Rule Against Perpetuities, the Rule Against Unreasonable Restraints on the Alienation of Property, or any similar rule. Accordingly, if any right or option to acquire any interest in the Property exists under this Agreement, such right or option must be exercised, if at all, so as to vest such interest within time periods permitted by applicable rules. If, however, any such violation should inadvertently occur, the parties hereby agree that a court will reform that provision in such a way as to approximate most closely the intent of the parties within the limits permissible under such rules.

16.9 In the event of any inconsistency between the terms of this Agreement and any Schedule hereto, the terms of this Agreement will control.

16.10 Time will be of the essence hereof.

16.11 This Agreement and the Schedules attached hereto set forth the entire agreement and understanding of the parties in respect of the transactions contemplated hereby and supersede all prior agreements and understandings, oral or written, among the parties or their respective representatives with respect to the matters herein and will not be modified or amended except by written agreement signed by the parties to be bound thereby.

16.12 This Agreement may be executed in as many counterparts as may be necessary or by facsimile and each such counterpart agreement or facsimile so executed are deemed to be an original and such counterparts and facsimile copies together will constitute one and the same instrument.

[signature page follows]

IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first set forth above.

SILVER ROCK RESOURCES, INC.

Per: "Clayton Fisher"
Authorized Signatory

IDAHO SILVER CORP.

Per: "Clayton Fisher"
Authorized Signatory

EXCALIBUR METALS (USA) CORP.

Per: "Mark Morabito"
Authorized Signatory

EXCALIBUR METALS CORP.

Per: "Mark Morabito"
Authorized Signatory

SCHEDULE A

Serial Number	Lead File Number	Claim Name	County	Claim Type	Meridian Township Range Section	Quadrant
ID105265609	ID105265609	SR 2	OWYHEE	LODE CLAIM	08 0080S	SW
					08 0080S	NW
ID105265610	ID105265609	SR 3	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SE
						SW
					08 0080S 0010W 016	NE
						NW
ID105265611	ID105265609	SR 4	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SW
ID105265612	ID105265609	SR 5	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SE
						SW
ID105265613	ID105265609	SR 6	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SW
ID105265614	ID105265609	SR 7	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SE
						SW
ID105265615	ID105265609	SR 9	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SW
ID105265616	ID105265609	SR 10	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SE
						SW
ID105265617	ID105265609	SR 11	OWYHEE	LODE CLAIM	08 0080S 0010W 009	NW
						SW
ID105265618	ID105265609	SR 12	OWYHEE	LODE CLAIM	08 0080S 0010W 009	NE
						NW
						SE
						SW
ID105265619	ID105265609	SR 13	OWYHEE	LODE CLAIM	08 0080S 0010W 009	NW
ID105265620	ID105265609	SR 14	OWYHEE	LODE CLAIM	08 0080S 0010W 009	NE
						NW
ID105273958	ID105273958	SR 1	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
					08 0080S	SW
					08 0080S	NW
					08 0080S	NE
ID105273959	ID105273958	SR 8	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
					08 0080S	SW
ID105273960	ID105273958	SR 15	OWYHEE	LODE CLAIM	08 0080S 0010W 017	NE
				LODE CLAIM	08 0080S 0010W 007	NE
						SE
					08 0080S 0010W 008	NE
						NW

						SE
						SW
					08 0080S	NW
					08 0080S	NE
ID105273961	ID105273958	SR 16	OWYHEE	LODE CLAIM	08 0080S 0010W 016	NW
				LODE CLAIM	08 0080S 0010W 008	SE
						SW
					08 0080S	SW
					08 0080S 0010W 017	NE
						NW
ID105273962	ID105273958	SR 17	OWYHEE	LODE CLAIM	08 0080S 0010W 017	NE
				LODE CLAIM	08 0080S	SE
					08 0080S 0010W 008	SE
						SW
					08 0080S	NW
					08 0080S	NE
ID105273963	ID105273958	SR 18	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
					08 0080S	SW
					08 0080S	NW
					08 0080S	NE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
					08 0080S	NW
					08 0080S	NW
ID105273964	ID105273958	SR 19	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
					08 0080S	NE
ID105273965	ID105273958	SR 20	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
ID105273966	ID105273958	SR 21	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
					08 0080S	SW
ID105273967	ID105273958	SR 22	OWYHEE	LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SE
						SW
ID105273968	ID105273958	SR 23	OWYHEE	LODE CLAIM	08 0080S	NE

					0010W 008	NW
						SE
						SW
					08 0080S 0010W 009	NW
						SW
ID105273969	ID105273958	SR 24	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
ID105273970	ID105273958	SR 25	OWYHEE	LODE CLAIM	08 0080S 0010W 008	NE
				LODE CLAIM	08 0080S 0010W 005	SE
						SW
					08 0080S 0010W 008	NE
						NW
						SE
						SW
ID105273971	ID105273958	SR 26	OWYHEE	LODE CLAIM	08 0080S 0010W 008	NE
				LODE CLAIM	08 0080S 0010W 005	SE
						SW
					08 0080S 0010W 008	NE
						NW
						SE
					08 0080S 0010W 009	NW
						SW
ID105273972	ID105273958	SR 27	OWYHEE	LODE CLAIM	08 0080S 0010W 008	NE
				LODE CLAIM	08 0080S 0010W 005	SE
						SW
					08 0080S 0010W 008	NE
						NW
ID105273973	ID105273958	SR 28	OWYHEE	LODE CLAIM	08 0080S 0010W 008	NE
				LODE CLAIM	08 0080S 0010W 005	SE
						SW
					08 0080S 0010W 008	NE
						NW
					08 0080S	NW

SCHEDULE B
ROYALTY AGREEMENT

ROYALTY AGREEMENT

THIS AGREEMENT ("**Agreement**") dated effective as of the ____ day of _____, _____

BETWEEN:

[●], a company incorporated under the laws of [●], and having an office situated at [●] (the "**Grantor**")

- and -

SILVER ROCK RESOURCES, INC., a company incorporated under the laws of Idaho, and having an office situated at 4881 E. Shoreline Dr., Post Falls ID 83854 ("**Grantee**")

WHEREAS the Grantor holds a 100% interest in the Property in accordance with the terms of an Option Agreement dated February 14, 2023 among the Grantee, Idaho Silver Corp., Excalibur Metals Corp., and Excalibur Metal (USA) Corp. (the "**Option Agreement**").

AND WHEREAS in accordance with the terms of the Option Agreement, the Grantor is granting to the Grantee a 2.0% royalty in accordance with the terms and conditions of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, the following terms shall have the following meanings:

- (a) "**Affiliate**" shall have the meaning set out in the *Securities Act* (Ontario);
- (b) "**Allowable Deductions**" means collectively:
 - (i) actual charges for treatment in the smelting and refining process of Minerals, including tolling charges, representation expenses, metal losses, costs of assaying, sampling, custom-smelting and refining, all independent representative and umpire charges, expenses and fees and any other treatment or other processing charges or applicable penalties, discounts or costs, including all weighing, sampling and assaying costs that are paid by the Grantor and/or its Affiliates for or in connection with smelting, refining, beneficiation processes and mineral treatment procedures in respect of the Minerals;
 - (ii) actual sales and brokerage costs;

- (iii) any sales, severance, gross production, privilege, penalties, representation charges, referee's fees and expenses, customs duties, value added taxes, import taxes and export taxes or similar taxes and governmental charges, in connection with the existence, severance, production, removal, sale, processing, transportation, or disposition of Minerals but excluding any and all taxes based upon the net or gross income of the Grantor or other operator of the Property, the value of the Property or the privilege of doing business, and other taxes assessed on a similar basis; and
 - (iv) actual costs of transportation, including but not limited to, freight, marketing and delivering, insurance, security charges, warehousing, transaction taxes, import and export duties, levies, imposts, handling, port, demurrage, delay, stowage and forwarding expenses incurred by reason of or in the course of such transportation of such Minerals, to the mill, smelter or other point of sale;
- (c) **"Annual Statement"** shall have the meaning set out in Section 3.2;
- (d) **"Applicable Law"** means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, regulatory policy or guideline, by-law (zoning or otherwise), order, decree or proclamation, or any consent, exemption, approval or license, of any Governmental Authority, that applies, in whole or in part, to the Parties or the Property, or that applies to the acquisition, maintenance or exploration of mineral tenures and the land subject thereto, or to the exploitation, extraction, processing, transportation, sale or export of Minerals;
- (e) **"Commercial Production"** means the commencement of mining activity on the Property;
- (f) **"Governmental Authority"** means any domestic or foreign government, whether federal, provincial, state or municipal, and any branch, department or ministry thereof, or any governmental agency, governmental authority, governmental tribunal, board or commission of any kind whatever;
- (g) **"Gross Value"** shall mean the consideration actually received by the Grantor from the sale or other disposition of Minerals, provided that:
 - (i) Gross Value of Minerals shall be based on the contained metal value of the Minerals actually delivered, calculated by dividing the sum of all such prices reported for each respective metal on each day of the calendar month by the number of days for which such prices were reported for the month in which the sale occurred, as such prices are quoted on the London Metal Exchange (LME) p.m. fix;
 - (ii) in the event of cessation or suspension of quotations for a period of more than five (5) consecutive days in a given month, the parties hereto shall agree on a reputable substitute quotation mechanism for each affected metal. If the Grantor terminates or "buys-back" any of such price protection arrangements without actual physical delivery of Minerals, the Grantee shall not share in any profits or losses therefrom; and

- (iii) if any insurance proceeds are payable to the Grantor for any Loss to the Minerals prior to receipt at the relevant processor or other treatment facility, such insurance proceeds shall be included as part of the revenue actually received by the Grantor;
- (h) **“Loss”** means an insurable loss of or damage to Minerals, whether or not occurring on or off any of the Property and whether the Minerals are in the possession of the Grantor or otherwise;
- (i) **“Minerals”** means the raw ores, concentrates, precipitates, leach liquor, metals, ores and mineral materials of every kind and character and all other naturally-occurring products contained on, under or within the Property which are extracted by or on behalf of the Grantor (not including sand and gravel and other common non-metallic materials);
- (j) **“Net Smelter Returns”** means any and all amounts received, from time to time, by the Grantor from the sale or other disposition of the Minerals extracted from the Property less Allowable Deductions, provided that:
 - (i) the Grantor shall be permitted to sell concentrates in the form usually commercially marketable to an Affiliate of the Grantor provided that such sales shall be considered, solely for the purpose of computing Net Smelter Returns, to have been sold at prices and on terms no less favourable than those which would be extended to an unaffiliated third party in a bona fide arm’s length transaction under similar circumstances, and
 - (ii) similarly, if the Grantor or an Affiliate of the Grantor incurs costs that are deductible or treats the Minerals in a smelter that the Grantor or the Affiliate of the Grantor owns or controls, the Grantor or the Affiliate of the Grantor may deduct treatment charges and costs, but only to the extent they are no more than the amount that the Grantor or the Affiliate of the Grantor would have charged an unaffiliated third party in a bona fide arm’s length transaction under similar circumstances;
- (k) **“Parties”** means, collectively, [●] and the Grantee, and **“Party”** shall mean one of them as context requires;
- (l) **“Permitted Disclosure”** shall have the meaning set out in Section 5.1(a);
- (m) **“Prime”** means, at any particular time, the prime business rate of the Bank of Canada;
- (n) **“Production Decision”** means a decision by the Grantor to commence development of a mine for, upon or in respect of the Property in accordance with any applicable pre-feasibility or feasibility study;
- (o) **“Property”** means the 28 unpatented mining claims located in Owyhee County, Idaho, as described at Schedule “A” hereto;
- (p) **“Repurchase Notice”** shall have the meaning set out in Section 3.8;

- (q) **"Repurchase Price"** shall have the meaning set out in Section 3.8;
- (r) **"Royalty"** shall have the meaning set out in Section 2.1;
- (s) **"Quarterly Settlement Sheet"** shall have the meaning set out in Section 4.3.

1.2 Governing Law

This Agreement shall be construed in accordance with, and is made subject to, the laws of the State of Idaho. All actions arising from this Agreement will be commenced and prosecuted in the District Courts of the State of Idaho, in the County where the Property is situated.

ARTICLE 2 GRANT OF ROYALTY

2.1 Grant of Royalty

- (a) The Grantor hereby grants to the Grantee in perpetuity a royalty equal to two percent (2.0%) of Net Smelter Returns from the production of all Minerals from the Property (the **"Royalty"**), subject to the terms and conditions of this Agreement.
- (b) The Grantor and the Grantee expressly acknowledge and agree that to the extent permissible under Applicable Law, the Royalty interests described in this Agreement are intended to be treated as direct interests in real property for all purposes, provided such interest shall be satisfied in respect of any particular Mineral by the payment to the Grantee of the Royalty in respect thereof.

ARTICLE 3 PAYMENT OF ROYALTY AND REPURCHASE RIGHT

3.1 Frequency of Payments

- (a) The obligation to pay the Royalty will accrue upon the sale of Minerals.
- (b) To compute the Royalty, the Grantor shall multiply the Net Smelter Returns by two percent (2.0%) in each case for the immediately preceding calendar quarter during which Minerals from the Property are sold or otherwise deemed disposed of and shall be due and payable in cash in United States dollars within 30 days after the end of each calendar quarter in which Minerals from the Property are sold or otherwise deemed disposed of.
- (c) If any Royalty payment has not been paid in full as provided herein, the Grantee may give to the Grantor notice in writing of such default the Grantor shall pay interest on the delinquent payment (as well as interest on interest) at a rate of Prime plus 8% per annum, commencing on the date on which such delinquent Royalty payment was due and continue until the Grantee receives payment in full of such delinquent payment and all accrued interest thereon; and for the purposes of this Section, Prime shall be determined as of the date on which such delinquent Royalty payment was due.

- (d) All Royalty payments, including interest and penalties, if any, will be made without withholding of, or deduction for, or on account of, any present or future taxes, duties, assessment or governmental charges of whatever nature imposed or levied by or on behalf of the Governmental Entity. For greater certainty, the parties agree that the Grantor will gross-up any payments made to the Grantee, for any amounts which are required to be withheld by any Governmental Entity.

3.2 Annual Statement

Following commencement of Commercial Production, the Grantor shall provide the Grantee with a detailed annual statement, which shall be prepared from the audited annual financial statements in the case of Dauntless being a reporting issuer as defined in applicable securities legislation (the “**Annual Statement**”), of the Net Smelter Returns and the Royalty, calculated for each calendar year as of December 31, and shall deliver the Annual Statement to Grantee on or before the 120th day of the immediately following calendar year.

3.3 Objections

- (a) The Grantee may dispute the Net Smelter Returns or the Royalty by giving a notice of objection in writing within 60 days following the delivery by the Grantor of the Annual Statement or a Quarterly Settlement Sheet.
- (b) If the Grantee file a notice of objection in writing as provided above, the Grantor shall appoint an independent chartered professional accountant acceptable to the Grantee (at the cost to be divided equally between the Grantor and the Grantee), acting reasonably, to audit the Grantor's books and records and to make a determination as to the entitlement of the Grantee. The Grantor shall pay any difference within 30 days of such determination.

3.4 Application to Reprocessed and Other Materials

If the Grantor reprocesses any mill tailings or any residues from the Property, the Royalty shall be payable only upon any Minerals recovered therefrom. The Grantee shall not be entitled to any royalties on ores or minerals produced from other properties which are otherwise processed at the Property by the Grantor.

3.5 Expropriation

In the event that the Property, or any part thereof, is affected by an expropriation or notice or advice from any Governmental Authority of an intention to expropriate or a sale in lieu of expropriation, or any intention from any Governmental Authority to revoke, limit, suspend or refuse to renew any mineral right, the Grantor undertakes to notify the Grantee in writing within five (5) business days of such receipt. If the Grantor, after having informed the Grantee of their intention to do so, contests forthwith upon receipt of such notice and in order to protect their own and Grantee's interests in the Property, the Grantee further authorizes the Grantor to make representations before any Governmental Authority in order to protect the Grantee's interest in the Property.

3.6 Abandonment

At any time and from time to time, the Grantor may elect to abandon, surrender, allow to lapse, or reduce the area of all or any part or parts of the Property by giving notice to the Grantee of such election not less than 120 days prior to the proposed date of abandonment. The notice shall identify the portion of the Property which is proposed to be abandoned, surrendered, allowed to lapse, or reduced. Upon receipt of such notice of abandonment, the Grantee shall have the right to notify the Grantor within 10 days of receipt of such notice that the Grantee wishes to acquire the abandoned portion of the Property, and upon receipt of such notice, the Grantor shall forthwith transfer the abandoned portion of the Property to the Grantee by way of a quitclaim deed or such other documentation as the Grantee may reasonably require to effect the transfer. Upon expiry of such 120-day period, the Grantor's obligations hereunder in respect of such abandoned, surrendered, allowed to lapse, or reduced interest shall terminate and thereafter the term "Property" will apply to those interests comprising the Property which have not been abandoned by the Grantor.

3.7 Repurchase Right

Commencing as of the date of this Agreement and ending upon the commencement of Commercial Production, with a minimum of 60 days prior written notice to the Grantee (the "**Repurchase Notice**"), the Grantor shall have, in their sole discretion, the right and option to purchase 1.0% of the Royalty (such that following the purchase(s) the remaining Royalty may be reduced to 1.0% of the Net Smelter Returns) for a price equal to CAD\$1,000,000 (the "**Repurchase Price**"). The Repurchase Price shall be paid in cash. Closing shall occur within 60 days of the date of delivery of the Repurchase Notice to the Grantee. In exchange for the Repurchase Price, the Grantee shall deliver to the Grantor an executed quitclaim or deed of release in respect of 1.0% of the Royalty, in form and substance satisfactory to the Grantor, acting reasonably, which document shall constitute an amendment of this Agreement to specifically provide for the Royalty repurchase. For greater certainty and without limitation, any payments of the Royalty prior to the exercise of the partial repurchase right shall not be refunded by the Grantee to the Grantor and the reduction in Royalty payments shall apply only on a going forward basis.

ARTICLE 4 GRANTOR'S OPERATIONS

4.1 Further Processing.

The Grantor may, but are not obligated to, beneficiate, mill, sort, concentrate, refine, smelt or otherwise process or upgrade the Minerals produced from ores mined from the Property prior to sale, transfer, or conveyance to a purchaser, user or consumer other than the Grantor. The Grantor shall not be liable for mineral values lost in such processing except for losses resulting from the bad faith or gross negligence of the Grantor.

4.2 Weighing and Sampling - Commingling.

All ores, materials or products containing Minerals shall be weighed or measured, sampled and analyzed in accordance with standard mining and metallurgical practices. After such weights, measurements or samples are taken, at its discretion, the Grantor may mix or commingle such ores, materials or products with ores, materials or products from other properties or sources.

4.3 Information to Grantee.

All payments of the Royalty hereunder shall be accompanied by a smelter settlement sheet or other evidence of sale indicating the weight of materials received, contained mineral values and an itemized statement of the Grantor as to the deductions made (a "**Quarterly Settlement Sheet**"). If no Royalty is due to the Grantee for any pay period, the Grantor shall nonetheless provide the Grantee with a statement showing in reasonable detail the quantities of Minerals produced from the Property.

4.4 Mining Methods - No Implied Covenants.

The Grantor shall have the sole and exclusive right to determine the timing and the manner of any production from the Property and all related exploration, development, operational and mining activities. Nothing in this Agreement shall require the Grantor to explore, develop or mine or continue operations on the Property or to process ores from the Property. The Grantor shall not be responsible for nor be obliged to make any Royalty payments for values lost in any mining or processing of the Minerals conducted pursuant to customary mining practices. The Grantor shall not be required to mine or to preserve or protect the Minerals which under customary mining practices cannot be mined or shipped at a reasonable profit at the time mined.

4.5 Retention of Inventory.

The Grantor may, but is not obligated to, retain ore or treated ore products containing Minerals as inventory for any length of time and for any reason. At the Grantee's reasonable request, the Grantor shall deliver to the Grantee a monthly statement of such inventory, but the Grantee shall have no right to any Royalty payments until the Grantor actually delivers and sells the Minerals. Raw Minerals stockpiles are not subject to the Royalty until treated and the products are delivered and sold.

ARTICLE 5

BOOKS, RECORDS AND INSPECTIONS

- 5.1** The Grantor and its Affiliates will maintain true and accurate books and records with respect to their operations and activities on the Property, in accordance with generally accepted accounting principles consistently applied. The Grantee shall have the right, at all reasonable times with 48 hours of notice during regular business hours, to inspect such books, records, accounts, statements and returns.
- 5.2** The Grantee will have the right to conduct an annual audit of the books and records maintained by the Grantor or its Affiliates pursuant to Section 5.1 of this Agreement as they may relate to the calculation of the Royalty payable to the Grantee (the "Audit"). The Grantee shall notify the Grantor in writing of its intent to conduct the Audit and the parties shall use commercial reasonable efforts to select a date that is mutually agreeable between the parties. The Grantee may conduct the Audit only during ordinary business hours at the premises of the Grantor or one of its Affiliates. The Audit shall not cause undue interference with the Grantor's business operations or undue burden on human resources. Once the Audit has commenced, the Grantee shall diligently prosecute the Audit to a timely conclusion. The Grantee shall have the right to utilize third party consultants and advisors for the purposes of conducting the Audit, provided, however that before commencement of any Audit, the Grantee and any of the Grantee's third party consultants and advisors enter into a confidentiality agreement in a form and substance provided by the Grantor required to ensure that the Grantee and any of the Grantee's consultants and advisors keep confidential any information obtained during the Audit. If, as a result of the audit, the amount of the Royalty payable to the Grantee is determined to be more than one percent (1.0%) of the amount actually paid by the Grantor to the Grantee pursuant to the calculations of the Grantor, then the Grantor shall pay the costs of such audit. Otherwise, the Grantee shall pay all costs of such an audit.
- 5.3** The Grantee, or its authorized agents or representatives, on not less than ten (10) Business Days' notice to the Grantor, may enter upon all surface and subsurface portions of the Property for the purpose of inspecting the Property, all improvements thereto and operations thereon, as well as inspecting and copying all records and data as they may relate to the calculation of the Royalty payable to the Grantee, including without limitation such records and data which are maintained electronically, pertaining to all activities and operations on or with respect to the Property, improvements thereto and operations thereon. The Grantee, or its authorized agents or representatives, shall enter the Property at Grantee's own risk and expense and may not hinder or interfere with operations on or pertaining to the Property. The Grantee shall indemnify and hold the Grantor and its Affiliates harmless from any damage, claim or demand by reason of:
- (a) injury or damage to the Grantee, the Grantor or any of their respective employees, officers, directors, agents, contractors, or representatives; and
 - (b) damage to the Property and the Grantor's assets,

caused by or resulting from the negligence of the Grantee in the exercise of its rights in this Agreement.

ARTICLE 6 REPORTING

- 6.1** Prior to a Production Decision the Grantor shall provide the Grantee with quarterly reports detailing exploration results on the Property for the prior quarter and a summary of explorations programs for the upcoming quarter.
- 6.2** Following a Production Decision:
- (a) at least once every twelve (12) months and once during each calendar year and promptly whenever a material update to the operating plan in respect of any mine operating upon or in respect of the Property is adopted or approved, the Grantor shall provide to the Grantee:
 - (b) a forecast for the life of mine, based on the applicable operating plan, of the quantity of Minerals expected to be mined, stockpiled, processed and recovered over the next year on a month by month basis and over the remaining life of mine on a year by year basis;
 - (c) a list of assumptions included operating and capital expenditure assumptions, exchange rates and metal prices, used in developing the forecasts referred to in this Agreement including the types, tonnages, grades and recoveries of ore from the Property during the applicable forecast period;
 - (d) a statement setting out actual tonnes and grades of Minerals mined, processed and or recovered from the Property;
 - (e) a statement setting out the reserves and resources for the Property and the assumptions used in calculating such reserves and resources; and
 - (f) such other information regarding the operations on the Property that the Grantee reasonably requests.

ARTICLE 7 HEDGING TRANSACTION

- 7.1** All profits and losses resulting from the Grantor engaging in any commodity futures trading, option trading, metals trading, gold loans or any combination thereof, and any other hedging transactions (collectively "**Hedging Transactions**") are specifically excluded from calculations of Royalty payments pursuant to this Agreement. All Hedging Transactions by the Grantor and all profits or losses associated therewith, if any, shall be solely for the Grantor's account.

ARTICLE 8 INSURANCE

- 8.1** The Grantor shall purchase or otherwise arrange at its own expense and shall keep in force at all times, directly or through the services of an independent contractor, insurance (including, without limitation, comprehensive general public liability insurance) against claims for bodily injury or death or property damage arising out of or resulting from activities or operations on or with respect to the Property, in such amounts as will reasonably protect the Grantor and the Property from any and all claims, liabilities and damages which may arise with respect to the Property and the Minerals.
- 8.2** Where the Grantor receives payment under any insurance policy in respect of a shipment of Minerals that is lost or damaged before the risk of loss or damage is transferred to an offtaker, the Grantor shall sell and deliver to the Grantee a payment equal to the Grantee's portion of the Net Proceeds of any insurance payment received by the Grantor in respect of such Minerals lost or damaged.

ARTICLE 9 INTEREST IN LAND

- 9.1** The Parties intend that the Royalty, to the extent permissible under applicable Law, constitutes in interest in land and agree that:
- (A) the Royalty will run with the title to the Property, and any disposition or transfer of the Properties, or any interest therein, shall be subject to the Royalty;
- (B) any sale or other disposition by the Grantor of any interest in the Property will be effective only in accordance with Article 11;
- (C) the Recipient may from time to time, register or otherwise record against the Property, this Royalty Agreement, a notice of this Royalty Agreement, or memorandum of this Agreement. Grantor shall cooperate with such registrations and recordings and provide its written consent or signature to any documents and do such other things as are necessary or desirable to effect such registration or recording;
- (D) where any portion of the Property consists of a form of tenure which is recorded with a mineral titles, land titles or land registry office, the Grantor will assist the Grantee in recording this Royalty Agreement or notice thereof, with the applicable office in a form and substance acceptable to the Grantee; and

(E) the Grantor shall give prompt written Notice to the Grantee of the substitution, renewal or replacement of any portion of the Property by a similar or different form of tenure (including, but not limited to, unpatented claims, licences of occupation, patented freehold claims, patented leasehold claims, rights, leases, licences or permits (whether extending over a greater or lesser area)).

ARTICLE 10 CONFIDENTIALITY

10.1 Confidential Information.

- (a) Except as specifically otherwise provided for herein, the parties will keep confidential all information data, reports, records, and other information disclosed to each other and will refrain from using it other than for the transaction contemplated hereunder or publicly disclosing it unless: required by Applicable Law or by the rules and regulations of any Government Authority or stock exchange having jurisdiction, or with the consent of the other party, such consent not to be unreasonably withheld (each such disclosure of data made pursuant to subparagraph (i) or (ii) hereof being referred to as a “**Permitted Disclosure**”).
- (b) Prior to any Permitted Disclosure, the applicable party shall give the other party prompt written notice and, in making such Permitted Disclosure, the disclosing Party shall disclose only that portion of data required to be disclosed and shall take all reasonable steps to preserve the confidentiality of the remaining portion thereof.

10.2 Information in Public Domain.

The provisions of this Article 10 do not apply to information which is or becomes part of the public domain other than through a breach of the terms hereof.

ARTICLE 11 GENERAL

11.1 Assignment

- (a) The Grantee shall have the right, at any time and from time to time, to assign, sell, transfer, convey, mortgage, pledge, charge or otherwise encumber any portion or all of their respective share of the Royalty and its interest in and to this Agreement provided that any purchaser, transferee or assignee agrees in writing in favour of the Grantor to be bound by the terms of this Agreement.
- (b) The Grantor shall be entitled to assign, sell, transfer, convey, mortgage, pledge, charge or otherwise encumber the Property or the Minerals or the proceeds thereof and its rights and obligations under this Agreement provided that any purchaser, transferee or assignee agrees in writing in favour of the Grantee to be bound by the terms of this Agreement.

11.2 Notices

Any notice or communication which is required or permitted to be given or made by one Party to the other hereunder shall be in writing and shall be either delivered to such Party by prepaid

courier or prepaid registered mail; or sent by e-mail or similar method of recorded communication. Any notice shall be sent to the intended recipient at the following address:

(a) if to the Grantee, at:

[•]

Attention: [•]

Email: [•]

(b) if to Grantor, at:

[•]

Attention: [•]

Email: [•]

or at such other address as either Party may from time to time advise the other by notice in writing. Any notice given by courier delivery shall be deemed to be received on the date of delivery. Any notice sent by registered mail shall be deemed to have been received on the fourth (4th) business day following the date of mailing. Any notice sent by e-mail or similar method of recorded communication shall be deemed to have been received on the next business day following the date of its transmission.

11.3 Enurement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and assigns. Nothing herein, express or implied, is intended to confer on any person, other than the Parties and their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

11.4 Amendments

No modification or amendment to this Agreement may be made unless agreed to by the Parties in writing.

11.5 Further Assurances

Each of the Grantee and Grantor hereby covenants and agrees that at any time and from time to time it will, upon the request of the other, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, assignments, transfers, conveyances and assurances as may be required for the better carrying out and performance of all the terms of this Agreement.

11.6 Severability

The provisions of this Agreement are severable and if any provisions are in conflict with any applicable law, the conflicting provisions shall be deemed never to have constituted a part of this Agreement and shall not affect or impair any of the remaining provisions hereof.

11.7 Counterparts

This Agreement may be executed in any number of counterparts and by e-mail, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding the date of execution shall bear the date first written above.

IN WITNESS WHEREOF the Parties have executed and delivered this Agreement as of the date first above written.

[•]

Per:

Name:
Title:

By: SILVER ROCK RESOURCES INC.

Per:

Name:
Title:

SCHEDULE A

Serial Number	Lead File Number	Claim Name	County	Claim Type	Meridian Township Range Section	Quadrant
ID105265609	ID105265609	SR 2	OWYHEE	LODE CLAIM	08 0080S	SW
					08 0080S	NW
ID105265610	ID105265609	SR 3	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SE
						SW
					08 0080S 0010W 016	NE
						NW
ID105265611	ID105265609	SR 4	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SW
ID105265612	ID105265609	SR 5	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SE
						SW
ID105265613	ID105265609	SR 6	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SW
ID105265614	ID105265609	SR 7	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SE
						SW
ID105265615	ID105265609	SR 9	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SW
ID105265616	ID105265609	SR 10	OWYHEE	LODE CLAIM	08 0080S 0010W 009	SE
						SW
ID105265617	ID105265609	SR 11	OWYHEE	LODE CLAIM	08 0080S 0010W 009	NW
						SW
ID105265618	ID105265609	SR 12	OWYHEE	LODE CLAIM	08 0080S 0010W 009	NE
						NW
						SE
						SW
ID105265619	ID105265609	SR 13	OWYHEE	LODE CLAIM	08 0080S 0010W 009	NW
ID105265620	ID105265609	SR 14	OWYHEE	LODE CLAIM	08 0080S 0010W 009	NE
						NW
ID105273958	ID105273958	SR 1	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
					08 0080S	SW
					08 0080S	NW
					08 0080S	NE
ID105273959	ID105273958	SR 8	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
					08 0080S	SW
ID105273960	ID105273958	SR 15	OWYHEE	LODE CLAIM	08 0080S 0010W 017	NE
				LODE CLAIM	08 0080S 0010W 007	NE
						SE
					08 0080S 0010W 008	NE
						NW

						SE
						SW
					08 0080S	NW
					08 0080S	NE
ID105273961	ID105273958	SR 16	OWYHEE	LODE CLAIM	08 0080S 0010W 016	NW
				LODE CLAIM	08 0080S 0010W 008	SE
					08 0080S	SW
					08 0080S 0010W 017	NE
						NW
ID105273962	ID105273958	SR 17	OWYHEE	LODE CLAIM	08 0080S 0010W 017	NE
				LODE CLAIM	08 0080S	SE
					08 0080S 0010W 008	SE
						SW
					08 0080S	NW
					08 0080S	NE
ID105273963	ID105273958	SR 18	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
					08 0080S	SW
					08 0080S	NW
					08 0080S	NE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
					08 0080S	NW
					08 0080S	NW
ID105273964	ID105273958	SR 19	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
					08 0080S	NE
ID105273965	ID105273958	SR 20	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
ID105273966	ID105273958	SR 21	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
					08 0080S	SW
ID105273967	ID105273958	SR 22	OWYHEE	LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SE
						SW
ID105273968	ID105273958	SR 23	OWYHEE	LODE CLAIM	08 0080S	NE

					0010W 008	NW
						SE
						SW
					08 0080S 0010W 009	NW
						SW
ID105273969	ID105273958	SR 24	OWYHEE	LODE CLAIM	08 0080S 0010W 008	SE
				LODE CLAIM	08 0080S 0010W 008	NE
						NW
						SW
ID105273970	ID105273958	SR 25	OWYHEE	LODE CLAIM	08 0080S 0010W 008	NE
				LODE CLAIM	08 0080S 0010W 005	SE
						SW
					08 0080S 0010W 008	NE
						NW
						SE
						SW
ID105273971	ID105273958	SR 26	OWYHEE	LODE CLAIM	08 0080S 0010W 008	NE
				LODE CLAIM	08 0080S 0010W 005	SE
						SW
					08 0080S 0010W 008	NE
						NW
						SE
					08 0080S 0010W 009	NW
						SW
ID105273972	ID105273958	SR 27	OWYHEE	LODE CLAIM	08 0080S 0010W 008	NE
				LODE CLAIM	08 0080S 0010W 005	SE
						SW
					08 0080S 0010W 008	NE
						NW
ID105273973	ID105273958	SR 28	OWYHEE	LODE CLAIM	08 0080S 0010W 008	NE
				LODE CLAIM	08 0080S 0010W 005	SE
						SW
					08 0080S 0010W 008	NE
						NW
					08 0080S	NW

AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT (the “**Agreement**”) is made the 6th day of February, 2024.

AMONG:

SILVER ROCK RESOURCES, INC. a company incorporated under the laws of Idaho, and having an office situated at 4881 E. Shoreline Dr., Post Falls ID 83854

(the “**Optionor**”)

AND:

IDAHO SILVER CORP. a company incorporated under the laws of British Columbia, and having an office situated at 335-1632 Dickson Ave, Kelowna, BC V1Y 7T2

(the “**Optionor Parent**”)

AND:

EXCALIBUR METAL (USA) CORP. a company incorporated under the laws of Nevada, and having an office situated at Suite 2400, 1055 West Georgia Street, Vancouver, BC, V6E 3P3

(the “**Optionee**”)

AND:

EXCALIBUR METALS CORP. a company incorporated under the laws of British Columbia, and having an office situated at Suite 2400, 1055 West Georgia Street, Vancouver, BC, V6E 3P3

(the “**Optionee Parent**”)

(the Optionor, Optionor Parent, Optionee and Optionee Parent are collectively referred to as the “**Parties**”)

WHEREAS:

- A. The Parties entered into a mineral property option agreement dated February 14, 2023 (the “**Option Agreement**”);
- B. The Parties seek to amend the Option Agreement as set out in this Agreement; and
- C. Capitalized terms used herein, including the recitals, and not otherwise defined herein shall have the meaning ascribed to them in the Option Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by each party, the parties hereto agree as follows:

1. Amendments to Option Agreement

1.1. The Parties hereby agree to make the following amendments to the Option Agreement:

- (a) The definition of “Option Termination Date” in Section 1.1 of the Option Agreement is deleted in its entirety and replaced with the following:

“Option Termination Date” means the date that is four (4) years from the Effective Date, or five (5) years from the Effective Date if extended in accordance with Section 4.2;

- (b) Section 4.1(b) of the Option Agreement is deleted in its entirety and replaced with the following:

(b) the Optionee Parent issuing to Optionor Parent an aggregate of \$525,000 of Optionee Parent Shares, as follows:

- (i) \$200,000 of Optionee Parent Shares upon closing of a Going Public Transaction;*
- (ii) a further \$150,000 of Optionee Parent Shares on the date that is two years from the Effective Date; and*
- (iii) a further \$175,000 of Optionee Parent Shares on the date that is three years from the Effective Date;*

- (c) Section 4.1(d) of the Option Agreement is deleted in its entirety and replaced with the following:

(d) incurring an aggregate of at least \$1,500,000 in Exploration Expenditures by the end of the Option Period, as follows:

- (i) \$200,000 of Exploration Expenditures by the date that is two years from the Effective Date; and*
- (ii) a further \$1,300,000 of Exploration Expenditures by the date that is four years from the Effective Date, provided that any Exploration Expenditures incurred in the first two years after the Effective Date which are in excess of the \$200,000 of Exploration Expenditures required pursuant to Section 4.1(d)(i) may be included in the minimum Exploration Expenditures required pursuant to this Section 4.1(d)(ii).*

- (d) Section 4.2 of the Option Agreement is deleted in its entirety and replaced with the following:

4.2 The deadline for incurring a further \$1,300,000 of Exploration Expenditures pursuant to Section 4.1(d)(ii) may be extended by the Optionee by one year to the date that is five years from the Effective Date by, prior to the date that is three years from the Effective Date, making a payment of \$50,000 to the Optionor Parent, which may be paid in cash,

Optionee Parent Shares, or a combination of cash and Optionee Parent Shares at the election of the Optionee.

2. General

- 2.1. Except as amended hereby, the Option Agreement continues in full force and effect and the Option Agreement and this Agreement will be read and construed together as one agreement. The parties ratify and affirm the Option Agreement as amended hereby (the “**Amended Option Agreement**”), and agree that the Amended Option Agreement contains the entire understanding of the parties hereto with respect to the subject matter hereof. The Amended Option Agreement supersedes all prior agreements and understandings between the parties with respect to the subject matter hereof.
- 2.2. Each Party, upon the request of the other Party, shall do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged or delivered, all such further acts, deeds, documents and assurances as may be reasonably necessary or desirable to give effect to the transactions contemplated by the Amended Option Agreement.
- 2.3. The Amended Option Agreement is governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable herein, and the parties hereby attorn to the jurisdiction of the Courts of competent jurisdiction of British Columbia in any proceeding hereunder.
- 2.4. This Agreement is effective as of the day, month and year written on the first page hereof notwithstanding the actual date of execution.
- 2.5. This Agreement may be executed in counterpart and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including by DocuSign, facsimile transmission or by electronic delivery in portable document format (“pdf”), shall be equally effective as delivery of a manually executed counterpart hereof. The Parties acknowledge and agree that in any legal proceedings between them respecting or in any way relating to this Agreement, each waives the right to raise any defense based on the execution hereof in counterparts or the delivery of such executed counterparts by electronic means.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day, month and year first above written.

SILVER ROCK RESOURCES INC.

By: “Clayton Fisher”
Name: Clayton Fisher
Title: President

IDAHO SILVER CORP.

By: “Clayton Fisher”
Name: Clayton Fisher
Title: CEO

EXCALIBUR METALS CORP.

By: "Mark Morabito"

Name: Mark Morabito
Title: Chief Executive Officer

EXCALIBUR METALS (USA) CORP.

By: "Mark Morabito"

Name: Mark Morabito
Title: Chief Executive Officer

SECOND AMENDMENT AGREEMENT

THIS SECOND AMENDMENT AGREEMENT (the “**Agreement**”) is made the 4th day of July, 2024.

AMONG:

SILVER ROCK RESOURCES, INC. a company incorporated under the laws of Idaho, and having an office situated at 4881 E. Shoreline Dr., Post Falls ID 83854

(the “**Optionor**”)

AND:

IDAHO SILVER CORP. a company incorporated under the laws of British Columbia, and having an office situated at 335-1632 Dickson Ave, Kelowna, BC V1Y 7T2

(the “**Optionor Parent**”)

AND:

EXCALIBUR METAL (USA) CORP. a company incorporated under the laws of Nevada, and having an office situated at Suite 2400, 1055 West Georgia Street, Vancouver, BC, V6E 3P3

(the “**Optionee**”)

AND:

EXCALIBUR METALS CORP. a company incorporated under the laws of British Columbia, and having an office situated at Suite 2400, 1055 West Georgia Street, Vancouver, BC, V6E 3P3

(the “**Optionee Parent**”)

(the Optionor, Optionor Parent, Optionee and Optionee Parent are collectively referred to as the “**Parties**”)

WHEREAS:

- A. The Parties entered into a mineral property option agreement dated February 14, 2023, as amended February 6, 2024 (the “**Option Agreement**”);
- B. The Parties seek to amend the Option Agreement as set out in this Agreement; and
- C. Capitalized terms used herein, including the recitals, and not otherwise defined herein shall have the meaning ascribed to them in the Option Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by each party, the parties hereto agree as follows:

1. Amendments to Option Agreement

1.1. The Parties hereby agree to make the following amendments to the Option Agreement:

(a) Section 4.1(a) of the Option Agreement is deleted in its entirety and replaced with the following:

(a) completing a Going Public Transaction on or before October 31, 2024;

(b) Section 4.1(c)(ii) is deleted in its entirety and replaced with the following:

(ii) \$16,506 on or before July 31, 2024; and

(iii) \$16,506 upon closing of the Going Public Transaction.

2. General

2.1. Except as amended hereby, the Option Agreement continues in full force and effect and the Option Agreement and this Agreement will be read and construed together as one agreement. The parties ratify and affirm the Option Agreement as amended hereby (the “**Amended Option Agreement**”), and agree that the Amended Option Agreement contains the entire understanding of the parties hereto with respect to the subject matter hereof. The Amended Option Agreement supersedes all prior agreements and understandings between the parties with respect to the subject matter hereof.

2.2. Each Party, upon the request of the other Party, shall do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged or delivered, all such further acts, deeds, documents and assurances as may be reasonably necessary or desirable to give effect to the transactions contemplated by the Amended Option Agreement.

2.3. The Amended Option Agreement is governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable herein, and the parties hereby attorn to the jurisdiction of the Courts of competent jurisdiction of British Columbia in any proceeding hereunder.

2.4. This Agreement is effective as of the day, month and year written on the first page hereof notwithstanding the actual date of execution.

2.5. This Agreement may be executed in counterpart and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including by DocuSign, facsimile transmission or by electronic delivery in portable document format (“pdf”), shall be equally effective as delivery of a manually executed counterpart hereof. The Parties acknowledge and agree that in any legal proceedings between them respecting or in any way relating to this Agreement, each waives the right to raise any defense based on the execution hereof in counterparts or the delivery of such executed counterparts by electronic means.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day, month and year first above written.

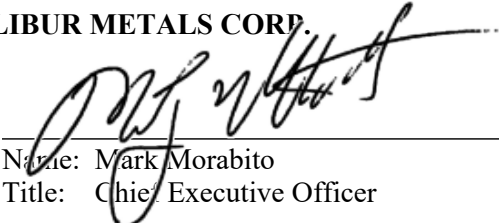
SILVER ROCK RESOURCES INC.

By: _____
Name: Clayton Fisher
Title: President & Director

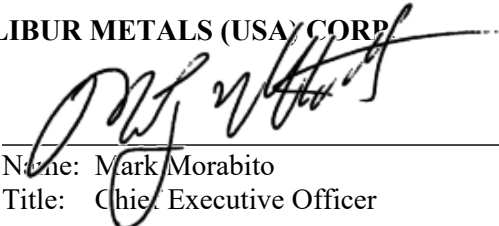
IDAHO SILVER CORP.

By: _____
Name: Clayton Fisher
Title: CEO & Director

EXCALIBUR METALS CORP.

By: _____
Name: Mark Morabito
Title: Chief Executive Officer

EXCALIBUR METALS (USA) CORP.

By: _____
Name: Mark Morabito
Title: Chief Executive Officer

SCHEDULE “D”

CONCESSIONS COMPRISING BELLEHELEN PROPERTY

Refer to Schedule “A” of the Bellehelen Option Agreement.

SCHEDULE “E”
BELLEHELEN OPTION AGREEMENT
[See Following Page]

OPTION AGREEMENT
AMONG
SILVER RANGE RESOURCES LTD.,
EXCALIBUR METALS CORP.
AND
EXCALIBUR METALS (USA) CORP.

DATED the 16th day of December, 2022

THIS OPTION AGREEMENT is dated as of the 16th day of December, 2022 (the “**Execution Date**”)

AMONG:

SILVER RANGE RESOURCES LTD., a corporation having an office at 510-1100 Melville Street, Vancouver, BC, Canada V6E 4A6; email for notice: [Redacted: Email address]

(the “**Company**”)

AND:

MANTA MINERALS LTD., a corporation having an office at 510-1100 Melville Street, Vancouver, BC, Canada V6E 4A6; email for notice: [Redacted: Email address]

(“**Manta**”)

AND:

EXCALIBUR METALS CORP., a corporation having an office at Suite 2400, 1055 West Georgia Street, Vancouver, BC, V6E 3P3; email for notice: [Redacted: Email address]

(“**Excalibur**”)

AND:

EXCALIBUR METALS (USA) CORP., a corporation having an office at Suite 2400, 1055 West Georgia Street, Vancouver, BC, V6E 3P3; email for notice: [Redacted: Email address]
(“**Optionee**”)

W H E R E A S:

A. The Company and Manta are companies incorporated pursuant to the laws of British Columbia and Nevada, respectively;

B. The Company is the beneficial owner of three claim blocks located in Township 2N Ranges 49 & 50E and Township 3N Range 49E in the Bellehelen Mining District, north – central Nye County, Nevada, which claim blocks (collectively, the “**Properties**”) are fully described in Schedule A attached hereto; and

C. The Company wishes to grant Optionee the exclusive right and option to acquire a 100% interest in the Properties, and the Parties wish to enter into this Agreement to provide for such right and option and other matters relating to the exploration and development of such Properties.

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration, including the mutual covenants and agreements contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

1.1 In this Agreement and in the Schedules and the recitals hereto, unless the context otherwise requires, the following expressions will have the following meanings:

- (a) “Agreement” means this option agreement, as amended from time to time;
- (b) “Affiliate” has the meaning given to such term in the *Business Corporations Act* (British Columbia);
- (c) “Area of Interest” means any and all Open BLM Lands located within five (5) miles of the outer perimeter of each of the Properties, as such outer perimeter may be adjusted from time to time pursuant to Article 9 of this Agreement;
- (d) “Bellehelen Property” means the BH 1 through 8 mining claims, as more particularly described in Schedule A to this Agreement, together with the surface rights, mineral rights and permits associated therewith and shall include any renewal thereof and any other form of successor or substitute title thereto;
- (e) “BLM” means the U.S. Bureau of Land Management and the applicable state offices;
- (f) “BLM Lands” means any and all public lands under the administrative jurisdiction of the BLM;
- (g) “CIM Standards” means the Canadian Institute of Mining, Metallurgy and Petroleum definitions for mineral resources, mineral reserves, and mining studies used in Canada, as amended from time to time;
- (h) “Commercial Production” means the first day of the month following the month in which Mineral Products from a mine on any one or more of the Properties have been extracted and processed to yield product for sixty (60) consecutive days at a rate, averaged over such sixty (60) day period of not less than sixty percent (60%) of the average daily rate projected by the feasibility study pursuant to which a mine is developed. The processing or shipping of bulk samples for testing purposes shall not be considered for the purpose of establishing the commencement of Commercial Production;
- (i) “Closing Date” has the meaning given to such term in Section 6.1;
- (j) “Defined Resource Payment” shall have the meaning ascribed to such term in Section 16.3 hereof;
- (k) “Encumbrances” means all interests, mortgages, charges, royalties, security interests, liens, encumbrances, actions, claims, demands and equities of any nature whatsoever or however arising and any rights or privileges capable of becoming any of the foregoing;

- (l) “Environmental Laws” means all applicable federal, state, municipal and local laws, statutes, ordinances, by-laws, regulations, orders, directives and decisions, rendered by any ministry, department or administrative or regulatory agency relating to pollution or protection of the environment, reclamation, public health and safety, or employee health and safety, including laws relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes into ambient air, surface water, ground water, or lands or otherwise relating to the existence, manufacture, processing, distribution, use, treatment, storage, disposal, recycling, transport, or handling or reporting or notification to any governmental authority in the collection, storage, use, treatment or disposal of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes;
- (m) “Excalibur Shares” means common shares in the capital of Excalibur as listed for trading on a Canadian stock exchange immediately following the completion of the IPO;
- (n) “Exchange” means a Canadian stock exchange recognized as such by the British Columbia Securities Commission;
- (o) “Exploration, Development and Related Work” means all operations and activities of Optionee (or performed at the request of Optionee) on or relating to the Properties for purposes of determining ore reserves and mineralization, and for purposes of development of mineral deposits on the Properties, including, without limitation, the right to enter upon the Properties for purposes of surveying, exploring, testing, sampling, trenching, bulk sampling, prospecting and drilling for mineralization and mineral deposits, and to construct and use buildings, roads, power and communication lines, and to use so much of the surface of the Properties in such manner as Optionee reasonably deems necessary for the enjoyment of any rights and privileges granted to Optionee hereunder or otherwise necessary to effect the purposes of this Agreement;
- (p) “IPO” the initial public offering of the Excalibur Shares and commencement of trading on the Exchange;
- (q) “IPO Closing Date” means the closing date of the IPO;
- (r) “Kawich Property” means the KW 1 through 76 mining claims, as more particularly described in Schedule A to this Agreement, together with the surface rights, mineral rights and permits associated therewith and shall include any renewal thereof and any other form of successor or substitute title thereto;
- (s) “Losses” has the meaning given to such term in Section 2.4;
- (t) “National Instrument 43-101” means National Instrument 43-101, “*Standards of Disclosure for Mineral Projects*” applicable to all companies listed on a Canadian stock exchange, as the same may be amended from time to time;

- (u) “Net Smelter Returns” shall have the meaning ascribed to such term in the Royalty Agreement;
- (v) “Neversweat Property” means the NS 1 through 4 mining claims, as more particularly described in Schedule A to this Agreement, together with the surface rights, mineral rights and permits associated therewith and shall include any renewal thereof and any other form of successor or substitute title thereto
- (w) “Open BLM Lands” means any and all BLM Lands within the Area of Interest that are not subject to any direct, indirect, legal or beneficial third-party mineral or mining rights or interests, or subject to any existing mineral claims, licenses, leases, grants, concessions, permits, patents or other forms of mineral tenure;
- (x) “Option” has the meaning given to such term in Section 4.1;
- (y) “Option Period” means the period of time between the Execution Date and the earlier of (i) the date that is 48 months from the Closing Date and (ii) the exercise of the Option by Optionee;
- (z) “Party” means any of the Company, Manta, Excalibur or Optionee and their respective successors and permitted assigns, and “Parties” means together, the Company, Manta, Excalibur and Optionee, and their successors and permitted assigns;
- (aa) “Payment Shares” has the meaning given to such term in Section 4.2(b);
- (bb) “person” means any natural person, firm, company, governmental authority, joint venture, partnership, association or other entity (whether or not having separate legal personality);
- (cc) “Properties” means the Bellehelen Property, the Kawich Property and the Neversweat Property, collectively;
- (dd) “Royalty” means two percent (2%) of Net Smelter Returns, the calculation and payment of which is more particularly set out in the Royalty Agreement;
- (ee) “Royalty Agreement” means that agreement attached hereto as Schedule B;
- (ff) “Qualified Person” has the meaning set forth in National Instrument 43-101;
- (gg) “Technical Report” means a report prepared, filed and certified in accordance with this Agreement that complies with National Instrument 43-101F1; and
- (hh) “VWAP” means the volume weighted average price of the shares of the Company on the Exchange, for the ten (10) trading days prior to the applicable date on which such shares are issued in accordance with Subsections 4.2(b) hereof.

1.2 In this Agreement, unless something in the subject matter or context is inconsistent therewith:

- (a) all references in this Agreement to “articles,” “sections” and other subdivisions or Schedules are to the designated articles, sections or other subdivisions or Schedules of or attached to this Agreement, all such Schedules incorporated herein by this reference;
- (b) the words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular section or other subdivision;
- (c) the headings are for convenience only and do not form part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement;
- (d) the singular of any term includes the plural, and vice versa, the use of any term is equally applicable to any gender and, where applicable, a body corporate, the word “or” is not exclusive and the word “including” is not limiting (whether or not non-limiting language is used with reference thereto);
- (e) the words “written” or “in writing” include printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception including telex, telegraph, telecopy, facsimile or e-mail;
- (f) any reference to a statute is a reference to the applicable statute and to any regulations made pursuant thereto and includes all amendments made thereto and in force from time to time and any statute or regulation that has the effect of supplementing or superseding such statute or regulation;
- (g) a “day” shall refer to a calendar day and in calculating all time periods the first day of a period is not included and the last day is included and references to a “business day” shall refer to days on which banks are ordinarily open for business in Vancouver, British Columbia, but if a period ends on a day on which the banks are not open for business in Vancouver, British Columbia, the period will be deemed to expire on the next calendar day on which banks are open for business in Vancouver, British Columbia; and
- (h) all references to “\$” or “dollars” are references to the lawful currency of Canada and all references to “US\$” or “US dollars” are references to the lawful currency of the United States.

2. REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 Each of Manta and the Company jointly and severally, represents and warrants to Excalibur and Optionee that, as of the date of this Agreement:

- (a) it is a valid and subsisting corporation duly incorporated under the laws of its jurisdiction of incorporation and has full corporate power and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate proceedings and obtained all necessary approvals in respect thereof and, upon execution and

delivery of this Agreement by it, this Agreement will constitute a legal, valid and binding obligation of Manta and the Company enforceable against it in accordance with its terms except that:

- (i) enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally;
 - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
 - (iii) a court may stay proceedings before it by virtue of equitable or statutory powers; and
 - (iv) rights of indemnity and contribution hereunder may be limited under applicable law;
- (b) neither the execution of this Agreement nor the consummation of the transactions contemplated hereby conflict with, result in a breach of or accelerate the performance required by any agreement to which it is a party;
- (c) neither the execution of this Agreement nor the consummation of the transactions contemplated hereby, result in a breach of the laws of any applicable jurisdiction or its constating documents;
- (d) Manta is a wholly owned subsidiary of the Company and is the record owner of all of the mining claims listed on Schedule A which comprise the Properties, free and clear of Encumbrances, arising by, through or under Manta or the Company, subject to the paramount title of the United States of America, and the statutory rights of third parties to use the surface of such claims;
- (e) with respect to the Properties:
 - (i) Manta holds title to the mining claims comprising the Properties as bare trustee for the Company;
 - (ii) all filings and recordings required to maintain the Properties in good standing from and after the date the Company acquired its interests therein, and through the Execution Date, including evidence of payment of required claim maintenance fees, have been timely and properly made in the appropriate governmental offices; and
 - (iii) the required federal claim maintenance fees necessary to maintain the Properties for the 2022-23 assessment year were timely and properly made;

Notwithstanding the foregoing, the Company makes no representation or warranty of any kind as to whether any of the Properties contains a discovery of valuable minerals;

- (f) there has been no act or omission by Manta or the Company, or to its knowledge by anyone else, that could result by notice or lapse of time, or both, in the breach, termination, abandonment, forfeiture, relinquishment or other premature termination of the Properties or any of its rights with respect thereto;
- (g) the Properties are in good standing and no proceedings have been instituted to invalidate or assert an adverse claim or challenge against or to the ownership of title to the Properties, nor is there any basis therefor, and no other person is entitled to an agreement or option to acquire or purchase the Properties or any portion thereof, and neither Manta nor the Company has granted any royalty or other interest whatsoever in production to any person from any part of the Properties;
- (h) all municipal, state, territorial and federal taxes and levies of any kind whatsoever in respect of the ownership and use of all of the Properties which were due and payable by Manta as of the date of this Agreement or prior to such date have been paid and satisfied as of such date;
- (i) except for existing reclamation bonds pertaining to the Properties, there are no outstanding orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Properties and the conduct of the operations related to the Properties, and it has not received any notice of the same and it has no knowledge of any basis on which any such order or direction could be made;
- (j) all work carried out, or caused to be carried out, on the Properties by the Company has been carried out in substantial compliance with all applicable laws, including Environmental Laws, and neither Manta nor the Company has received any notice of any breach of any such laws, and it has no knowledge of any facts which would lead a well-informed operator in the mining industry to believe there are any environmental liabilities associated with the Properties, and there are no environmental audits, evaluations, assessments or studies relating to the Properties;
- (k) there are no actions, suits or proceedings pending or to its knowledge, threatened, against or adversely affecting or which could adversely affect the Properties before any federal, state, territorial, municipal or other governmental authority, court, department, commission, board bureau, agency or instrumentality, domestic or foreign, whether or not insured, and which could reasonably be expected to result in any judgment or liability against the Properties;
- (l) there is no claim, complaint or other proceeding initiated by or on behalf of any aboriginal group or to which any aboriginal group is legally a necessary party pending or, to the knowledge of the Company, threatened by any aboriginal group with respect to the Company's exploration of the Properties and neither Manta nor the Company has engaged in any negotiations with any aboriginal group in respect of the Properties or entered into any impact and benefits agreement with any aboriginal group in respect of the Properties; and

- (m) the Properties have full and free legal access and there is no fact or condition which would result in the interference with or termination of such access;
- (n) no consent or approval is required to permit the execution and delivery of this Agreement by the Company or the performance of its obligations hereunder; and
- (o) the Company has made full disclosure to Excalibur and Optionee of all material facts of which the Company has knowledge relating to the Properties and all relevant information that Optionee possesses which relates to the Properties which could have any effect upon Excalibur or Optionee determining whether it shall enter into this Agreement and this Agreement does not contain any untrue statement by the Company of a material fact of which the Company has knowledge and the Company has not omitted to state in this Agreement a material fact necessary in order to make the statements contained herein not misleading.

2.2 Each of Excalibur and Optionee, jointly and severally, represents and warrants to the Company and Manta that as of the date of this Agreement:

- (a) it is a valid and subsisting corporation duly incorporated under the laws of its jurisdiction of incorporation and has full corporate power and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate proceedings and obtained all necessary approvals in respect thereof and, upon execution and delivery of this Agreement by it, this Agreement will constitute a legal, valid and binding obligation of Excalibur and Optionee enforceable against it in accordance with its terms except that:
 - (i) enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally;
 - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
 - (iii) a court may stay proceedings before it by virtue of equitable or statutory powers; and
 - (iv) rights of indemnity and contribution hereunder may be limited under applicable law;
- (b) neither the execution of this Agreement nor the consummation of the transactions contemplated hereby conflict with, result in a breach of or accelerate the performance required by any agreement to which it is a party; and
- (c) neither the execution of this Agreement nor the consummation of the transactions contemplated hereby, result in a breach of the laws of any applicable jurisdiction or its constating documents.

- 2.3 As soon as reasonably practicable following the Execution Date, Excalibur shall use commercially reasonable efforts to complete the IPO. The Company shall provide Excalibur and Optionee reasonable assistance to help complete the IPO by providing additional information (including details on prior expenditures on the Properties), technical reports or documentation as may be required by the British Columbia Securities Commission or applicable stock exchange.
- 2.4 Each of the Company and the Optionee covenant with and to the other that upon the exercise of the Option by the Optionee, the Company and the Option shall execute and become parties to the Royalty Agreement and the Royalty Agreement shall be dated effective as of the date the Option has been exercised.
- 2.5 The representations, warranties and covenants herein set out are conditions on which the Parties have relied in entering into this Agreement and each of the Parties will defend, indemnify and save the other Parties harmless from all loss, damage, costs, actions and suits, including reasonable attorneys' and experts' fees and court or arbitration costs (collectively "**Losses**") arising out of or in connection with any breach of any representation, warranty, covenant or agreement made by it and contained in this Agreement. The representations and warranties set out herein shall survive for a period of two years following the end of the Option Period (the "**Survival Period**").

3. ASSOCIATION OF PARTIES

- 3.1 Nothing contained in this Agreement will, except to the extent specifically authorized hereunder, be deemed to constitute a Party a partner, an agent or legal representative of any other Party. It is intended that this Agreement will not create the relationship of a partnership among the Parties and that no act done by any Party pursuant to the provisions hereof will operate to create such a relationship.
- 3.2 Except as specifically provided hereunder:
- (a) each Party will be at liberty to engage, for its own account and without duty to account to any other Party, in any other business or activity outside the evaluation, exploration and development of the Properties (including the Area of Interest), including the ownership and operation of any other mining permits, licenses, claims and leases wherever located;
 - (b) no Party will be under any fiduciary or other duty or obligation to the other Party which will prevent or impede such Party from participating in, or enjoying the benefits of, competing endeavours of a nature similar to the business or activity undertaken by the Parties hereunder outside of the Properties (including the Area of Interest); and
 - (c) the legal doctrines of "corporate opportunity" or "business opportunity" sometimes applied to persons occupying a relationship similar to that of the Parties will not apply outside of the Properties and the Area of Interest with respect to participation by any Party in any business activity or endeavor.

4. THE OPTION

4.1 Subject to the Royalty and the Defined Resource Payment, the Company grants to Optionee, as of the Execution Date, the exclusive right and option to acquire a 100% interest in the Properties (the “**Option**”), free and clear of all Encumbrances in accordance with the terms of this Agreement.

4.2 In order for Optionee to exercise the Option and acquire a 100% interest in the Properties, it (or Excalibur, with respect to clause (c)) must:

(a) make the following cash payments: to the Company:

Due Date	Amount
Execution Date	\$10,000
Closing Date	\$40,000
1 st Anniversary of the Closing Date	\$50,000
2 nd Anniversary of the Closing Date	\$50,000
3 rd Anniversary of the Closing Date	\$75,000
4 th Anniversary of the Closing Date	\$75,000
TOTAL	\$300,000

(b) issue the following dollar value of Excalibur Shares (the “**Payment Shares**”) to the Company:

Due Date	Amount
1 st Anniversary of the Closing Date	\$50,000
2 nd Anniversary of the Closing Date	\$50,000
3 rd Anniversary of the Closing Date	\$50,000
4 th Anniversary of the Closing Date	\$50,000
TOTAL	\$200,000

(c) provide the Company with an executed and dated copy of the Royalty Agreement, to be deemed effective as of the date the Option has been fully exercised by the Optionee.

- 4.3 The number of Payment Shares to be issued pursuant to this Subsection 4.2(b) shall be calculated based on the VWAP applicable to the specific date of issuance of such Payment Shares.
- 4.4 At any time during the term of this Agreement, Optionee shall have the right but not the obligation to accelerate the payments set forth in Subsection 4.2(a) and the Payment Share issuances set forth in Subsection 4.2(b) hereof. An acceleration of a Subsection 4.2(a) payment or a Subsection 4.2(b) Payment Share issuance shall not obligate Optionee to accelerate any or all subsequent Subsection 4.2(a) payments or Subsection 4.2(b) Payment Share issuances.
- 4.5 The Company acknowledges that some or all of the Payment Shares to be issued pursuant to Subsection 4.2(b) hereof may be subject to resale restrictions and hold periods imposed under applicable securities legislation and the policies of the Exchange.
- 4.6 The making of cash payments and issuance of Payment Shares as described in Section 4.2 are at Optionee's option only and accordingly are not firm and binding commitments of Optionee. If Optionee does not timely fulfill its obligations in Section 4.2 by the relevant due date, then the Option shall terminate in accordance with Section 12.1.

5. CONDITIONS TO CLOSING

- 5.1 The Parties shall not be obligated to close the transactions contemplated by this Agreement unless, at or before the Closing Date (as defined below), each of the conditions listed below in this Section 5.1 has been satisfied or waived in writing in advance by the Party for whose exclusive benefit the waived condition is intended;
- (a) the representations and warranties of the Parties in this Agreement shall be true and correct in all material respects on the Closing Date;
 - (b) the Company to deliver a draft Technical Report on the Properties prepared in accordance with National Instrument 43-101 in the name of Excalibur, on the understanding that the draft report will be prepared in the Company's name and Excalibur will incur any and all reasonable costs related to having the final Technical Report issued in the name of Excalibur as part of the IPO and Exchange listing process;
 - (c) all required approvals and consents to the transactions contemplated by this Agreement on the part of each Party shall have been obtained and in full force and effect; and
 - (d) the IPO shall have closed on or before May 30, 2023.

- 5.2 If any condition in Section 5.1 has not been fulfilled at or before the Closing Date, this Agreement shall terminate unless otherwise agreed to in writing by all Parties.

6. CLOSING

- 6.1 The closing of the transactions contemplated by this Agreement shall take place at 10:00 a.m. Vancouver time on the fifth (5th) business day following the IPO Closing Date, or at such other time and date as may be agreed by the Parties (the “**Closing Date**”).
- 6.2 At closing, the Company shall deliver, or cause to be delivered or made available, in the case of clause (c), to Optionee or its designate, the following documents:
- (a) a certificate of a senior officer of the Company (without personal liability) dated as of closing certifying that representations and warranties of the Company contained herein are true and correct in all material respects as of the date made and as of the Closing Date and that all covenants contained in the Agreement to be performed by the Company on or prior to the Closing Date have been performed;
 - (b) a recordable conveyance of an undivided 100% of its interest in the Properties in the form of the Quitclaim Deed set forth as Schedule C attached hereto (the “Deed”); and
 - (c) all technical data related to the Properties including survey results, sampling information, drill logs and analysis, geophysics, exploration reports, drill target reports, drilling plans and budgets, geologic mapping, interpretive work, historic drill hole and geologic data bases, GIS projects, LeapFrog 3D models, geochronology and hyperspectral data, documents, books, records and other materials related to the Properties.
- 6.3 At closing, Optionee shall deliver or cause to be delivered to the Company the following documents and payments:
- (a) a certificate of a senior officer of each of Excalibur and Optionee (without personal liability) dated as of the closing certifying that the representations and warranties of each of Excalibur and Optionee, respectively, contained herein are true and correct in all material respects as of the date made and as of the Closing Date and that all covenants contained in this Agreement to be performed by Excalibur and Optionee on or prior to the Closing Date have been performed; and
 - (b) the cash payment due on the Closing Date set out in Section 4.2(a).
- 6.3 The Optionee shall file the Deed with the BLM State Office for Nevada and have ownership of the Properties transferred into the name of the Optionee on or before 10 days following the Closing Date. All fees applicable to the transfer of ownership of the Properties under this Section 6.3 shall be the sole responsibility of the Optionee.

- 6.4 Notwithstanding Section 6.3 hereof, until the Optionee has fully exercise of the Option, the Optionee shall hold registered ownership of the Properties in trust for the benefit of Manta.

7. ACTIONS DURING OPTION PERIOD

- 7.1 During the Option Period the Optionee shall have the sole and exclusive right to enter upon the Properties for the purpose of conducting Exploration, Development and Related Work. In addition, Optionee shall have the following rights:

- (a) Optionee may carry out such operations at the Properties as it may, in its sole discretion, determine to be warranted, and Optionee shall have exclusive control of all Exploration, Development and Related Work on or for the benefit of the Properties, and of any and all equipment, supplies, machinery or other assets purchased or otherwise acquired in connection with such Exploration, Development and Related Work; and
- (b) Optionee's rights shall include all other rights necessary or incidental to or for its performance of its operations hereunder, including, but not limited to the authority to apply in its own name for all necessary permits, licenses and other approvals from the United States of America, the State of Nevada or any other governmental or other entity having regulatory authority over any part of the Properties.

- 7.2 During the Option Period, the Company shall not:

- (a) dispose of, grant any interest, permit an Encumbrance to exist on or otherwise encumber, any of the Properties;
- (b) enter into any contract or any other transaction that could affect any of the Properties, except with the prior written consent of Optionee;
- (c) terminate, cancel, modify or amend in any respect any contract related to the Properties or take or fail to take any action that would entitle any party to a contract related to the Properties to terminate, modify, cancel or amend such contract; or
- (d) agree, commit or enter into any understanding to take any action set out in paragraphs (a), (b) or (c) of this Section 7.2.

8. OPERATIONS

- 8.1 After the Closing Date, Optionee shall carry out all Exploration, Development and Related Work on the Properties during the term of the Option.

- 8.2 Optionee will have full authority to do everything necessary or desirable in accordance with good mining practice in connection with the day-to-day evaluation, exploration, and development of the Properties or the applicable part thereof.

8.3 Without limiting the generality of Sections 7.1 and 8.2, Optionee shall have the following rights, duties and obligations, all of which shall be at the sole cost of the Optionee:

- (a) to manage, direct and control all exploration and development in, on and under the Properties, in a prudent and workmanlike manner, and in compliance with all applicable laws, rules, orders and regulations of the State of Nevada, as applicable, and applicable federal laws, including Environmental Laws, and to provide a healthy and safe workplace and working environment for its employees and contractors;
- (b) to secure, maintain and comply with all permits required to be maintained under applicable laws, rules, orders and regulations, including mineral exploration, provincial, municipal and environmental permits and post all required bonds or other surety in connection therewith;
- (c) to access to all information in the possession or control of the Company relating to prior operations on the Properties including all geological, geophysical and geochemical data and drill results;
- (d) to enter upon the Properties and carry out such Exploration, Development and Related Work thereon and thereunder as the Optionee considers advisable, including removing material from the Properties for the purpose of testing;
- (e) to bring upon and erect upon the Properties such structures, machinery and equipment, facilities and supplies as the Optionee considers advisable;
- (f) within 90 days of the completion of Exploration, Development and Related Work on the Properties for a calendar year, provide the Company, upon request, with copies of all sample location maps, drillhole assay logs, assay results and other technical data, including technical reports, compiled by or on behalf of Optionee with respect to the Properties;
- (g) to perform its duties and obligations in a manner consistent with good exploration and mining practices;
- (h) to provide administrative and technical assistance and facilities necessary to support the exploration activities;
- (i) to take all action and precautions reasonably necessary to protect and secure the Properties and in particular, without limiting the foregoing, store all drill core at a suitable facility;
- (j) indemnify the other Parties against and save such Parties harmless from all costs, claims, liabilities and expenses that the other Parties may incur or suffer as a result of any injury (including injury causing death) to any director, officer, employee, agent or designated consultant of the Other Parties arising out of or attributable to the negligence or wilful misconduct of the Optionee while such director, officer, employee or designated consultant is on the Properties; and

- (k) obtain and maintain and cause any contractor or subcontractor to obtain and maintain comprehensive general liability insurance with a limit in keeping with industry standards and the level of activity undertaken.
- 8.4 During the term of this Agreement, in order to maintain its option to acquire interests in the Properties in full force and effect, Optionee shall, in a timely manner:
- (a) pay all claim maintenance fees required to maintain all of the unpatented mining claims included within the Properties;
 - (b) timely make all filings and recordings required in connection therewith (and pay all fees required in connection with such filings and recordings); and
 - (c) take all other actions and make all other payments required to maintain the Properties.

9. AREA OF INTEREST AND ABANDONED PROPERTIES

- 9.1 If during the term of this Agreement, any Party or a respective Affiliate (the "Acquiring Party") stakes or otherwise acquires, directly, indirectly or beneficially, any right to or interest in, or any right to receive proceeds of production from, any mining claim, license, lease, grant, concession, permit, patent, or other form of mineral tenure located wholly or partly on Open BLM Lands, the Acquiring Party shall give notice to the other Parties (the "Non-acquiring Parties") of such acquisition, the total cost thereof and all details in the possession of the Acquiring Party with respect to the acquisition, the nature of the property acquired and the known mineralization.
- 9.2 The Non-acquiring Parties may, within 30 days of receipt of the Acquiring Party's notice, by notice to the Acquiring Party, require that the mineral properties and the right or interest acquired be included in and thereafter form part of the Properties for all purposes of this Agreement including, but not limited to the Royalty and a Defined Resource Payment.
- 9.3 If the Optionee is the Non-acquiring Party and elects to have the interest acquired included as part of the Properties pursuant to Section 9.2, the Optionee shall reimburse the Acquiring Party in the amount equal to one-half of all reasonable costs related to the acquisition of such interest.
- 9.4 If Silver Range is the Non-acquiring Party and elects to have the interest acquired included as part of the Properties pursuant to Section 9.2, Silver Range Optionee shall reimburse the Acquiring Party in the amount equal to one-half of all reasonable costs related to the acquisition of such interest.
- 9.5 This Agreement shall immediately cease to apply to any and all interests acquired by the Acquiring Party where the Non-acquiring Parties elects to exclude the

interest acquired in the Open BLM Lands or fails to provide notice pursuant to Section 9.2.

- 9.6 Upon agreement between the Parties and in accordance with applicable laws of the State of Nevada, any mining claims comprising all or any part of any of the Properties may be allowed to lapse, expire or otherwise be excluded from those lands comprising the Properties (an “Abandoned Area”).
- 9.7 Except for Section 9.10 hereof, upon abandonment, the terms and conditions of this Agreement shall not longer apply to an Abandoned Area.
- 9.8 The Parties shall hold no residual legal or beneficial interest in an Abandoned Area and no Party nor any Affiliate of a Party shall acquire any legal or beneficial interest in lands forming all or any part of such Abandoned Area for a period of one (1) year from the date of abandonment of such Abandoned Area. If any Party or any Affiliate of a Party acquires any legal or beneficial interest in all or a part of an Abandoned Area within the said one (1) year period referred to in this Section 9.8, the provisions of Sections 9.1 through 9.5 of this Agreement shall apply to such interest.
- 9.9 The provisions of Section 9.8 hereof shall survive the termination of this Agreement for a period of one (1) year from the date of termination.
- 9.10 If during the Option Period, the Optionee elects to abandon or allow all or any mining claims comprising the Properties to lapse or expire, it shall provide Silver Range with written notice of its intention to do so. Silver Range shall have 30 days from receipt of such notice to elect to have title to those mining claims being abandoned, transferred into its or Manta’s name. All costs associated with such claim title transfers shall be borne by Silver Range.
- 9.11 If Silver Range fails to make an election within the 30-day period provided for in Section 9.10, Silver Range shall be deemed to have elected not to have title to those mining claims being abandoned pursuant to Section 9.10 transferred into its or Manta’s name and the Optionee shall be entitled to allow such claims to lapse.
- 9.12 Any and all mineral claims allowed to lapse pursuant to Section 9.11 hereof shall be deemed to be an “Abandoned Area” as such term is defined in Section 9.6 hereof and the provisions of Sections 9.8 and 9.9 shall apply.

10. SHARING OF AND CONFIDENTIAL NATURE OF INFORMATION

- 10.1 The Parties to this Agreement shall keep confidential all books, records, files and other information supplied by any Party to the other Parties or its employees, agents or representatives in connection with this Agreement or in respect of the activities carried out on the Properties by any Party, or related to the sale of minerals, or other products derived from the Properties, including all analyses, reports, studies or other documents prepared by any Party or its employees, agents or representatives, which contain information from, or otherwise reflects such books, records, files or

other information. The Parties shall use their reasonable commercial efforts to ensure that their employees, agents or representatives do not disclose, divulge, publish, transcribe, or transfer such information, in whole or in part, other than to an Affiliate where such disclosure is for routine corporate purposes, without the prior written consent of the other Parties, which consent may not be arbitrarily or unreasonably withheld and which shall not apply to such information or any part thereof to the extent that:

- (a) it is required to be publicly disclosed pursuant to applicable securities or corporate laws or rules or requirements of any stock exchange, in which event the Party seeking to make such disclosure shall provide to the non-disclosing Parties at least two (2) Business Days prior to making such disclosure, a written copy of such proposed disclosure, unless mutually agreed otherwise, and shall in good faith consider any comments the non-disclosing Parties may have on such proposed disclosure;
- (b) the disclosure is reasonably required to be made to a taxation authority in connection with the taxation affairs of the disclosing Party;
- (c) such information becomes generally disclosed to the public, other than as a consequence of a breach hereof by one of the Parties to this Agreement; or
- (d) the disclosure is made by Excalibur or the Optionee to potential acquiror's of Excalibur, the Optionee or the Properties, joint venture partners or financing sources.

10.2 No Party will make any public statement or issue any press release concerning the transactions contemplated herein or operations engaged in hereunder except in accordance with the following procedure. Prior to a Party (the “**Releasing Party**”) releasing a public announcement or disclosure in connection with the transactions contemplated herein or operations engaged in hereunder, the other Party (the “**Reviewing Party**”) must be furnished with a copy of such public statement or announcement. The Reviewing Party shall have a period of two business days to review such public announcement or disclosure and provide comments to the Releasing Party. The Releasing Party shall consider the comments from the Reviewing Party, acting reasonably, but the Releasing Party shall have ultimate discretion over the final content of the public announcement or disclosure. The provisions of Section 10.2 shall survive any termination of this Agreement.

11. NOTICES

11.1 Any notice, direction or other instrument required or permitted to be given under this Agreement will be in writing and may be given by the personal delivery of the same or by mailing the same by prepaid registered or certified mail, delivering the same by reputable overnight courier, or by sending the same by email, or other similar form of communication, in each case addressed as set forth on page 1 of this Agreement.

- 11.2 Any notice, direction or other instrument will:
- (a) if personally delivered, be deemed to have been given and received on the day it was delivered;
 - (b) if sent by email or other similar form of communication, be deemed to have been given and received on the business day following the day it was so sent; and
 - (c) if sent by registered or certified mail or reputable overnight courier, upon confirmation of delivery by the third-party carrier.
- 11.3 A Party may at any time give to the other Parties notice in writing of any change of address of the Party giving such notice and from and after the giving of such notice the address or addresses therein specified will be deemed to be the address of such Party for the purposes of giving notice hereunder.

12. TERMINATION

- 12.1 The Optionee may, at any time prior to its exercise of the Option, terminate this Agreement in its entirety on thirty (30) days written notice to Silver Range and except for the obligations set out in Subsections 12.3(b), (c), (d) and (e) hereof shall thereafter have no liability to Silver Range as a result of such termination.
- 12.2 Upon termination pursuant to Section 12.1 hereof, the Optionee shall have no legal or beneficial interests in or to any lands or mineral rights within the Properties. The Option is an option only in respect of the Properties and except as specifically provided otherwise, nothing in this Agreement shall be construed as obligating the Optionee to do any acts or make any payments hereunder and any act or acts or payment or payments as shall be made hereunder shall not be construed as obligating the Optionee to do any further act or make any further payment.
- 12.3 Subject to Section 14.1, a Party may terminate this Agreement if at any time:
- (a) a Party fails to perform any obligation required to be performed by it hereunder, or a Party is in breach of a warranty given by it hereunder, which failure or breach materially interferes with the implementation and operation of this Agreement; or
 - (b) the Optionee has not made the cash payments or issued the Payment Shares in accordance with Section 4.2 hereof.
- 12.3 Notwithstanding any other provisions hereof, in the event of termination of this Agreement, the Optionee shall:
- (a) have the right and obligation to remove from the Properties within 180 days of the effective date of such termination, all equipment erected, installed or brought upon the Properties by or on behalf of the Optionee;
 - (b) have made all payments required to complete all filings under applicable Nevada mining and land laws to maintain the mining claims comprising the Properties in

good standing for a period of not less than 12 months following the termination of this Agreement;

- (c) pay to perform all reclamation work on the Properties required under applicable Nevada mining laws, land laws and Environmental Laws as a result of all Exploration, Development and Related Work carried out by or on behalf of the Optionee;
- (d) provide Silver Range with any digital and hard copies of information related to the Properties not previously provided to Silver Range prior to the termination of this Agreement; and
- (e) deliver to Manta within five business days of termination, a Deed in a form recordable with the BLM State Office for Nevada for the express purpose of having ownership of the Properties transferred into the name of Manta All fees applicable to the transfer of ownership of the Properties under this Subsection 12.3(e) shall be the sole responsibility of Manta.

13. FORCE MAJEURE

13.1 The obligations of a Party (other than Optionee's obligations to maintain the Properties by timely paying claim maintenance fees and timely making all filings and recordings required in connection therewith) shall be suspended to the extent and for the period that performance is prevented by any cause, whether foreseeable or unforeseeable, beyond its reasonable control and except for lack of funds, shall include labour disputes (however arising and whether or not employee demands are reasonable or within the power of the Party to grant); acts of God; laws, instructions or requests of any government or governmental entity; judgments or orders of any court; inability to obtain on reasonably acceptable terms any permit or other authorization; action or inaction by any federal, state or local agency that delays or prevents the issuance or granting of any approval or authorization required to conduct operations beyond the reasonable expectations of the party seeking the approval or authorization; acts of war or conditions arising out of or attributable to war, whether declared or undeclared; riot; civil strife, terrorism, insurrection or rebellion; fire, explosion, earthquake; delay or failure by suppliers or transporters of materials, parts, supplies, services or equipment or by contractors' or subcontractors' shortage of, or inability to obtain, labour, transportation, materials, machinery, equipment, supplies, utilities or services; accidents; breakdown of equipment, machinery or facilities; pandemic or epidemic; actions by aboriginal rights groups, environmental groups, or other similar special interest groups; or any other cause whether similar or dissimilar to the foregoing (an "**Intervening Event**").

13.2 A Party relying on the provisions of Section 13.1 will promptly give written notice to the other Parties of the particulars of the Intervening Event and all applicable time limits imposed by this Agreement will be extended from the date of delivery of such notice by a period equivalent to the period of delay resulting from an Intervening Event.

- 13.3 A Party relying on the provisions of Section 13.1 will take all reasonable steps to eliminate any Intervening Event and, if possible, will perform its obligations under this Agreement as far as commercially practical, but nothing herein will require such Party to settle or adjust any labour dispute or to question or to test the validity of any law, rule, regulation or order of any duly constituted governmental authority or to complete its obligations under this Agreement if an Intervening Event renders completion commercially impracticable. A Party relying on the provisions of Section 13.1 will give written notice to the other Parties as soon as such Intervening Event ceases to exist.

14. DEFAULT

- 14.1 Notwithstanding anything in this Agreement to the contrary, if any Party (a “**Defaulting Party**”) is in default of any obligation herein set forth, the Party or Parties affected by such default will give written notice to the Defaulting Party specifying the default and the Defaulting Party will not lose any rights under this Agreement, unless within thirty (30) days after the giving of the first notice of default by an affected Party the Defaulting Party has failed to take reasonable steps to cure the default by the appropriate performance and if the Defaulting Party fails within such period to take reasonable steps to cure any such default, the affected Party will be entitled to seek any other remedy it may have on account of such default including terminating this Agreement or seeking the remedies of specific performance, injunction or damages.

15. INDEMNIFICATION

- 15.1 Excalibur and Silver Range, as the case may be (hereinafter referred to as the “Indemnifying Party”) hereby covenant and agree to indemnify and save harmless the other Parties (each hereinafter referred to as an “Indemnified Party”), effective as and from the Execution Date, from and against any third party demands, actions, causes of action, damage, loss, costs, liability or expense, including reasonable legal expenses (hereinafter in this Section 15.1 called “Claims”) which may be made or brought against the Indemnified Party or which it may suffer or incur as a result of, in respect of or arising out of any non-fulfillment of any covenant or agreement on the part of the Indemnifying Party under this Agreement or any incorrectness in or breach of any representation or warranty of the Indemnifying Party contained or incorporated by reference herein or in any certificate or other document furnished by the Indemnifying Party pursuant to or in relation to this Agreement.
- 15.2 If an Indemnified Party has a claim giving rise to an indemnification obligation or indemnification liability pursuant to Section 15.1 hereof, it shall give prompt notice to the Indemnifying Party of such claim, together with a reasonable description thereof. Failure to promptly provide such notice shall not relieve the Indemnifying Party of any of its obligations hereunder except to the extent that the Indemnifying Party is materially prejudiced thereby.

- 15.3 With respect to any claim by a third party against any Indemnified Party, the Indemnifying Party shall be afforded the opportunity, at its expense, to defend or settle the claim if it utilizes counsel reasonably satisfactory to the Indemnified Party, and promptly commences the defense of such claim and pursues such defense with diligence; provided, however, that the Indemnifying Party shall secure the consent of the Indemnified Party to any settlement, which consent shall not be unreasonably withheld. The Indemnified Party may participate in the defense of any claim at its expense, and until the Indemnifying Party has agreed to defend such claim, the Indemnified Party may file any motion, answer or other pleading or take such other action as it deems appropriate to protect its interests or those of the Indemnifying Party. If an Indemnifying Party does not elect to contest any third-party claim, the Indemnifying Party shall be bound by the results obtained with respect thereto by the Indemnified Party, including any settlement of such claim.
- 15.4 The indemnification obligations of the Parties set forth in this Agreement shall survive for a period of two years following the earlier of (i) effective date of termination of this Agreement; and (ii) the exercise of the Option.
16. ROYALTY AND DEFINED RESOURCE PAYMENTS
- 16.1 Upon the Optionee exercising the Option, Silver Range shall be deemed for all purposes of this Agreement to have retained the Royalty. All rights, duties, obligations of the Parties in respect of the Royalty and any future calculation and payment of the Royalty shall all be governed in accordance with the provisions of the Royalty Agreement.
- 16.2 Pursuant to the provisions of the Royalty Agreement, the Optionee shall be granted the right to purchase one-half (1/2) of the Royalty (the "Buy-Down Option").
- 16.3 Pursuant to the provisions of the Royalty Agreement, the Optionee shall be granted a right of first refusal to purchase up to one-half (1/2) of the Royalty not subject to the Buy-Down Option.
- 16.3 Upon the Optionee exercising the Option, Silver Range shall be entitled to the Defined Resource Payment, being a one-time cash payment equal to US\$2.00 for each ounce of gold (or the value equivalent in other metals and minerals) identified as a measured or indicated mineral resource in accordance with CIM Standards and as contained in a National Instrument 43-101 compliant report applicable to the Properties.
- 16.4 The Defined Resource Payment shall be received by Silver Range within four (4) months of the date of the National Instrument 43-101 report referred to in Section 16.3 hereof.
- 16.5 If the Optionee has not identified a measured or indicated mineral resource on or before the fifth anniversary of the completion of the IPO, it shall pay US\$10,000 to Silver Range on the fifth anniversary of completion of the IPO and on all subsequent anniversaries of the completion of the IPO until such time as a measured

or indicated mineral resource in accordance with the requirements of Section 16.5 hereof has been identified on the Properties. All payments received by Silver Range pursuant to this Section 16.5 shall be credited to the Optionee as advanced royalty payments and applied against any and all Royalty payments related to future Commercial Production.

17. ENVIRONMENTAL INDEMNIFICATION

- 17.1 Silver Range agrees to indemnify and save the Optionee harmless (in accordance with the terms set forth in Section 15) from and against any environmental claim suffered or incurred by the Optionee arising directly or indirectly from any operations or activities conducted on, in or under the Properties, by or on behalf of Silver Range prior to the Execution Date.
- 17.2 The Optionee agrees to indemnify and save Silver Range harmless (in accordance with the terms set forth in Section 15) from and against any environmental claim suffered or incurred by Silver Range arising directly or indirectly from any operations or activities conducted on, in or under the Properties, by or on behalf of the Optionee after the Execution Date.

18. GENERAL

- 18.1 The Parties will execute such further and other documents and do such further and other things as may be necessary or convenient to carry out and give effect to the intent of this Agreement.
- 18.2 Time is of the essence in the performance of this Agreement.
- 18.3 Prior to the completion of the exercise of the Option, this Agreement may not be assigned, in whole (or in part by way of joint venture, option or similar transfer), by any Party without the written consent of the Parties, such consent not to be unreasonably withheld. After the exercise of the Option, this Agreement may be assigned, in whole (or in part by way of joint venture, option or similar transfer), by Optionee and Excalibur without the consent of the Company, provided that the assignee assumes all obligations of Optionee and Excalibur under this Agreement in whole (or in part if by way of joint venture, option or similar transfer).
- 18.4 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
- 18.5 This Agreement (including the Schedules thereto) constitutes the entire agreement between the Parties and, except as hereafter set out, replaces and supersedes all prior agreements, memoranda, correspondence, communications, negotiations and representations, whether oral or written, express or implied, statutory or otherwise between the Parties with respect to the subject matter herein. There are no implied covenants contained in this Agreement other than those of good faith and fair dealing.

- 18.6 This Agreement will be governed by and construed according to the laws of the Province of British Columbia and the Federal laws of Canada applicable therein. The Parties attorn to the exclusive jurisdiction of the courts of the Province of British Columbia in respect of all disputes arising hereunder.
- 18.7 This Agreement may only be amended by the written agreement of all the Parties hereto and their permitted successors and assigns.
- 18.8 Any right or entitlement to acquire any interest in real or personal property under this Agreement must be exercised, if at all, so as to vest such interest in the acquirer within twenty-one (21) years after the Execution Date of this Agreement.
- 18.9 This Agreement may be executed in one or more counterparts, including counterparts by facsimile or PDF via email transmission, each of which shall be deemed to be an original but each of which shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties hereto have executed these presents as of the day and year first above written.

SILVER RANGE RESOURCES LTD.

By: “Michael Power”
Name: Michael Power
Title: President

MANTA MINERALS LTD.

By: “Ian Talbot”
Name: Ian Talbot
Title: Director and Secretary

EXCALIBUR METALS CORP.

By: “Mark Morabito”
Name: Mark Morabito
Title: Chief Executive Officer

EXCALIBUR METALS (USA) CORP.

By: “Mark Morabito”
Name: Mark Morabito
Title: Chief Executive Officer

SCHEDULE A

Description of Properties

The following unpatented mining claims for lands located in Nye County, Nevada:

1. Bellehelen Property

Property Name	Claim Name	Claim Serial Number	County	Anniversary Date
Bellehelen	BH 1 – 8	NV101358785 – NV101358792	Nye	Sept. 1, 2023

2. Kawich Property

Property Name	Claim Name	Claim Serial Number	County	Anniversary Date
Kawich	KW 1 – 4	NV101735176 – NV101735179	Nye	Sept. 1, 2023
	KW 5 - 6	NV101736177 – NV101736178		
	KW 7 - 61	NV105292674 – NV105292728		
	KW 62 – 79	NV105297777 – NV105297791		
	KW 77 – 78	NV105775411 – NV10577412		

3. Neversweat Property

Property Name	Claim Name	Claim Serial Number	County	Anniversary Date
Neversweat	NS 1 – 4	NV101921047 – NV101921050	Nye	Sept. 1, 2023

SCHEDULE B
Royalty Agreement

ROYALTY AGREEMENT

THIS AGREEMENT is dated effective as of the ▲ day of ▲, 202▲.

BETWEEN:

EXCALIBUR METALS (USA) CORP., a corporation existing under the laws of the State of Nevada

(the “**Owner**”)

and

SILVER RANGE RESOURCES LTD., a corporation existing under the laws of British Columbia

(the “**Royalty Holder**”)

WHEREAS:

- A. Pursuant to an option agreement dated October, ▲, among Excalibur Metals Corp., the Owner, the Royalty Holder and Manta Minerals Ltd. (the “**Option Agreement**”), the Owner become the legal owner of the Properties; and
- B. Pursuant to the Option Agreement the Royalty Holder has retained the Royalty (as defined herein) on minerals and mineral substances mined, produced or otherwise recovered from the Properties, subject to the right of the Owner to purchase the Royalty from the Royalty Holder as set out herein.

NOW THEREFORE in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereby covenant and agree as follows:

1. Definitions

- 1.1 Definitions. In this Agreement, the following capitalized terms shall have the respective meanings ascribed thereto:
 - (a) “**Arm’s Length**” has the meaning ascribed to such term in the *Income Tax Act* (Canada) as amended from time to time;
 - (b) “**Business Day**” means any day which is not a Saturday, Sunday or banking holiday in Vancouver, British Columbia;
 - (c) “**Buy-Down Option**” means an irrevocable right held by the Owner to purchase a portion of the Royalty from the Royalty Holder pursuant to Section 3.2 of this Agreement;

- (d) **“Calculation Price”** means in respect of the sale or disposition of Mineral Products credited to the account of the Owner, the Spot Price on the Business Day that the Owner’s account is credited with such sale or disposition or with the U.S. dollar cash equivalent monetary value thereof;
- (e) **“Commercial Production”** means the first day of the month following the month in which Mineral Products from a mine at any one or more of the Properties have been extracted and processed to yield product for sixty (60) consecutive days at a rate, averaged over such sixty (60) day period, of not less than sixty percent (60%) of the average daily rate projected by the feasibility study pursuant to which a mine is developed. The processing or shipping of bulk samples for testing purposes shall not be considered for the purpose of establishing the commencement of Commercial Production;
- (f) **“Facilities”** means all mines, mills, plants and facilities including, without limitation, all pits, shafts, haulage ways, and other underground workings, and all buildings, plants, facilities and other structures, fixtures and improvements, and all other property, whether fixed or moveable, as the same may exist at any time in, or on the Properties and relating to the operation of the Properties as a mine or outside the Properties if for the exclusive benefit of the Properties only;
- (g) **“Indemnification Claim”** has the meaning ascribed to it in Section 5.2 hereof;
- (h) **“Losses”** means any and all claims, demands, debts, suits, actions, obligations, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including without limitation, all reasonable and documented legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement);
- (i) **“Mineral Product”** means all Precious Metals and Non-precious Metals;
- (j) **“Net Smelter Returns”** means the actual amount of gross proceeds received by or credited to the Owner, from time to time, by the sale of Mineral Products from a Processor for the production, sale or other disposition of all Mineral Products, or in the event that the account of the Owner at a Processor is credited with Mineral Products processed by the Processor, the gross value of Mineral Products so credited to the Owner calculated on the basis of the aggregate quantity of such Mineral Products so credited during the relevant time period multiplied by the Calculation Price, after deducting Permissible Deductions;
- (k) **“Non-precious Metals”** means all base metals and minerals, uncommon nonferrous metals and minerals, rare earth elements and minerals, all non-metallic minerals including diamonds, all industrial minerals and all ores, concentrates, beneficiated products, and solutions containing any of the afore mentioned metals or minerals, and all forms in which such metals or minerals may occur, be found, extracted or produced on, in or under any of the Properties;
- (l) **“Parties”** means, collectively, the Owner and the Royalty Holder and **“Party”** means either one of them;

- (m) **“Permits”** means all licences, permits, registrations and mining titles related to the Properties;
- (n) **“Permissible Deductions”** means the aggregate of the following charges (to the extent that they are not deducted by any purchaser in computing payment) that are incurred with respect to Mineral Products from the Properties in each quarterly period:
 - (i) transportation costs for the Mineral Products from the Properties to the place of beneficiation, processing or treatment and thence to the place of delivery of the Mineral Products to a purchaser thereof, including shipping, insurance, freight, handling and forwarding expenses;
 - (ii) all costs, expenses, charges and penalties, if any, which are either paid or incurred by the Owner in connection with handling, storage, refinement or beneficiation of Mineral Products after leaving the Properties, including all smelter and refinery charges and all weighing, sampling, assaying, representation and storage costs, metal losses and umpire charges, and any charges made by the purchaser of the Mineral Products;
 - (iii) all insurance costs in accordance with industry standards on Mineral Products and any government royalties, production taxes, severance taxes and sales and other taxes levied on the Mineral Products or on the production value thereof, but excluding any and all taxes based upon the net or gross income of the Owner or other operator of the Properties, the value of the Properties and any other taxes assessed on a similar basis; and
 - (iv) costs and expenses of marketing the Mineral Products;
- (o) **“Person”** means any individual, firm, partnership, company, corporation, unincorporated association, joint venture, trust or any judicial entity or person, government or governmental agency, authority or entity howsoever designated or constituted;
- (p) **“Precious Metals”** means gold, silver, platinum, palladium, osmium, rhodium, ruthenium and iridium, all minerals containing such metals and all ores, concentrates, beneficiated products and solutions containing any of the afore mentioned metals and all forms in which such metals or minerals may occur, be found, extracted or produced on, in or under any of the Properties;
- (q) **“Prime”** means the reference rate of interest expressed as a rate per annum that the Bank of Nova Scotia establishes as its prime rate of interest in order to determine the interest rates that it will charge for demand loans in Canadian dollars to its Canadian customers;
- (r) **“Processor”** means any mill, smelter, refiner or other processor or purchaser of the Mineral Product which processes any Mineral Product to the final product stage before sale or other disposition by or for the account of the Owner;
- (s) **“Production Decision Date”** means the date on which a formal decision by the board of directors of the Owner was made to construct an operating mine on the Properties;

- (t) **“Properties”** means those mining claims as more particularly described in Schedule “A” to this Agreement, together with the surface rights, mineral rights and permits associated therewith and shall include any renewal thereof and any other form of successor or substitute title thereto;
- (u) **“ROFR”** means an irrevocable right of first refusal held by the Owner to purchase an interest in the Royalty from the Royalty Holder pursuant to Section 3.4 of this Agreement;
- (v) **“Royalty”** means a royalty interest equal to 2.0% of Net Smelter Returns; and
- (w) **“Spot Price”** on any given date means (i) in the case of Mineral Product that are gold, the price of gold in U.S. dollars on the London Bullion Market, Afternoon Fix on such date; (ii) in the case of Mineral Product that are silver, the price of silver in U.S. dollars determined using the Handy & Harman quoted price of silver on such day as reported in the Wall Street Journal; and (iii) in the case of all other Mineral Product, the price per unit in U.S. dollars for the relevant Mineral Product as quoted on the London Metal Exchange. If for any reason the London Bullion Market, the Wall Street Journal or the London Metal Exchange are no longer in operation, the “Spot Price” of such Mineral Product will be determined by reference to the price of such Mineral Product on another commercial exchange mutually acceptable to the Parties hereto.

2. Interpretation

- 2.1 Currency. All references in this Agreement to currency, unless otherwise specified, are in dollars of the United States of America.
- 2.2 Gender and Plural. In this Agreement, all references to the masculine gender include the feminine and neuter genders and vice versa and all references to the singular include the plural and vice versa. The word “shall” have the same meaning in this Agreement as the word “will”.
- 2.3 Period of Time. When calculating the period of time within which or following which any act is to be done or step is to be taken pursuant to this Agreement, the date which is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next Business Day.
- 2.4 Section Headings. The section and other headings contained in this Agreement or in the Schedules are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

3. Royalty Interest

- 3.1 Retention of Royalty. Pursuant to the terms of the Option Agreement, the Royalty Holder retained and holds a one hundred percent (100%) interest in and to the Royalty. From and after the date hereof, the Owner shall pay the Royalty to the Royalty Holder in accordance with the terms of this Agreement. The Owner and the Royalty Holder hereby acknowledge and agree that the Royalty shall run with and bind the Properties and the title thereto and notice of the Royalty may be filed with title to the Properties and shall be binding upon the successors and assigns of the Owner and all successors of the Owner in title to the Properties. The Royalty shall not be

terminated by reason of the suspension of operations or closure of any mine or mining operations on the Properties. All Royalty payments under this Agreement, shall be delivered to the Royalty Holder at its principal place of business as set out in section 15.8 or in such other manner or at such other place as specified in writing by the Royalty Holder.

- 3.2 Buy-Down Option. The Royalty Holder hereby grants to the Owner the exclusive and irrevocable option to purchase fifty percent (50%) of the Royalty from the Royalty Holder (the "Buy-Down Option"). For greater certainty, a fifty percent (50%) interest in the Royalty shall be equal to a one percent (1.0%) interest in Net Smelter Returns.
- 3.3 The Owner may exercise the Buy-Down Option at any time prior to the Production Decision Date by: (i) delivering written notice thereof to the Royalty Holder; and (ii) paying Cdn\$1,000,000 to the Royalty Holder on or before 30 days following the delivery of the aforementioned exercise notice. The exercise of the Buy-Down Option shall be effective upon the receipt of such payment by the Royalty Holder and the Royalty retained by the Royalty Holder shall automatically and without any additional action on the part of the Owner be reduced accordingly.
- 3.4 Right of First Refusal. If the Royalty Holder intends to sell all or any part of the Royalty not subject to the Buy-Down Option, the Royalty Holder shall first offer (the "Offer") the applicable Royalty interest in writing to the Owner upon terms no less favourable than those offered by any potential third-party purchaser or intended to be offered by the Royalty Holder, as the case may be. The Offer shall specify the price, terms and conditions of such sale and, if the offer received by the Royalty Holder from the potential third party purchaser provides for any consideration payable to the Royalty Holder otherwise than in cash, the Offer shall include the Royalty Holder's good faith estimate of the cash equivalent of the non-cash consideration.
- 3.5 If within a period of 60 days of the receipt of the Offer, the Owner notifies the Royalty Holder in writing that it will accept the same, the acceptance by the Owner shall be effective and binding upon the Owner and the Royalty Holder. The sale of the Royalty interest subject to the Offer shall be effective upon the receipt of such payment by the Royalty Holder and the remaining Royalty interest retained by the Royalty Holder shall automatically and without any additional action on the part of the Owner be reduced accordingly.
- 3.6 If the Owner fails to notify the Royalty Holder that it accept the Offer within the 30 day period after receiving the Offer, the Royalty Holder shall be free to sell and transfer the Royalty interest specified in the Offer to any third party purchaser at the price and on the terms and conditions specified in the Offer for a period of 90 days, provided that the provisions of this Section 3.6 shall again apply to the Royalty interest being offered if a sale to a third party purchaser is not completed within the said 90 days.

4. Time and Manner of Royalty Payments

- 4.1 Time and Manner. Commencing upon Commercial Production, during each year of the term hereof the Owner shall pay the Royalty to the Royalty Holder, quarterly, on or before the 45th day after the last day of each of March, June, September and December. The Royalty payment for each quarter shall be paid to the Royalty Holder by the Owner by certified cheque, bank draft or wire transfer (in the sole and absolute discretion of the Royalty Holder) in U.S. dollars. At the

time of making each such Royalty payment, the Owner shall simultaneously deliver to the Royalty Holder a written statement as to: (i) the quantity of Mineral Products to which such Royalty payment is applicable; (ii) the quantities of Mineral Products sold or otherwise disposed of by the Owner or the amount of Mineral Products produced and credited to the account of the Owner for such quarter, as the case may be; (iii) the calculation of the Net Smelter Returns for the applicable fiscal quarter of the Owner; (iv) the Spot Price and the Calculation Price for applicable Mineral Products; (v) in the event of any commingling as contemplated in Section 8, a detailed summary of the determination by the Owner of the quantity of Mineral Product commingled in accordance with Section 8 and subject to the Royalty; (vi) the calculation of any interest accrued on such Royalty payment pursuant to Section 4.5, if any; and (vii) in the case of any Mineral Product in the form of ores mined and stockpiled but not sold or processed by the Owner during the previous quarter, the tonnage and location of such Mineral Product.

4.2 Detailed Statements.

- (a) Within 90 days after the end of each fiscal year of the Owner, the Owner shall prepare and forward or cause to be prepared and forwarded to the Royalty Holder an unaudited statement of production from the Properties and the Royalty paid to the Royalty Holder during the applicable fiscal year of the Owner together with the balance, if any, of the Royalty due and payable to the Royalty Holder in respect of the said fiscal year of the Owner. If amounts in respect of the Royalty have been paid to the Royalty Holder by the Owner in excess of those due and owing in the applicable fiscal year of the Owner under this Agreement, the equivalent amount shall at the Owner's option be deducted from the subsequent Royalty payment. If amounts in respect of the Royalty remain due and owing to the Royalty Holder by the Owner in respect of the Royalty in the applicable fiscal year of the Owner, the Owner shall forthwith pay the same to the Royalty Holder within five Business Days of the delivery of the unaudited statement of production to the Royalty Holder by the Owner.
- (b) The Owner shall also prepare and forward or cause to be prepared and forwarded to the Royalty Holder within 15 days of the date to which the same is made up, a calendar monthly report of the quantity of all ores, concentrates and dore related to all Mineral Product mined and processed or otherwise recovered from the Properties during the applicable month.
- (c) At least 60 days prior to commencing any mining of the Properties and concurrently with the release of the annual report by the Owner (or within 60 days of the end of each calendar year in the circumstances that the Owner is not obligated to issue an annual report) following the commencement of Commercial Production, the Owner shall deliver to the Royalty Holder a reasonably detailed and reasoned estimate specific to the Properties of the proven and probable reserves of Mineral Product on, in or under the Properties.

4.3 Objections. The Royalty Holder may object in writing to any Royalty statement and payment including for greater certainty and without limitation pursuant to section 4.1 and 4.2 hereof within 12 months after receipt of the relevant Royalty statement or payment specifying with particularity, the grounds for such objection and/or requesting that an audit be conducted of such statements by an independent auditor. The reasonable expenses of the independent audit shall be paid by the

Royalty Holder, unless the result of such audit discloses a deficiency in respect of the Royalty payments paid to the Royalty Holder hereunder in an amount greater than 5% of the amount of the Royalty properly payable in which event the costs of such audit shall be paid by the Owner. If the results of the said independent audit reveal that amounts in respect of the Royalty remain due and owing to the Royalty Holder, the Owner shall forthwith pay the same to the Royalty Holder within five Business Days after receipt of the results of the independent audit. All year end statements shall be deemed true and correct one year after presentation, unless within that period the Royalty Holder delivers a written notice of objection to the Royalty Holder.

- 4.4 Preliminary and Secondary Assay Results. Upon written request from the Royalty Holder acting reasonably from time to time, the Owner shall and shall irrevocably direct the Processor to provide to the Royalty Holder, in an expeditious and timely fashion, written preliminary and secondary assay results as well as all assay results adjusted by reason of umpiring, of all ores, concentrates and dore related to Mineral Products and Mineral Product mined or otherwise recovered from the Properties and shipped to the Processor, identified by lot number.
- 4.5 Default in Payment. If any Royalty payment has not been paid to the Royalty Holder in full as provided herein including for greater certainty and without limitation, pursuant to sections 4.1, 4.2 and 4.3 hereof, the Owner shall pay to the Royalty Holder interest on the delinquent payment at a rate of Prime plus 2% per annum, commencing on the date on which such delinquent payment was first due and continuing until the Royalty Holder receives payment in full of such delinquent payment together with all accrued interest thereon. For the purposes of this subsection, Prime shall be determined as of the date on which such delinquent payment was properly due.
- 4.6 Deductions. All Royalty payments shall be made without deduction or set off for costs of production, milling, smelting, processing, transportation, taxes or other expenses whatsoever, except as provided in this Agreement.

5. Representations, Warranties and Indemnity

- 5.1 Representations and Warranties of the Owner. The Owner hereby represents and warrants to the Royalty Holder that
- (a) this Agreement constitutes a legal, valid and binding obligation of the Owner and is enforceable against the Owner in accordance with its terms; and
 - (b) these representations and warranties shall, except as provided herein, survive during the term of this Agreement, and the Owner acknowledges that the Royalty Holder has relied on such representations and warranties in entering into this Agreement.
- 5.2 Representations and Warranties of the Royalty Holder. The Royalty Holder hereby represents and warrants to the Owner that
- (a) this Agreement constitutes a legal, valid and binding obligation of the Royalty Holder and is enforceable against the Royalty Holder in accordance with its terms; and

- (b) these representations and warranties shall, except as provided herein, survive during the term of this Agreement, and the Royalty Holder acknowledges that the Owner has relied on such representations and warranties in entering into this Agreement.

5.3 Indemnity. The Owner hereby acknowledges and confirms that the Royalty Holder has had and will have no involvement in the carrying out of work related to or conducted on, in or under the Properties or in any decisions related to the Properties or any work related to or conducted on, in or under the Properties from and after the date of this Agreement, all such matters being in the sole control of the Owner. The Owner hereby indemnifies and saves harmless the Royalty Holder, its Affiliates and their respective directors, officers, shareholders and employees from and against any and all Losses incurred by them resulting from operations conducted on or in respect of the Properties by or on behalf of the Owner that result from or relate to the exploration, pre-development and development, mining, handling, transportation, smelting or refining of the Mineral Product, as applicable, and current and future reclamation activities (except as set out in Section 17.1 of the Option Agreement). If the Royalty Holder shall become aware of any loss, damage, liability or other expense in respect of which the Owner has agreed to indemnify the Royalty Holder pursuant to this Agreement (the “**Indemnification Claim**”), the Royalty Holder shall promptly give written notice thereof to the Owner. Such notice shall specify whether the Indemnification Claim arises as a result of a claim by a Person against the Royalty Holder or whether the loss, damage, liability or other expense does not so arise and shall also specify with reasonable particularity (to the extent that the information is available) the factual basis for the Indemnification Claim and the amount of the loss, damage, liability or other expense, if known. If, through the fault of the Royalty Holder, the Owner does not receive notice of any Indemnification Claim in time to effectively contest the determination of any liability susceptible of being contested, the Owner shall be entitled to set off against the amount claimed by the Royalty Holder the amount of any losses incurred by the Owner resulting from the Royalty Holder’s failure to give such timely notice.

6. Termination and Abandoned Areas

- 6.1 Upon agreement between the Parties and in accordance with applicable law, any mining claims, license, lease, grant, concession, permit, patent, or other form of mineral tenure comprising all or any part of the Properties may be allowed to lapse, expire or otherwise be excluded from those lands comprising the Properties (an “Abandoned Area”).
- 6.2 Except for Section 6.3 hereof, upon abandonment pursuant to Section 6.1, the terms and conditions of this Agreement shall no longer apply to an Abandoned Area.
- 6.3 The Parties shall hold no residual legal or beneficial interest in an Abandoned Area and neither Party nor any Affiliate of a Party shall acquire any legal or beneficial interest in lands forming all or any part of such Abandoned Area for a period of one (1) year from the date of abandonment of such Abandoned Area. If either Party or any Affiliate of a Party acquires any legal or beneficial interest in all or any part of an Abandoned Area within the said one (1) year period referred to in this Section 6.3, the provisions of Sections 6.1 through 6.4 of this Agreement shall apply to such interest.

- 6.4 The provisions of Section 6.3 hereof shall survive the termination of this Agreement for a period of one (1) year from the date of termination.
- 6.5 If at any time the Owner elects to abandon or allow all or any mining claims, license, lease, grant, concession, permit, patent, or other form of mineral tenure comprising the Properties (each a "Property Interest") to lapse, it shall provide the Royalty Holder with written notice of its intention to do so. The notice shall be delivered to the Royalty Holder not less than six months in advance of the expiry date of the Property Interest the Owner intends to abandon.
- 6.6 The Royalty Holder shall have 30 days from receipt of a Section 6.5 notice to elect to have title to all or any part of the Property Interest being abandoned, transferred into its name. All costs associated with such title transfers shall be borne by the Royalty Holder.
- 6.7 If the Royalty Holder fails to make an election within the 30-day period provided for in Section 6.5, the Royalty Holder shall be deemed to have elected not to have title to the Property Interest being abandoned pursuant to Section 6.5 transferred into its name and the Owner shall be entitled to allow the Property Interest to expire.
- 6.8 Any Properties Interest allowed to expire pursuant to Section 6.7 hereof shall be deemed to be an "Abandoned Area" as such term is defined in Section 6.1 hereof and the provisions of Sections 6.2, 6.3 and 6.4 shall apply.

7. Transfer

- 7.1 Transfer. If the Owner contemplates a sale to an Arm's Length Person by any means whatsoever, including without limitation, by the transfer, sale, assignment, conveyance, lease mortgage, charge, other encumbrance of or grant of a right, title or interest by joint venture or grant of option, of an interest in and to the Properties, then the Owner shall ensure that contemporaneous with the consummation of any such transaction, the Owner shall procure a written agreement wherein:
- (a) such purchaser, transferee or assignee covenants and agrees to, and in favour of the Royalty Holder, be bound by the terms and conditions of this Agreement as if it were an original signatory hereto;
 - (b) such purchaser, transferee or assignee of this Agreement has simultaneously acquired the Owner's right, title and interest in and to the Properties; and
 - (c) such mortgagee, chargee, lessee, assignee or encumbrancer of such Properties or this Agreement agrees in advance in favour of the Royalty Holder to be bound by and subject to the terms of this Agreement in the event it takes possession of or forecloses on all or part of such Properties and acknowledges that the Royalty Holder shall be entitled to receive the Royalty payments to which it is entitled hereunder in priority to any payments to such mortgagee, chargee, lessee, assignee or encumbrancer and undertakes to obtain an agreement in writing in favour of the Royalty Holder from any subsequent purchaser, lessee, assignee or transferee of such mortgagee, chargee, lessee, or encumbrancer that such subsequent purchaser, lessee, assignee or transferee will be bound by the terms of this Agreement.

- 7.2 Assignment by Royalty Holder. Subject to the Buy-Down Option and the ROFR, the Royalty Holder shall have the right, at any time and from time to time, to assign, transfer, convey, mortgage, pledge or charge any portion or all of the Royalty and its interest in and to this Agreement, provided any such assignee, transferee, mortgagee, pledgee or chargee enters into a written agreement with the Owner whereby it agrees to be bound, and to cause any assignee, transferee, mortgagee, pledgee or chargee from it to be bound, by the terms of this Agreement. The Owner covenants and agrees that it shall be bound by and shall perform, and that it will acknowledge in writing in favour of such assignee, transferee, mortgagee, pledgee or chargee that it is bound by and shall perform, the terms of this Agreement upon any such assignment, transfer, conveyance, mortgage, pledge or charge. The Royalty Holder shall notify the Owner in writing prior to the completion of any such assignment, transfer or conveyance, confirming the identity of such transferee and the new address for notice to such transferee.

8. Commingling

- 8.1 Commingling. The Owner shall be entitled to commingle any Mineral Product from the Properties with ores, concentrates or minerals from any other properties owned or leased by the Owner, during the stockpiling, milling (concentrating), smelting, refining, minting or further processing of Mineral Product produced from the Properties, but, for greater certainty, not at any time prior to or during the mining phase of production. Following the expiration of the period for objections described in section 4.3 and absent timely objection, if any, made by the Royalty Holder, the Owner may dispose of the samples of the Mineral Product and the data required to be kept and produced by this section after a period of six years from the date such material and data are produced. Before any Mineral Product are commingled, including stockpiling, with ores, concentrates, dore or minerals from any properties other than the Properties, they shall be measured and sampled in accordance with sound mining and metallurgical practices for moisture, metal and other appropriate content. Representative samples of the Mineral Product shall be retained by the Owner and assays (including penalty substances) and other appropriate analyses of these samples shall be made before commingling to determine metal, mineral and other appropriate content and penalty substances of the Mineral Product. From this information, the Owner shall determine the quantity of the Mineral Product subject to the Royalty notwithstanding that the Mineral Product have been commingled with ore or minerals from other properties.

9. Tailings

- 9.1 Tailings. All tailings, waste rock or other waste products resulting from the mining, milling, operations and activities of the Owner on the Properties shall be the sole and exclusive property of the Owner, but shall be subject to the Royalty and the terms of this Agreement if such tailings are processed in the future and result in the production of Mineral Product. If commingling of the tailings occurs, the amount of such tailings subject to the Royalty shall be measured and sampled in accordance with sound mining and metallurgical practices for moisture, metal and other appropriate content. Representative samples of the tailings shall be retained by the Owner and assays (including penalty substances) and other appropriate analyses of these samples shall be made before commingling to determine metal, mineral and other appropriate content and penalty substances of the tailings. From this information, the Owner shall determine the quantity of the tailings subject to the Royalty, notwithstanding that the tailings have been commingled with tailings from other properties.

10. Operations, Books, Records and Inspections

- 10.1 Operations. All decisions concerning methods, the extent, times, procedures and techniques of any exploration, development, mining, leaching, milling, processing, extraction treatment, if any, and the materials to be introduced into the Properties or produced therefrom and all decisions concerning the sale or other disposition of Mineral Products (including without limitation decisions as to buyers, times of sale, whether to store or stockpile Mineral Products for a reasonable length of time without selling the same) shall be made by the Owner, acting in a commercially reasonable manner and in accordance with good mining and engineering practice in the circumstances.
- 10.2 Mineral Product Lost in Process. The Owner shall not be responsible for nor obliged to make any Royalty payments for Mineral Product values lost in any mining or processing of the Mineral Product conducted pursuant to customary mining practices. The Owner shall not be required to mine or to preserve or protect the Mineral Product which under customary mining practices cannot be mined or shipped at a reasonable profit at the time mined.
- 10.3 Books and Records. The Owner shall keep or cause to be kept true, complete and accurate books and records of all of its operations and activities with respect to the Properties and the production of Mineral Product, prepared on an accrual basis in accordance with International Financial Reporting Standards, consistently applied. From time to time upon five business days' prior written notice, the Royalty Holder may inspect and perform audits or other examinations of all of the books and records of the owner to confirm Royalty calculations and compliance with the terms of this Agreement, including without limitations, calculations of Net Smelter Returns, all at its own sole cost and expense. Without limiting the generality of the foregoing, the Royalty Holder shall have the right to audit all invoices and other records relating to the transportation of Mineral Product from the Properties to any mill, refinery or other Processor at which Mineral Products from the Properties may be milled, smelted, concentrated, refined or otherwise treated or processed, and relating to the transportation of Mineral Products in the form of concentrates, dore, slag or other waste products from any mill at which Mineral Product from the Properties may be milled, to a Processor. The Royalty Holder shall promptly commence and diligently complete any audit or other examination permitted hereunder. The reasonable expenses of any audit or other examination permitted hereunder shall be paid by the Royalty Holder unless the results of such audit or other examination permitted hereunder disclose a deficiency in respect of the Royalty payments paid to the Royalty Holder hereunder in respect of the period being audited or examined in an amount greater than 5% of the amount of the Royalty properly payable with respect to such period, in which event the costs of such audit or other examination shall be paid by the Owner.
- 10.4 Right to Monitor Processing of Mineral Product. Subject at all times to the workplace rules and supervision of the Owner, confidentiality obligations, and provided any rights of access do not interfere with any exploration, development, mining or milling work conducted on the Properties or at any mill at which Mineral Product from the Properties may be processed, the Royalty Holder shall at all reasonable times and upon reasonable notice, and at its sole risk and expense, have:
- (a) a right of access by its representatives to the Properties and to any mill used by the Owner to process Mineral Product derived from the Properties (provided that in the event such

mill is not owned or controlled by the Owner, such right of access shall only be the same as any such right of access of the Owner); and

(b) the right to:

- (i) monitor the Owner's stockpiling and milling of ore or Mineral Product derived from the Properties and to take samples from the Properties or any stockpile or from any mill or Processor (if not prohibited under any contract between the Owner and any such Processor) for purposes of assay verifications; and
- (ii) weigh or to cause the Owner to weigh all trucks transporting Mineral Product from the Properties to any mill processing Mineral Product from the Properties prior to dumping of such ore and immediately following such dumping.

11. Hedging

- 11.1 All profits and losses resulting from the Owner engaging in any commodity futures trading, option trading, metals trading, gold loans, streaming transactions, offtake agreements or any combination thereof and any other hedging transactions (collectively, "**Hedging Transactions**") are specifically excluded from the calculations of Royalty payments pursuant to this Agreement. All Hedging Transactions by the Owner and all profits or losses associated therewith, if any, shall be solely for the Owner's account.

12. Registration

- 12.1 It is the express intention of the Parties that the Royalty shall run with the Owner's title to the Properties and be binding upon the successors of the Owner in title to the Properties. The Royalty Holder may cause, at its own expense, the due registration or recording of this Agreement and any other documents relating to or contemplated by this Agreement and any caution or other title document registered against the title to the Properties and in such other public offices. This Agreement shall run with and bind the Properties and the Mineral Product and the proceeds thereof. The Owner shall cooperate with such registration or recording and shall provide its written consent or signature to any documents or things necessary to accomplish such registration or recording in order to ensure that any successor or assignee or other acquiror or encumbrancer of the Owner's title to the Properties, or any interest therein, shall have public notice of this Agreement and the terms of this Agreement.

13. Force majeure

- 13.1 If the Owner is at any time prevented or delayed in complying with any provisions of this Agreement by reason of strikes, lock-outs, labour shortages, power shortages, fuel shortages, fires, wars, acts of God, pandemics, governmental regulations restricting normal operations, shipping delays or any other reason or reasons (other than lack of funds) beyond the reasonable control of the Owner, the time limited for the performance by the Owner of its obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay.

- 13.2 The Owner shall give prompt notice to the Royalty Holder of each event of force majeure under section 13.1 above and upon cessation of such event shall furnish the Royalty Holder with notice to that effect together with particulars of the number of days by which the obligations of the Owner hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.
- 13.3 Upon the commencement of Commercial Production, the Owner shall work, mine and operate the Properties during such time or times as the Owner in its sole judgment, acting reasonably, considers such operations to be profitable. The Owner may suspend or curtail operations (both before and after commencement of Commercial Production) during periods when the products derived from the Properties cannot, in the Owner's reasonable opinion, be profitably sold at prevailing prices or if an unreasonable inventory thereof, in the Owner's sole judgment, acting reasonably, has accumulated or would otherwise accumulate.

14. Arbitration

- 14.1 Any dispute or differences between the Parties hereto concerning this Agreement which cannot be resolved or settled by the Parties within 30 days of such dispute arising, shall be settled by final and binding arbitration subject to the following specific terms:
- (a) the Party desiring arbitration shall notify the other Party of its intention to submit any dispute(s) or difference(s) to arbitration as well as a brief description of the matter(s) to be submitted for arbitration;
 - (b) the appointing authority shall be the Vancouver International Commercial Arbitration Centre and the case shall be administered at Vancouver, British Columbia, by the Vancouver International Commercial Arbitration Centre in accordance with its Domestic Commercial Arbitration Rules of Procedure (the "Rules of Procedure");
 - (c) should the Parties fail to agree on a single arbitrator to settle the relevant dispute(s) or difference(s) within 15 days of delivery of a Section 14.1(a) notice, then each such Party shall, within 30 days thereafter, nominate an arbitrator familiar with the mineral exploration and/or mining business (failing which nomination by a Party, the second arbitrator shall be appointed in accordance with the Rules of Procedure;
 - (d) the two arbitrators so selected shall then select a chairperson of the arbitral tribunal of similar knowledge and/or background to act jointly with them (with the decision of any two of the three arbitrators to be final, binding and unappealable with respect to the issue(s) in question and specifically enforceable by any court having jurisdiction);
 - (e) if the said arbitrators are not able to agree on the selection of such chairperson, such chairperson shall be selected by the President or another senior officer of the Canadian Institute of Mining, Metallurgy and Petroleum or if such officer has not responded to the request to act within 30 days of such request being made, then the selection of an arbitrator shall be made according to procedures set out in the Rules of Procedure; and
 - (f) the costs of the arbitration shall be borne by the Parties hereto as may be specified in the determination of the arbitrator(s), and the arbitrator(s) shall further be authorized to retain

such legal counsel to render any legal advice to the arbitrator(s) as the arbitrator(s) deem appropriate.

15. General Provisions

- 15.1 Further Assurances. Each Party shall execute all such further instruments and documents and shall do and take all such further actions as may be necessary to effectuate the documents and transactions contemplated in this Agreement.
- 15.2 Binding Effect. All covenants, conditions, and terms of this Agreement shall be of benefit to and run as a covenant with the Properties and shall bind and enure to the benefit of the Parties hereto and their respective successors and assigns, including, without limitation, partners, joint venture partners, lessees and mortgagees. Nothing herein shall be construed to create, expressly or by implication, a joint venture, mining partnership, commercial partnership or other partnership relationship between the Parties.
- 15.3 Governing Law. This Agreement shall be governed by and construed under the laws of the Province of British Columbia and the laws of Canada applicable in the Province of British Columbia. The Parties irrevocably submit to the exclusive jurisdiction of the courts exercising jurisdiction in the Province of British Columbia and any court that may hear appeals from any of those courts for any proceeding in connection with the Agreement, subject only to the right to enforce a judgment obtained in any of those courts in any other jurisdiction.
- 15.4 Time of Essence. Time is of the essence in this Agreement.
- 15.5 Severability. If any provision of this Agreement is wholly or partially invalid, this Agreement shall be interpreted as if the invalid provision had not been a part hereof so that the invalidity shall not affect the validity of the remainder of this Agreement which shall be construed as if this Agreement had been executed without the invalid portion. It is hereby declared to be the intention of the Parties that this Agreement would have been executed without reference to any portion which may, for any reason, hereafter be declared or held invalid.
- 15.6 Accounting Principles. All calculations hereunder shall be made in accordance with International Financial Reporting Standards.
- 15.7 No rule of construction is to apply to the disadvantage of a Party on the basis that that Party drafted the whole or any part of this Agreement.
- 15.8 Notice. Any notice (including any invoice, statement or request or other communication) herein required or permitted to be given by any Party to the other shall be in writing in the English language and shall be delivered or sent by mail or email transmission or other means of prepaid recorded communication to the applicable address set forth below:

if to the Royalty Holder, as follows:

Silver Range Resources Ltd.
510-1100 Melville Street
Vancouver, BC

Canada
V6E 4A6

Attention: Michael Power, President
email: [\[Redacted: Email address\]](#)

if to the Owner, as follows:

Excalibur Metals (USA) Corp.
2400-1055 West Georgia Street
Vancouver, BC
Canada
V6E 3P3

Attention: Mark Morabinto, President
email: [\[Redacted: Email address\]](#)

Any notice delivered shall be deemed to have been validly and effectively given on the day of such delivery. If the day of delivery is not a Business Day, notice shall be deemed to have been given and received on the next Business Day following such date. Any notice sent by mail or email transmission or other means of prepaid recorded communication shall be deemed to have been validly and effectively given on the Business Day next following the day on which it was sent.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement on the date hereinabove mentioned.

EXCALIBUR METALS (USA) CORP.

Per: _____
Authorized Signatory

SILVER RANGE RESOURCES LTD.

Per: _____
Authorized Signatory

SCHEDULE “A”

THE PROPERTIES

1. Bellehelen Properties

Properties Name	Claim Name	Claim Serial Number	County	Anniversary Date
Bellehelen	BH 1 – 8	NV101358785 – NV101358792	Nye	Sept. 1, 2022

2. Kawich Properties

Properties Name	Claim Name	Claim Serial Number	County	Anniversary Date
Kawich	KW 1 – 4	NV101735176 – NV101735179	Nye	Sept. 1, 2022
	KW 5 - 6	NV101736177 – NV101736178		
	KW 7 - 76	Pending		Pending

3. Neversweat Properties

Properties Name	Claim Name	Claim Serial Number	County	Anniversary Date
Neversweat	NS 1 – 4	NV101921047 – NV101921050	Nye	Sept. 1, 2022

SCHEDULE C

Form of Deed

See attached.

QUITCLAIM DEED

TAX PARCEL #:

FILED FOR RECORD AT REQUEST OF:

WHEN RECORDED RETURN TO:

Excalibur Metals (USA) Corp.

Suite 2400, 1055 West Georgia St

Vancouver, BC, Canada V6E 3P3

THIS SPACE PROVIDED FOR RECORDER'S USE

Quitclaim Deed

For and in consideration of \$1.00, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Manta Minerals Corp. of #335 – 1285 Baring Blvd., Sparks, NV 89434, (the "Grantor"), conveys and quit claims to Excalibur Metals (USA) Corp. of Suite 2400, 1055 West Georgia St, Vancouver, BC, Canada V6E 3P3, (the "Grantee"), the following described real estate (the "Premises"), situated in Nye County, Nevada, together with all after acquired title of the Grantor in the Premises:

Mineral Claim BH 1 (NV101358785) MDM T30N R49E Section 34

Mineral Claim BH 2 (NV101358786) MDM T30N R49E Section 34

Mineral Claim BH 3 (NV101358787 MDM T30N R49E Sections 34, 35

Quitclaim Deed

Mineral Claim BH 4 (NV101358788) MDM T30N R49E Sections 34, 35

Mineral Claim BH 5 (NV101358789) MDM T30N R49E Section 35

Mineral Claim BH 6 (NV101358790) MDM T30N R49E Section 35

Mineral Claim BH 7 (NV101358791) MDM T30N R49E Section 35

Mineral Claim BH 8 (NV101358792) MDM T30N R49E Section 35

Mineral Claim NS 1 (NV101921047) MDM T20N R50E Sections 5, 8

Mineral Claim NS 2 (NV101921048) MDM T20N R50E Sections 5, 8

Mineral Claim NS 3 (NV101921049) MDM T20N R50E Sections 5, 7, 8, 6

Mineral Claim NS 4 (NV101921050) MDM T20N R50E Sections 5, 6

Mineral Claim KW 1 (NV101735176) MDM T20N R49E Section 1

Mineral Claim KW 2 (NV101735177) MDM T20N R49E Section 1

Mineral Claim KW 3 (NV101735178) MDM T20N R49E Section 1

Mineral Claim KW 4 (NV101735179) MDM T20N R49E Section 1

Mineral Claim KW 5 (NV101736177) MDM T20N R49E Section 1

Mineral Claim KW 6 (NV101736178) MDM T20N, 30N R49E Sections 1, 36

Mineral Claim KW 7 (NV105292674) MDM T20N R49,50E Sections 1, 6, 7, 12

Mineral Claim KW 8 (NV105292675) MDM T20N R49,50E Sections 1, 6, 7, 12

Mineral Claim KW 9 (NV105292676) MDM T20N R49,50E Sections 1,6

Mineral Claims KW 10 (NV105292677) MDM T20N R50E Section 6

Mineral Claims KW 11 (NV105292678) MDM T20N R49,50E Sections 1, 6

Mineral Claims KW 12 (NV105292679) MDM T20N R49,50E Sections 1, 6

Quitclaim Deed

Mineral Claim KW 13 (NV105292680) MDM T20N R49,50E Sections 1, 6

Mineral Claim KW 14 (NV105292681) MDM T20N R49,50E Sections 1,6

Mineral Claim KW 15 (NV105292682) MDM T20N R50E Section 6

Mineral Claim KW 16 (NV105292683) MDM T20N R49E Section 1

Mineral Claim KW 17 (NV105292684) MDM T20N R49E Section 1

Mineral Claim KW 18 (NV105292685) MDM T20N R49E Section 1

Mineral Claim KW 19 (NV105292686) MDM T20N R49E Section 1

Mineral Claim KW 20 (NV105292687) MDM T20N R49E Section 1

Mineral Claim KW 21 (NV105292688) MDM T20N R49,50E Sections 1, 6

Mineral Claim KW 22 (NV105292689) MDM T20N R49E Sections 1, 2

Mineral Claim KW 23 (NV105292690) MDM T20N R49E Section 1

Mineral Claim KW 24 (NV105292691) MDM T20N R49E Section 1

Mineral Claim KW 25 (NV105292692) MDM T20N R49E Section 1

Mineral Claim KW 26 (NV105292693) MDM T20,30N R49E Sections 1, 36

Mineral Claim KW 27 (NV105292694) MDM T20,30N R49E Sections 1,36

Mineral Claim KW 28 (NV105292695) MDM T20N R49E Section 2

Mineral Claim KW 29 (NV105292696) MDM T20N R49E Sections 1, 2

Mineral Claim KW 30 (NV105292697) MDM T20,30N R49E Sections 1, 2, 35

Mineral Claim KW 31 (NV105292698) MDM T20,30N R49E Sections 1, 2, 35, 36

Mineral Claim KW 32 (NV105292699) MDM T20,30N R49E Sections 1, 36

Mineral Claim KW 33 (NV105292700) MDM T20,30N R49E Sections 1, 36

Mineral Claim KW 34 (NV105292701) MDM T20,30N R49E Section 36

Quitclaim Deed

Mineral Claim KW 35 (NV105292702) MDM T30N R49E Section 36

Mineral Claim KW 36 (NV105292703) MDM T20,30N R49E Sections 2, 35

Mineral Claim KW 37 (NV105292704) MDM T20,30N R49E Sections 2, 35

Mineral Claim KW 38 (NV105292705) MDM T20,30N R49E Sections 2, 35

Mineral Claim KW 39 (NV105292706) MDM T20,30N R49E Sections 2, 35

Mineral Claim KW 40 (NV105292707) MDM T20,30N R49E Sections 2, 35

Mineral Claim KW 41 (NV105292708) MDM T30N R49E Sections 35, 36

Mineral Claim KW 42 (NV105292709) MDM T30N R49E Sections 35, 36

Mineral Claim KW 43 (NV105292710) MDM T30N R49E Section 36

Mineral Claim KW 44 (NV105292711) MDM T20,30N R49E Sections 2, 35

Mineral Claim KW 45 (NV105292712) MDM T30N R49E Section 35

Mineral Claim KW 46 (NV105292713) MDM T30N R49E Section 35

Mineral Claim KW 47 (NV105292714) MDM T30N R49E Section 35

Mineral Claim KW 48 (NV105292715) MDM T30N R49E Section 35

Mineral Claim KW 49 (NV105292716) MDM T30N R49E Section 35

Mineral Claim KW 50 (NV105292717) MDM T30N R49E Section 35

Mineral Claim KW 51 (NV105292718) MDM T30N R49E Sections 35, 36

Mineral Claim KW 52 (NV105292719) MDM T30N R49E Sections 34, 35

Mineral Claim KW 53 (NV105292720) MDM T30N R49E Sections 34, 35

Mineral Claim KW 54 (NV105292721) MDM T30N R49E Section 35

Mineral Claim KW 55 (NV105292722) MDM T30N R49E Section 35

Mineral Claim KW 56 (NV105292723) MDM T30N R49E Section 35

Quitclaim Deed

Mineral Claim KW 57 (NV105292724) MDM T30N R49E Section 35

Mineral Claim KW 58 (NV105292725) MDM T30N R49E Section 34

Mineral Claim KW 59 (NV105292726) MDM T30N R49E Section 34

Mineral Claim KW 60 (NV105292727) MDM T30N R49E Section 34

Mineral Claim KW 61 (NV105292728) MDM T30N R49E Sections 34, 35

Mineral Claim KW 62 (NV105297777) MDM T30N R49E Section 34

Mineral Claim KW 63 (NV105297778) MDM T30N R49E Section 34

Mineral Claim KW 64 (NV105297779) MDM T30N R49E Section 34

Mineral Claim KW 65 (NV105297780) MDM T30N R49E Section 34

Mineral Claim KW 66 (NV105297781) MDM T30N R49E Section 34

Mineral Claim KW 67 (NV105297782) MDM T30N R49E Sections 27, 34

Mineral Claim KW 68 (NV105297783) MDM T30N R49E Section 34

Mineral Claim KW 69 (NV105297784) MDM T30N R49E Section 34

Mineral Claim KW 70 (NV105297785) MDM T30N R49E Sections 27, 34

Mineral Claim KW 71 (NV105297786) MDM T30N R49E Sections 34, 35

Mineral Claim KW 72 (NV105297787) MDM T30N R49E Sections 34, 35

Mineral Claim KW 73 (NV105297788) MDM T30N R49E Sections 26, 27, 34, 35

Mineral Claim KW 74 (NV105297789) MDM T30N R49E Section 35

Mineral Claim KW 75 (NV105297790) MDM T30N R49E Section 35

Mineral Claim KW 76 (NV105297791) MDM T30N R49E Sections 26, 35

Mineral Claim KW 77 (NV105775411) MDM T20N R50E Section 6

Mineral Claim KW 78 (NV105775412) MDM T20N R50E Section 6

Quitclaim Deed

DATED: November ♦, 2022

Michael Power, signing in his capacity as a Director of Manta Minerals Corp.

Signed, Sealed and Delivered Sign: _____

In the Presence of:

Name: _____

SCHEDULE “F”
FINANCIAL STATEMENTS OF THE CORPORATION
[See Following Page]



EXCALIBUR METALS CORP.

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023 and 2022

(Expressed in Canadian Dollars)

EXCALIBUR METALS CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	AS AT DECEMBER 31, 2023	AS AT DECEMBER 31, 2022
ASSETS		
Current assets		
Cash	\$ 135,939	\$ 231,892
Amounts receivable	1,000	1,000
	<u>136,939</u>	<u>232,892</u>
Exploration and evaluation assets (note 3)	<u>25,000</u>	<u>10,000</u>
	<u>\$ 161,939</u>	<u>\$ 242,892</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (notes 4 and 5)	<u>\$ 32,685</u>	<u>\$ 35,285</u>
Equity		
Share capital (note 6)	258,750	258,750
Deficit	<u>(129,496)</u>	<u>(51,143)</u>
	<u>129,254</u>	<u>207,607</u>
	<u>\$ 161,939</u>	<u>\$ 242,892</u>

Nature of operations and going concern (note 1)

Approved on [•] on behalf of the Board of Directors:

"Mark Morabito" Director
Mark Morabito

"Olen Aasen" Director
Olen Aasen

EXCALIBUR METALS CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	FOR THE YEAR ENDED DECEMBER 31, 2023	FOR THE YEAR ENDED DECEMBER 31, 2022
EXPENSES		
Exploration and evaluation (note 3)	\$ 28,812	\$ 27,192
General and administration (note 5)	53,588	22,824
	(82,400)	(50,016)
OTHER ITEMS		
Interest income	4,281	-
Foreign exchange loss	(234)	-
LOSS AND COMPREHENSIVE LOSS	\$ (78,353)	\$ (50,016)
Basic and diluted loss per common share	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	10,365,000	8,474,370

EXCALIBUR METALS CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	FOR THE YEAR ENDED DECEMBER 31, 2023	FOR THE YEAR ENDED DECEMBER 31, 2022
OPERATING ACTIVITIES		
Loss	\$ (78,353)	\$ (50,016)
Net change in non-cash working capital items:		
Amounts receivable	-	(1,000)
Accounts payable and accrued liabilities	(2,600)	35,285
Cash used in operating activities	(80,953)	(15,731)
INVESTING ACTIVITIES		
Acquisition of exploration and evaluation assets	(15,000)	(10,000)
Cash used in investing activities	(15,000)	(10,000)
FINANCING ACTIVITIES		
Private placement and subscriptions received	-	167,250
Cash provided by financing activities	-	167,250
Net change in cash	(95,953)	141,519
Cash, beginning	231,892	90,373
Cash, ending	\$ 135,939	\$ 231,892

EXCALIBUR METALS CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	NUMBER OF COMMON SHARES	SHARE CAPITAL	SUBSCRIPTIONS RECEIVABLE	DEFICIT	TOTAL
Balance, December 31, 2021	7,325,000	\$ 106,500	\$ (15,000)	\$ (1,127)	\$ 90,373
Private placement (note 6)	3,040,000	152,250	15,000	-	167,250
Net and comprehensive loss for the year	-	-	-	(50,016)	(50,016)
Balance, December 31, 2022	10,365,000	258,750	-	(51,143)	207,607
Net and comprehensive loss for the year	-	-	-	(78,353)	(78,353)
Balance, December 31, 2023	10,365,000	\$ 258,750	\$ -	\$ (129,496)	\$ 129,254

EXCALIBUR METALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Excalibur Metals Corp. (the “Company” or “Excalibur”) is a private company and was incorporated in 2021 under the Business Corporations Act (British Columbia). The Company is a mineral exploration company engaged in the acquisition, exploration, and development of mineral properties. The Company has acquired rights to mineral properties in Nevada and Idaho, USA.

The Company’s registered and records office is #2400 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 3P3.

At December 31, 2023, the Company had not yet determined whether its properties contain reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production from the exploration and evaluation assets or proceeds from the disposition of the exploration and evaluation asset.

These consolidated financial statements have been prepared with the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and, accordingly will be able to realize its assets and discharge its liabilities in the normal course of operations. At December 31, 2023, the Company had an accumulated deficit of \$129,496 and it expects to incur further losses, and require additional equity financing to continue developing its business and to meet its obligations. While the Company has been successful at raising equity financing in the past, there is no guarantee that it will continue to do so in the future.

The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements. These adjustments could be material.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Boards (“IASB”) and interpretations issued by the International Reporting Interpretation Committee (“IFRIC”).

Basis of presentation

The consolidated financial statements of the Company are presented in Canadian dollars unless otherwise indicated, the reporting currency of the Company. These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

These consolidated financial statements were authorized for issue by the Board of Directors on [•], 2024.

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary Excalibur Metals (USA) Corp. All intercompany transactions and balances have been eliminated on consolidation.

Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, shareholders' equity, and the disclosure of contingent assets and liabilities as at the date of the financial statements, and expenses for the years reported.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- (a) The recoverability of deferred tax assets based on the assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions.
- (b) The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.
- (c) The classification and allocation of expenses as exploration and evaluation expenditures or operating expenses.

Financial instruments

IFRS 9, *Financial Instruments* ("IFRS 9") provides three different measurement categories for non-derivative financial assets – subsequently measured at amortized cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income – while all non-derivative financial liabilities are classified as subsequently measured at amortized cost. The category into which a financial asset is placed and the resultant accounting treatment is largely dependent on the nature of the business of the entity holding the financial asset. All financial instruments are initially recognized at fair value.

Financial assets

The Company initially recognizes financial assets on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

The Company classifies all of its financial assets as subsequently measured at amortized cost. All financial assets that do not meet the criteria to be recognized as subsequently measured at amortized cost or subsequently measured at fair value through other comprehensive income are classified as FVTPL.

Financial liabilities

The Company measures all of its financial liabilities as subsequently measured at amortized cost. Financial liabilities are recognized initially at fair value, net of transaction costs incurred, and are subsequently measured at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are generally recognized in profit or loss.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company recognizes in the statements of loss and comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Foreign currency translation

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency of the Company is the Canadian dollar and the functional currency of Excalibur Metals (USA) Corp. is the United States dollar.

Accordingly, the accounts of Excalibur Metals (USA) Corp. are translated into Canadian dollars as follows:

- all of the assets and liabilities are translated at the rate of exchange in effect on the date of the statement of financial position;
- income and expenses are translated at the exchange rate approximating those in effect on the date of the transactions; and
- exchange gains and losses arising from translation are included in accumulated other comprehensive income.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

Transactions occurring in currencies other than the functional currency of the entity in question are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities that are denominated in foreign currencies are translated at the rate of exchange at the date of the statement of financial position while non-monetary assets and liabilities are translated at historical rates. Income and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of loss and comprehensive loss.

Basic and diluted loss per share

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. For diluted loss per share computations, assumptions are made regarding potential common shares outstanding during the year. The weighted average number of common shares is increased to include the number of additional common shares that would be outstanding if, at the beginning of the year, or at time of issuance, if later, all options and warrants are exercised. Proceeds from exercise are used to purchase the Company's common shares at their average market price during the year, thereby reducing the weighted average number of common shares outstanding. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

Exploration and evaluation expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, and costs associated with exploration and evaluation activity. Costs related to the exploration and evaluation of exploration and evaluation assets are expensed as incurred. Costs to acquire exploration and evaluation assets are capitalized as incurred.

From time-to-time, the Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As such options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded at the time of the agreement. Option payments are recorded as property costs when the payments are made.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists.

Examples of such facts and circumstances are as follows:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities; and
- sufficient data exist to indicate that, although development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

2. MATERIAL ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

Recoverability of the carrying amount of any exploration and evaluation assets is depended on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Although the Company has taken steps that it considers adequate to verify title to exploration and evaluation assets, which it has an interest in, these procedures do not guarantee the Company's title.

Provision for closure and reclamation

The Company recognizes liabilities for statutory, contractual or other legal obligations related to the retirement of its exploration and evaluation assets and its tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs are capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset. Management has determined that there was no provision required for closure and reclamations as at December 31, 2023 and 2022.

Income taxes

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income.

Current taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current period and any adjustment to income taxes payable in respect of previous periods. Current taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the reporting period end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are presented separately except where there is a right to offset within a fiscal jurisdiction.

EXCALIBUR METALS CORP.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022
(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION *(continued)*

Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black–Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Recent accounting pronouncements

There are no recent accounting pronouncements or amendments to existing accounting standards that have been issued and have future effective dates that are either applicable or expected to have a significant impact on the Company's financial statements.

3. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

Details of exploration and evaluation assets are as follows:

	Bellehelen	Silver Rock	Total
Acquisition costs, December 31, 2021	\$ -	\$ -	\$ -
Acquisition cash payment	10,000	-	10,000
Acquisition costs, December 31, 2022	10,000	-	10,000
Acquisition cash payment	-	15,000	15,000
Acquisition costs, December 31, 2023	\$ 10,000	\$ 15,000	\$ 25,000

The Company incurred the following exploration and evaluation expenditures during the year ended December 31, 2023:

	Bellehelen	Silver Rock	Total
Geologist fees	\$ -	\$ 499	\$ 499
Lease and rental	22,098	6,215	28,313
	\$ 22,098	\$ 6,714	\$ 28,812

The Company incurred the following exploration and evaluation expenditures during the year ended December 31, 2022:

	Bellehelen	Silver Rock	Total
Accommodation	\$ 843	\$ 1,654	\$ 2,497
Airfare	2,035	1,435	3,470
Data and mapping	-	1,492	1,492
Geologist fees	3,865	13,401	17,266
Meals	161	610	771
Other travel	12	254	266
Vehicle	978	452	1,430
	\$ 7,894	\$ 19,298	\$ 27,192

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3. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES *(continued)*

Bellehelen Property (Nye County, Nevada, USA)

On December 16, 2022, as amended May 17, 2023 and February 7, 2024, the Company entered into an option agreement for the Bellehelen Properties (the "Bellehelen Option Agreement"). Pursuant to the terms of the Bellehelen Option Agreement, the vendor has granted the Company the option to acquire a 100% direct interest in the Bellehelen Properties through the direct acquisition of the Bellehelen Properties by making the following cash and share consideration payments:

Date	Cash Consideration	Dollar Value of Share Consideration
December 16, 2022	\$10,000 (paid)	-
Closing Date	\$40,000	\$25,000
1st Anniversary of the Closing Date	\$50,000	\$50,000
2 nd Anniversary of the Closing Date	\$50,000	\$50,000
3 rd Anniversary of the Closing Date	\$75,000	\$50,000
4 th Anniversary of the Closing Date	\$75,000	\$50,000
TOTAL	\$300,000	\$225,000

The Closing Date will occur on the fifth business day after the shares of the Company begin trading on a Canadian stock exchange recognized as such by the British Columbia Securities Commission or no later than June 30, 2024.

The Company also granted the vendor a 2% Net Smelter Royalty ("NSR") over the Bellehelen Properties. One half of the NSR may be repurchased by the Company for \$1,000,000. The Company has a right of first refusal on the sale of the NSR by the vendor.

Silver Rock Property (Owyhee County, Idaho, USA)

On February 14, 2023, as amended February 6, 2024, the Company entered into an option to purchase agreement with an effective date of February 14, 2023 (the "Effective Date") for the option to acquire a 90% interest in the Silver Rock by making the following cash and share consideration payments, and incurring the following minimum work commitments:

Date	Cash Consideration	Dollar Value of Share Consideration	Minimum Work Commitment
February 14, 2023	\$15,000 (paid)	-	-
Closing Date of a Go Public Transaction or no later than August 14, 2024	\$33,013	\$200,000	-
2 nd Anniversary of the Effective Date	-	\$150,000	\$200,000
3 rd Anniversary of the Effective Date	-	\$175,000	
4 th Anniversary of the Effective Date	-	-	\$1,300,000
TOTAL	\$48,013	\$525,000	\$1,500,000

The Company also granted the vendor a 2% Net Smelter Royalty ("NSR") over the Silver Rock Property. The Company will have the right to reduce the NSR to 1.0% by paying the vendor \$1,000,000.

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4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	DECEMBER 31, 2023	DECEMBER 31, 2022
Trade payables (note 5)	\$ 5,198	\$ 35,285
Accruals	27,487	-
	\$ 32,685	\$ 35,285

5. RELATED PARTY BALANCES AND TRANSACTIONS

Related parties and related party transactions impacting the consolidated financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

There was no remuneration attributed to key management personnel for the years ended December 31, 2023 and 2022.

Other related party transactions

Transactions entered into with related parties, other than key management personnel and not otherwise disclosed, for the years ended December 31, 2023 and 2022 include the following:

	DECEMBER 31, 2023	DECEMBER 31, 2022
King & Bay West Management Corp.	\$ 12,062	\$ 17,379

Amounts paid to King & Bay West Management Corp. are included in professional fees expenses.

King & Bay West Management Corp. ("King & Bay"): King & Bay is an entity that is controlled by the Chief Executive Officer of the Company and employs or retains officers and certain consultants of the Company. King & Bay provides administrative, regulatory, legal, finance, and corporate development services to the Company. These services are provided to the Company on an as-needed basis and are billed based on the cost or value of the services provided to the Company. The amounts shown in the table above represent amounts paid and accrued to King & Bay for the services of King & Bay personnel and for overhead and third-party costs incurred by King & Bay on behalf of the Company.

As at December 31, 2023, accounts payable and accrued liabilities include the following amounts due to related parties:

- King & Bay - \$2,487 (December 31, 2022 – \$17,379) with respect to the services described above (note 4). The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

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6. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Common share issuances

During August 2022, the Company closed a private placement offering of common shares for gross proceeds of \$152,000 (the "2022 Offering") consisting of 3,040,000 shares issued at \$0.05 per share.

7. INCOME TAXES

The following is a reconciliation of income taxes attributable to operations computed at the statutory tax rates to income tax recovery.

	DECEMBER 31, 2023	DECEMBER 31, 2022
Loss for the year	\$ (78,353)	\$ (50,016)
Income tax recovery at statutory rates	(21,155)	(13,504)
Permanent differences	280	-
Changes in unrecognized deductible temporary differences	20,875	13,504
Total income tax recovery	\$ -	\$ -

The significant deductible temporary differences, unused tax losses and expiry dates are as follows:

	December 31, 2023	Expiry Date Range	December 31, 2022
Non-capital losses available for future period	\$ 80,756	2041 – 2043	\$ 32,252
Exploration and evaluation assets	47,571	No expiry	18,759
	\$ 128,327		\$ 51,011

Tax attributes are subject to review and potential adjustment by tax authorities.

8. CAPITAL MANAGEMENT

The Company defines capital as all components of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

In the past, the Company has raised funds through the issuance of common shares. However, it is uncertain whether the Company will continue to be successful in raising funds through the issuance of common shares in the future. Management reviews its capital management approach on an ongoing basis and believes this approach, given the relative size of the Company, is reasonable.

There were no changes to the Company's approach to capital management during the year ended December 31, 2023 or 2022.

9. FINANCIAL INSTRUMENTS

The Company's financial instruments are subject to certain risks. The type of risk exposure and the way in which such exposure is managed is as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash and amounts receivable. The Company manages its credit risk relating to cash through the use of a major financial institution which has a high credit quality as determined by rating agencies. The maximum exposure to credit risk is the carrying amount of the Company's financial instruments. The Company assessed credit risk as low.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered. The Company has no source of revenue and has obligations to meet its administrative overheads and to settle amounts payable to its creditors. The Company maintained sufficient cash balances to meet its short-term obligations. The Company assessed liquidity risk as high.

Market risk

Market risks consist of interest rate risk, foreign currency risk and other price risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk as the Company's assets and liabilities do not bear any interest.

9. FINANCIAL INSTRUMENTS *(continued)*

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has minimal financial risk arising from fluctuations in foreign exchange rates as the Company does not own foreign currency denominated financial assets or liabilities.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk.

GENERAL

The following management's discussion and analysis ("MD&A") is intended to supplement and complement the consolidated financial statements and accompanying notes of Excalibur Metals Corp. (the "Company" or "Excalibur") for the year ended December 31, 2023.

All dollar figures presented are expressed in Canadian dollars unless otherwise noted. Financial statements and summary information derived therefrom are prepared in accordance with International Financial Reporting Standards ("IFRS").

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the consolidated financial statements and MD&A, is complete and reliable. The Company's Board of Directors follows recommended corporate governance guidelines to ensure transparency and accountability to shareholders. The Board of Directors' audit committee meets with management quarterly to review the consolidated financial statements and the MD&A and to discuss other financial, operating and internal control matters.

FORWARD LOOKING STATEMENTS

Information set forth in this MD&A may involve forward-looking information under applicable securities laws. Forward-looking information is information that relates to future, not past, events. In this context, forward-looking information often addresses expected future business and financial performance, and often contains words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation, statements about anticipated future revenues and expenses, the sufficiency of the Company's working capital, the Company's business objectives and plans, the completion of future financings, and the use of financing proceeds, details of planned exploration activities, the expected results of exploration activities, commodity prices, the timing and amount of future exploration and development expenditures, the availability of labour and materials, receipt of and compliance with necessary regulatory approvals and permits, the estimation of insurance coverage, and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters, contain forward-looking information. By its nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the following risks: the need for additional financing; risks relating to changes in commodity prices; risks related to current global financial conditions; operational risks inherent in the conduct of exploration and development activities, including the risk of accidents, labour disputes and cave-ins; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters with certain other entities; the absence of dividends; competition; dilution; regulatory risks including the risk that permits may not be obtained in a timely fashion or at all; the impact of government regulations in Canada and the United States; the impact of general economic conditions; changing domestic and international industry conditions; the ability of management to implement its operational strategy; the ability to attract qualified management and staff; regulatory risks; financing, capitalization and liquidity risks, including the risk that the financing necessary to fund operations may not be obtained; risks related to disputes concerning property titles and interests; environmental risks; and the additional risks identified in the "Risk Factors" section of this MD&A.

In addition, forward-looking information is based on various assumptions including, without limitation, the expectations and beliefs of management, including that the Company can access financing; the timely receipt of governmental approvals, including the receipt of approval from regulators in jurisdictions where the Company may operate; the timely commencement of operations and the success of such operations; and the ability of the Company to implement its business plan as intended. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Forward-looking information is based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to

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update forward-looking information if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking information.

DESCRIPTION OF BUSINESS

Excalibur is a privately held Canadian mining exploration company, existing under the *Business Corporations Act* (British Columbia).

RECENT DEVELOPMENTS

Bellehelen Property

The Company's primary focus is to conduct exploration activities on its flagship Bellehelen Property that it has right to under the Bellehelen Option Agreement (see "Commitments"). The Bellehelen Property is located in the Kawich Range area of north central Nye County, Nevada, approximately 69 km east-southeast of Tonopah, Nevada, United States of America (USA). The Bellehelen Property comprises two claim groups, totalling 88 Federal Lode Claims, which cover a total area of 7.51 km² (751 ha).

The Bellehelen Property is a low-sulphidation epithermal silver-gold prospect. Historical production from the 1900's to 1930's is estimated at 311,000 silver-equivalent ounces. Current data indicates the potential for a large, structurally controlled low-sulphidation precious metal system underlying a 3km+ long multi-element soil anomaly.

Exploration work will consist of detailed surface geologic mapping, rehabilitation of the historical underground workings, mapping and re-sampling of the existing extensive underground workings, additional soil geochemical surveys, hand and mechanized trenching, and geophysical surveys followed by drilling of the best targets.

Silver Rock

The Company's secondary focus is to conduct exploration activities on the Silver Rock Property that it has right to under the Silver Rock Option Agreement (see "Commitments"). The Silver Rock Property is an early-stage exploration opportunity in southwest Idaho with excellent discovery potential for a new camp-scale, high-grade epithermal style precious metal mineralization

High-grade silver-gold epithermal-style veins with associated alteration styles mapped at surface and in historic workings. Road accessible land position in a highly prospective under-explored geological belt. There are also significant historic workings and past-producing mines.

Exploration work will be focus on evaluating this under-explored high-grade silver camp for the first time in the modern era. Future work to include detailed geological mapping and prospecting, evaluation of alteration mineralogy using SWIR technology, detailed grid soil sampling, trenching top-priority soil anomalies followed by a drilling program.

Dr. Chris Osterman, P. Geo, a consultant of the Company, is a Qualified Person ("QP") as defined by National Instrument 43-101. Dr. Osterman has reviewed and is responsible for the technical information disclosed in this MD&A as it relates to the Company's mineral properties.

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SELECTED ANNUAL INFORMATION

The following financial data are selected information for the Company for the three most recently completed financial years:

	December 31, 2023	December 31, 2022	December 31, 2021 (unaudited)
Loss for the year	\$ (78,3535)	\$ (50,016)	\$ (1,127)
Loss per share (basic and diluted)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Total assets	\$ 161,939	\$ 242,892	\$ 90,373

The loss for the year ended December 31, 2023 and 2022 significantly increased compared to 2021 due to the increase in operational activities related to the acquisition of mineral properties and exploration and evaluation of mineral properties. For further detail, refer to "Review of Financial Results".

For the year ended December 31, 2023, assets decreased due to the increase in expenditures related to the acquisition of mineral properties exploration and evaluation of mineral properties. Assets increased for the year ended December 31, 2022 as funds were received for private placements during the year.

REVIEW OF FINANCIAL RESULTS

Results of Operations

Expenses

During the year ended December 31, 2023, the Company incurred operating expenses of \$82,400 (2022 – \$50,016) representing an increase of \$32,384. The details of the increased expenses as compared to the prior year are discussed below.

During the year ended December 31, 2023, the Company incurred exploration and evaluation expenses of \$28,812 (2022 - \$27,192) representing an increase of \$1,620. This is due to continuous exploration and evaluation expenditures related to the mineral properties during the year.

During the year ended December 31, 2023, the Company incurred general and administration costs of \$53,588 (2022 – \$22,824), representing an increase of \$30,764 for the year. The increase is due to the increase in operational activity during the year related to the acquisition of mineral properties.

Other items

Interest income for the year ended December 31, 2023 of \$4,281 (2022 - \$Nil) relates to interest income earned on excess cash on hand and is a function of average cash and cash equivalent balances during the period.

Exploration and Evaluation Expenditures

The Company incurred the following exploration and evaluation expenditures on its properties during the year ended December 31, 2023:

	Bellehelen	Silver Rock	Total
Geologist fees	\$ -	\$ 499	\$ 499
Lease and rental	22,098	6,215	28,313
	\$ 22,098	\$ 6,714	\$ 28,812

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SUMMARY OF QUARTERLY RESULTS

	Q4	Q3	Q2	Q1
	December 31,	September 30,	June 30,	March 31,
	2023	2023	2023	2023
Description	(\$)	(\$)	(\$)	(\$)
Loss for the period	(51,289)	(7,390)	(17,135)	(2,539)
Loss per share (basic and diluted)	(0.01)	(0.01)	(0.01)	(0.01)
	Q4	Q3	Q2	Q1
	December 31,	September 30,	June 30,	March 31,
	2022	2022	2022	2022
Description	(\$)	(\$)	(\$)	(\$)
Loss for the period	(31,912)	(9,997)	(7,714)	(393)
Loss per share (basic and diluted)	(0.01)	(0.01)	(0.01)	(0.01)

Historical quarterly results of operations and loss per share data do not necessarily reflect any recurring expenditure patterns or predictable trends. It is expected that the Company's losses will remain at elevated levels as it undertakes exploration expenditures to advance its mineral properties. Refer to "Results of Operations" and "Outlook" for additional discussion.

FOURTH QUARTER

During the three month period ended December 31, 2023, the Company incurred expenses of \$51,289 (2022 - \$31,912), representing an increase of \$19,377 compared to the same period of the prior year. The increase in total expenses is comprised of increases in general and administrative expenses of \$30,764, mostly related to increases in consulting and audit fees. There also was an increase in exploration and evaluation expenses of \$1,620, due to an increase in activity.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2023, the Company had cash of \$135,939 (December 31, 2022 – \$231,892) and working capital of \$104,254 (December 31, 2022 – \$197,607). The decrease in working capital of \$93,353 is a result of increased operational activity during the period.

As at December 31, 2023, the Company did not believe that its cash and working capital position was sufficient to sustain operations at current levels for the next 12 months. This assessment is based on the Company's review of the \$80,953 of cash used in operating activities during the current period and its forecasted additional exploration expenditures for the next twelve-month period. As a result, the Company needed to raise additional capital within the next 12 months. At present, the Company has no material operating income or cash flows. The Company finances its future requirements through equity issuances or the sale of assets. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. See "Risk Factors".

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The Company's cash flows for the year ended December 31, 2023 and 2022 are summarized below.

	December 31, 2023	December 31, 2022
Cash used in operating activities	\$ (80,953)	\$ (15,731)
Cash used in investing activities	(15,000)	(10,000)
Cash provided by financing activities	-	167,250
Change in cash during the period	(95,953)	141,519
Cash, beginning of the period	231,892	90,373
Cash, end of the period	\$ 135,939	\$ 231,892

Operating Activities

Cash used in operating activities adjusts loss for the year for non-cash items. Cash used in operating activities also reflects changes in working capital items, such as amounts receivable and accounts payable and accrued liabilities, which fluctuate in a manner that does not necessarily reflect predictable patterns for the overall use of cash, the generation of which depends almost entirely on sources of external financing to fund operations.

Investing Activities

During the year ended December 31, 2023, the Company spent \$15,000 related to acquisition fees related to the acquisition of mineral properties.

During the year ended December 31, 2022, the Company spent \$10,000 related to acquisition fees related to the acquisition of mineral properties.

Financing Activities

There were no financing activities during the year ended December 31, 2023.

During the year ended December 31, 2022, the Company received \$167,250 for common shares issued upon closing of a private placement.

STATEMENT OF FINANCIAL POSITION INFORMATION

	As at December 31, 2023	As at December 31, 2022
Cash	\$ 135,939	\$ 231,892
Amounts receivable	1,000	1,000
Exploration and evaluation assets	25,000	10,000
Total Assets	\$ 161,939	\$ 242,892
Accounts payable and accrued liabilities	\$ 32,685	\$ 35,285
Share capital	258,750	258,750
Deficit	(129,496)	(51,143)
Total Liabilities and Shareholders' Equity	\$ 161,939	\$ 242,892

Assets

Cash decreased by \$95,953 during the year ended December 31, 2023, as described in detail in "Liquidity and Capital Resources".

The balance of amounts receivable remained unchanged from the prior year as at December 31, 2023.

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During the year ended December 31, 2023, the Company acquired exploration and evaluation assets of \$15,000, increasing the balance to \$25,000 (December 31, 2022 – \$10,000).

Liabilities

Accounts payable and accrued liabilities decreased by \$2,600 during the year ended December 31, 2023 due to the timing of payments to and settlement with third parties.

Shareholders' Equity

There were no changes to the share capital balance for the year ended December 31, 2023.

Deficit increased by the loss for the year ended December 31, 2023 in the amount of \$78,353.

SHARE CAPITAL

The Company's authorized capital consists of an unlimited number of common shares without par value.

The Company has securities outstanding as follows:

Security Description	December 31, 2023	Date of report
Common shares	10,365,000	10,365,000
Fully diluted shares	10,365,000	10,365,000

During August 2022, the Company closed a private placement offering of common shares for gross proceeds of \$152,000 (the "2022 Offering") consisting of 3,040,000 shares issued at \$0.05 per share.

RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying consolidated financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, and corporate officers, including the Company's Chief Executive Officer and Chief Financial Officer.

There was no remuneration attributed to key management personnel for the years ended December 31, 2023 and 2022.

Other related party transactions

Transactions entered into with related parties, other than key management personnel and not otherwise disclosed, for the years ended December 31, 2023 and 2022 include the following:

	DECEMBER 31, 2023	DECEMBER 31, 2022
King & Bay West Management Corp.	\$ 12,062	\$ 17,379

Transactions with related parties were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed by the related parties.

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Amounts paid to King & Bay West Management Corp. are included in professional fees expenses.

King & Bay West Management Corp. ("King & Bay"): King & Bay is an entity that is controlled by the Chief Executive Officer of the Company and employs or retains officers and certain consultants of the Company. King & Bay provides administrative, regulatory, legal, finance, and corporate development services to the Company. These services are provided to the Company on an as-needed basis and are billed based on the cost or value of the services provided to the Company. The amounts shown in the table above represent amounts paid and accrued to King & Bay for the services of King & Bay personnel and for overhead and third-party costs incurred by King & Bay on behalf of the Company.

Related party balances

Accounts payable and accrued liabilities

As at December 31, 2023, accounts payable and accrued liabilities include the following amounts due to related parties:

- King & Bay - \$2,487 (December 31, 2022 – \$17,379) with respect to the services described above.

The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, shareholders' equity, and the disclosure of contingent assets and liabilities as at the date of the financial statements, and expenses for the periods reported.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- (a) The recoverability of receivables that are included in the consolidated statements of financial position.
- (b) The recoverability of deferred tax assets based on the assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions.
- (c) The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.
- (d) The classification and allocation of expenses as exploration and evaluation expenditures or operating expenses.

ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 2 to the accompanying condensed consolidated interim financial statements for the year ended December 31, 2023.

FINANCIAL INSTRUMENTS

The Company's financial instruments are subject to certain risks.

Credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and amounts receivable. The risk arises from the non-performance by counterparties of contractual financial obligations. To minimize credit risk, the Company places cash with high credit quality financial institutions.

The maximum exposure to credit risk is the carrying amount of the Company's financial instruments.

Liquidity risk

The Company's approach to managing liquidity risk is to have sufficient funds to meet liabilities when they become due.

Market risk

Market risks consist of interest rate risk, foreign currency risk and other price risk.

Interest rate risk

As at December 31, 2023, the Company is not exposed to interest rate risk as the Company's assets and liabilities do not bear any interest.

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has minimal financial risk arising from fluctuations in foreign exchange rates as the Company does not own foreign currency denominated financial assets or liabilities.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. associated with equity prices.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

COMMITMENTS

The Company has the following commitments:

Bellehelen Property (Nye County, Nevada, USA)

On December 16, 2022, the Company entered into an option agreement for the Bellehelen Property (the "Bellehelen Option Agreement"). Pursuant to the terms of the Bellehelen Option Agreement, the vendor has granted the Company the option to acquire a 100% direct interest in the Bellehelen Property through the direct acquisition of the Bellehelen Property by making the following cash and share consideration payments:

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Date	Cash Consideration	Dollar Value of Share Consideration
December 16, 2022	\$10,000 (paid)	-
Closing Date	\$40,000	\$25,000
1st Anniversary of the Closing Date	\$50,000	\$50,000
2 nd Anniversary of the Closing Date	\$50,000	\$50,000
3 rd Anniversary of the Closing Date	\$75,000	\$50,000
4 th Anniversary of the Closing Date	\$75,000	\$50,000
TOTAL	\$300,000	\$225,000

The Closing Date will occur on the fifth business day after the shares of the Company begin trading on a Canadian stock exchange recognized as such by the British Columbia Securities Commission.

The Company also granted the vendor a 2% Net Smelter Royalty ("NSR") over the Bellehelen Property. One half of the NSR may be repurchased by the Company for \$1,000,000. The Company has a right of first refusal on the sale of the NSR by the vendor.

Silver Rock Property (Owyhee County, Idaho, USA)

On February 14, 2023, the Company entered into an option agreement (the "Silver Rock Option Agreement") dated February 14, 2023 (the "Effective Date") with Silver Rock Resources, Inc. ("Silver Rock"), a subsidiary of Idaho Silver Corp. for the option to acquire a 90% direct interest in the Silver Rock by making the following cash and share consideration payments, and incurring the following minimum work commitments (all dollar amounts are United States dollars):

Date	Cash Consideration	Dollar Value of Share Consideration	Minimum Work Commitment
February 14, 2023	\$15,000 (paid)	-	-
Closing Date of a Go Public Transaction	\$33,013	\$200,000	-
2 nd Anniversary of the Effective Date	-	\$150,000	\$200,000
3 rd Anniversary of the Effective Date	-	\$175,000	-
4 th Anniversary of the Effective Date	-	-	\$1,300,000
TOTAL	\$48,013	\$525,000	\$1,500,000

The Company also granted the vendor a 2% Net Smelter Royalty ("NSR") over the Silver Rock Property. The Company will have the right to reduce the NSR to 1.0% by paying the vendor US\$1,000,000.

SUBSEQUENT EVENTS

No subsequent events.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A.

SCHEDULE “G”

ASSETS OF THE CORPORATION/MATERIAL CONTRACTS OF THE CORPORATION

Material Contracts of the Corporation

Silver Rock Option Agreement

Bellehelen Option Agreement

SCHEDULE “H”
AMALGAMATION APPLICATION

AMALGAMATION APPLICATION

BUSINESS CORPORATIONS ACT, section 275

Telephone: 1 877 526-1526
www.bcreg.ca

Mailing Address: PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3

Courier Address: 200 – 940 Blanshard Street
Victoria BC V8W 3E6

DO NOT MAIL THIS FORM to BC Registry Services unless you are instructed to do so by registry staff. The Regulation under the *Business Corporations Act* requires the electronic version of this form to be filed on the Internet at www.corporateonline.gov.bc.ca

Freedom of Information and Protection of Privacy Act (FOIPPA): Personal information provided on this form is collected, used and disclosed under the authority of the FOIPPA and the *Business Corporations Act* for the purposes of assessment. Questions regarding the collection, use and disclosure of personal information can be directed to the Manager of Registries Operations at 1 877 526-1526, PO Box 9431 Stn Prov Govt, Victoria BC V8W 9V3.

A INITIAL INFORMATION – When the amalgamation is complete, your company will be a BC limited company.

What kind of company(ies) will be involved in this amalgamation?
(Check all applicable boxes.)

- ☒ BC company
- ☐ BC unlimited liability company

B NAME OF COMPANY – Choose **one** of the following:

- ☒ The name **EXCALIBUR METALS OPERATING CORP.** is the name reserved for the amalgamated company. The name reservation number is: _____,

OR

- ☐ The company is to be amalgamated with a name created by adding “B.C. Ltd.” after the incorporation number,

OR

- ☐ The amalgamated company is to adopt, as its name, the name of one of the amalgamating companies.

The name of the amalgamating company being adopted is:

The incorporation number of that company is: _____

Please note: If you want the name of an amalgamating corporation that is a foreign corporation, you must obtain a name approval before completing this amalgamation application.

C AMALGAMATION STATEMENT – Please indicate the statement applicable to this amalgamation.

- ☐ **With Court Approval:**
This amalgamation has been approved by the court and a copy of the entered court order approving the amalgamation has been obtained and has been deposited in the records office of each of the amalgamating companies.

OR

- ☒ **Without Court Approval:**
This amalgamation has been effected without court approval. A copy of all of the required affidavits under section 277(1) have been obtained and the affidavit obtained from each amalgamating company has been deposited in that company's records office.

D AMALGAMATION EFFECTIVE DATE – Choose **one** of the following:

☒ The amalgamation is to take effect at the time that this application is filed with the registrar.

YYYY / MM / DD

☐ The amalgamation is to take effect at 12:01a.m. Pacific Time on _____
being a date that is not more than ten days after the date of the filing of this application.

YYYY / MM / DD

☐ The amalgamation is to take effect at _____ ☐ a.m. or ☐ p.m. Pacific Time on _____
being a date and time that is not more than ten days after the date of the filing of this application.

E AMALGAMATING CORPORATIONS

Enter the name of each amalgamating corporation below. For each company, enter the incorporation number.
If the amalgamating corporation is a foreign corporation, enter the foreign corporation's jurisdiction and if registered in BC as an extraprovincial company, enter the extraprovincial company's registration number. Attach an additional sheet if more space is required.

NAME OF AMALGAMATING CORPORATION	BC INCORPORATION NUMBER, OR EXTRAPROVINCIAL REGISTRATION NUMBER IN BC	FOREIGN CORPORATION'S JURISDICTION
1. EXCALIBUR METALS CORP.	BC1298190	
2. 1496606 B.C. LTD.	BC1496606	
3.		
4.		
5.		

F FORMALITIES TO AMALGAMATION

If any amalgamating corporation is a foreign corporation, section 275 (1)(b) requires an authorization for the amalgamation from the foreign corporation's jurisdiction to be filed.

☐ This is to confirm that each authorization for the amalgamation required under section 275(1)(b) is being submitted for filing concurrently with this application.

G CERTIFIED CORRECT – I have read this form and found it to be correct.

This form must be signed by an authorized signing authority for each of the amalgamating companies as set out in Item E.

NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
1.	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
2.	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
3.	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
4.	X	
NAME OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	SIGNATURE OF AUTHORIZED SIGNING AUTHORITY FOR THE AMALGAMATING CORPORATION	DATE SIGNED YYYY / MM / DD
5.	X	

NOTICE OF ARTICLES

A NAME OF COMPANY

Set out the name of the company as set out in Item B of the Amalgamation Application.

EXCALIBUR METALS OPERATING CORP.

B TRANSLATION OF COMPANY NAME

Set out every translation of the company name that the company intends to use outside of Canada.

C DIRECTOR NAME(S) AND ADDRESS(ES)

Set out the full name, delivery address and mailing address (if different) of every director of the company. The director may select to provide either (a) the delivery address and, if different, the mailing address for the office at which the individual can usually be served with records between 9 a.m. and 4 p.m. on business days or (b) the delivery address and, if different, the mailing address of the individual's residence. The delivery address must not be a post office box. Attach an additional sheet if more space is required.

LAST NAME

FIRST NAME

MIDDLE NAME

MORABITO

MARK

DELIVERY ADDRESS

SUITE 2400, 1055 WEST GEORGIA STREET, VANCOUVER

PROVINCE/STATE

BC

COUNTRY

CANADA

POSTAL CODE/ZIP CODE

V6E 3P3

MAILING ADDRESS

SUITE 2400, 1055 WEST GEORGIA STREET, VANCOUVER

PROVINCE/STATE

BC

COUNTRY

CANADA

POSTAL CODE/ZIP CODE

V6E 3P3

LAST NAME

FIRST NAME

MIDDLE NAME

ENGQUIST

KENNETH

DELIVERY ADDRESS

SUITE 2400, 1055 WEST GEORGIA STREET, VANCOUVER

PROVINCE/STATE

BC

COUNTRY

CANADA

POSTAL CODE/ZIP CODE

V6E 3P3

MAILING ADDRESS

SUITE 2400, 1055 WEST GEORGIA STREET, VANCOUVER

PROVINCE/STATE

BC

COUNTRY

CANADA

POSTAL CODE/ZIP CODE

V6E 3P3

LAST NAME

FIRST NAME

MIDDLE NAME

DELIVERY ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

MAILING ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

LAST NAME

FIRST NAME

MIDDLE NAME

DELIVERY ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

MAILING ADDRESS

PROVINCE/STATE

COUNTRY

POSTAL CODE/ZIP CODE

D REGISTERED OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY'S REGISTERED OFFICE

SUITE 2400, 1055 WEST GEORGIA STREET, VANCOUVER

PROVINCE

BC

POSTAL CODE

V6E 3P3

MAILING ADDRESS OF THE COMPANY'S REGISTERED OFFICE

SUITE 2400, 1055 WEST GEORGIA STREET, VANCOUVER

PROVINCE

BC

POSTAL CODE

V6E 3P3

E RECORDS OFFICE ADDRESSES

DELIVERY ADDRESS OF THE COMPANY'S RECORDS OFFICE

SUITE 2400, 1055 WEST GEORGIA STREET, VANCOUVER

PROVINCE

BC

POSTAL CODE

V6E 3P3

MAILING ADDRESS OF THE COMPANY'S RECORDS OFFICE

SUITE 2400, 1055 WEST GEORGIA STREET, VANCOUVER

PROVINCE

BC

POSTAL CODE

V6E 3P3

F AUTHORIZED SHARE STRUCTURE

Identifying name of class or series of shares	Maximum number of shares of this class or series of shares that the company is authorized to issue, or indicate there is no maximum number.		Kind of shares of this class or series of shares.			Are there special rights or restrictions attached to the shares of this class or series of shares?	
	THERE IS NO MAXIMUM (✓)	MAXIMUM NUMBER OF SHARES AUTHORIZED	WITHOUT PAR VALUE (✓)	WITH A PAR VALUE OF (\$)	Type of currency	YES (✓)	NO (✓)
Common Shares	✓		✓				✓

SCHEDULE “I”
ARTICLES OF AMALCO

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BUSINESS CORPORATIONS ACT

ARTICLES

of

EXCALIBUR METALS OPERATING CORP.

**PART 1
INTERPRETATION**

1.1 Definitions. In these Articles, unless the context otherwise requires:

“**board of directors**”, “**directors**” and “**board**” mean the directors or sole director of the Company for the time being;

“***Business Corporations Act***” means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;

“**legal personal representative**” means the personal or other legal representative of the shareholder;

“**registered address**” of a shareholder means the shareholder’s address as recorded in the central securities register;

“**seal**” means the seal of the Company, if any.

1.2 *Business Corporations Act* and *Interpretation Act* Definitions Applicable. The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

**PART 2
SHARES AND SHARE CERTIFICATES**

2.1 Authorized Share Structure. The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

2.2 Form of Share Certificate. Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.3 Shareholder Entitled to Certificate or Acknowledgement. Unless the shares of which the shareholder is the registered owner are uncertificated shares within the meaning of the *Business Corporations Act*, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder’s name or (b) a non-transferable

written acknowledgement of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate and delivery of a share certificate for a share to one of several joint shareholders or to one of the shareholders' duly authorized agents will be sufficient delivery to all.

2.4 Delivery by Mail. Any share certificate or non-transferable written acknowledgement of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement. If the directors are satisfied that a share certificate or a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgement, as the case may be, and on such other terms, if any, as they think fit:

- (a) order the share certificate or acknowledgement, as the case may be, to be cancelled; and
- (b) issue a replacement share certificate or acknowledgement, as the case may be.

2.6 Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgement. If a share certificate or a non-transferable written acknowledgement of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgement, as the case may be, must be issued to the person entitled to that share certificate or acknowledgement, as the case may be, if the directors receive:

- (a) proof satisfactory to them that the share certificate or acknowledgement is lost, stolen or destroyed; and
- (b) any indemnity the directors consider adequate.

2.7 Splitting Share Certificates. If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.8 Certificate Fee. There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.7, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

2.9 Recognition of Trusts. Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as by law or statute or these Articles provided or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

PART 3 ISSUE OF SHARES

3.1 Directors Authorized. Subject to the *Business Corporations Act* and the rights of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

3.2 Commissions and Discounts. The Company may at any time, pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

3.3 Brokerage. The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.4 Conditions of Issue. Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (a) consideration is provided to the Company for the issue of the share by one or more of the following:
 - (i) past services performed for the Company;
 - (ii) property;
 - (iii) money; and
- (b) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

3.5 Share Purchase Warrants and Rights. Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

PART 4 SHARE REGISTERS

4.1 Central Securities Register. As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

4.2 Closing Register. The Company must not at any time close its central securities register.

PART 5 SHARE TRANSFERS

5.1 Registering Transfers. A transfer of a share of the Company must not be registered unless:

- (a) the Company or the transfer agent or registrar for the class or series of share to be transferred has received:
- (b) in the case where the Company has issued a share certificate in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
- (i) in the case of a share that is not represented by a share certificate (including an uncertificated share within the meaning of the Business Corporations Act and including the case where the Company has issued a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate in respect of the share to be transferred), a written instrument of transfer made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and
- (ii) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser; or
- (c) all the preconditions for a transfer of a share under the Securities Transfer Act have been met and the Company is required under the Securities Transfer Act to register the transfer.

5.2 Form of Instrument of Transfer. The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors from time to time.

5.3 Transferor Remains Shareholder. Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.4 Signing of Instrument of Transfer. If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgements deposited with the instrument of transfer:

- (a) in the name of the person named as transferee in that instrument of transfer; or
- (b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.5 Enquiry as to Title Not Required. Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgement of a right to obtain a share certificate for such shares.

5.6 Transfer Fee. There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

PART 6 TRANSMISSION OF SHARES

6.1 Legal Personal Representative Recognized on Death. In case of the death of a shareholder, the legal personal representative, or if the shareholder was a joint holder, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative, the directors may require proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

6.2 Rights of Legal Personal Representative. The legal personal representative has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, provided the documents required by the *Business Corporations Act* and the directors have been deposited with the Company.

PART 7 PURCHASE OF SHARES

7.1 Company Authorized to Purchase Shares. Subject to Article 7.2, the special rights and restrictions attached to the shares of any class or series and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms specified in such resolution.

7.2 Purchase When Insolvent. The Company must not make a payment or provide any other consideration to purchase or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (a) the Company is insolvent; or
- (b) making the payment or providing the consideration would render the Company insolvent.

7.3 Sale and Voting of Purchased Shares. If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (a) is not entitled to vote the share at a meeting of its shareholders;
- (b) must not pay a dividend in respect of the share; and
- (c) must not make any other distribution in respect of the share.

PART 8 BORROWING POWERS

8.1 Borrowing Powers. The Company, if authorized by the directors, may:

- (a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;
- (b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as they consider appropriate;
- (c) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (d) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

PART 9 ALTERATIONS

9.1 Change in Authorized Share Structure by Shareholders. Subject to the special rights and restrictions attached to any class or series of shares from time to time, the shareholders may from time to time, by ordinary resolution, authorize the Company to effect a change to the authorized share structure of the Company and to the Notice of Articles and these Articles where applicable, to:

- (a) create one or more classes of shares;
- (b) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares;
- (c) if the Company is authorized to issue shares of a class of shares with par value,
 - (i) subject to section 74 of the Business Corporations Act, decrease the par value of those shares,
 - (ii) increase the par value of those shares if none of the shares of that class of shares are allotted or issued; or
- (d) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value;
- (e) change all or any of its unissued shares without par value into shares with par value;
- (f) eliminate any class or series of shares if none of the shares of that class or series of shares are allotted or issued; or
- (g) alter the identifying name of any of its shares;
- (h) establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established; or

- (i) otherwise alter its authorized share structure when required or permitted to do so by the *Business Corporations Act*.

9.2 Change in Authorized Share Structure by Directors. The directors may from time to time, by resolution, authorize the Company to effect a change to the authorized share structure of the Company and to the Notice of Articles and these Articles where applicable, to:

- (a) create one or more series of shares and if no such shares of such a series are issued, to also attach special rights and restrictions to such series or to alter any such special rights and restrictions;
- (b) subdivide all or any of its unissued, or fully paid issued, shares with par value into shares of smaller par value;
- (c) subdivide all or any of its unissued, or fully paid issued, shares without par value;
- (d) consolidate all or any of its unissued, or fully paid issued, shares with par value into shares of larger par value; or
- (e) consolidate all or any of its unissued, or fully paid issued, shares without par value.

9.3 Special Rights and Restrictions. Subject to Article 9.4, the shareholders may from time to time, by ordinary resolution, authorize the Company to effect a change to these Articles to:

- (a) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (b) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued.

9.4 No Interference with Class or Series Rights without Consent. A right or special right attached to issued shares must not be prejudiced or interfered with under the *Business Corporations Act* or under the Notice of Articles or these Articles unless the shareholders holding shares of the class or series of shares to which the right or special right is attached consent by a special separate resolution of those shareholders.

9.5 Change of Name. The Company may by directors resolution authorize an alteration of its Notice of Articles in order to change its name or adopt or change any translation of that name.

9.6 Other Alterations. If the *Business Corporations Act* does not specify:

- (a) the type of resolution and these Articles do not specify another type of resolution, the Company may by resolution of the directors authorize any act of the Company, including without limitation, an alteration of these Articles; or
- (b) the type of shareholders' resolution and these Articles do not specify another type of shareholders' resolution, the Company may by ordinary resolution authorize any act of the Company.

PART 10 MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings. Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

10.2 Resolution Instead of Annual General Meeting. If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders. The directors may, whenever they think fit, call a meeting of shareholders.

10.4 Notice for Meetings of Shareholders. The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (a) if and for so long as the Company is a public company, 21 days;
- (b) otherwise, 10 days.

10.5 Record Date for Notice. The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (a) if and for so long as the Company is a public company, 21 days;
- (b) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.6 Record Date for Voting. The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.7 Failure to Give Notice and Waiver of Notice. The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

10.8 Notice of Special Business at Meetings of Shareholders. If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

- (a) state the general nature of the special business; and
- (b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
 - (i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
 - (ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

PART 11 PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business. At a meeting of shareholders, the following business is special business:

- (a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (b) at an annual general meeting, all business is special business except for the following:
 - (i) business relating to the conduct of or voting at the meeting;
 - (ii) consideration of any financial statements of the Company presented to the meeting;
 - (iii) consideration of any reports of the directors or auditor;
 - (iv) the setting or changing of the number of directors;
 - (v) the election or appointment of directors;
 - (vi) the appointment of an auditor;

- (vii) the setting of the remuneration of an auditor;
- (viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;
- (ix) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2 Special Majority. The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution.

11.3 Quorum. Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is two persons present in person or by proxy who, in the aggregate, hold or represent by proxy at least 5% of the issued shares entitled to be voted at the meeting.

11.4 One Shareholder May Constitute Quorum. If there is only one shareholder entitled to vote at a meeting of shareholders:

- (a) the quorum is one person who is, or who represents by proxy, that shareholder, and
- (b) that shareholder, present in person or by proxy, may constitute the meeting.

11.5 Other Persons May Attend. The directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company and any other persons invited by the directors are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

11.6 Requirement of Quorum. No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.7 Lack of Quorum. If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (a) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and
- (b) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

11.8 Lack of Quorum at Succeeding Meeting. If, at the meeting to which the meeting referred to in Article 11.7(b) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

11.9 Chair. The following individual is entitled to preside as chair at a meeting of shareholders:

- (a) the chair of the board, if any; or
- (b) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

11.10 Selection of Alternate Chair. If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.11 Adjournments. The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.12 Notice of Adjourned Meeting. It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

11.13 Decision by Show of Hands or Poll. Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

11.14 Declaration of Result. The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.15 Motion Need Not be Seconded. No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

11.16 Casting Vote. In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.17 Manner of Taking Poll. Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

- (a) the poll must be taken:
 - (i) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (ii) in the manner, at the time and at the place that the chair of the meeting directs;
- (b) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (c) the demand for the poll may be withdrawn by the person who demanded it

11.18 Demand for Poll on Adjournment. A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

11.19 Chair Must Resolve Dispute. In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

11.20 Casting of Votes. On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

11.21 Demand for Poll. No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

11.22 Demand for Poll Not to Prevent Continuance of Meeting. The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

11.23 Retention of Ballots and Proxies. The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxy holder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

11.24 Meeting by Telephone or Other Communications Medium. A shareholder or proxy holder may participate in a meeting of the shareholders in person or by telephone or by electronic or other communication medium if all shareholders or proxy holders participating in the meeting, whether in person or by telephone or by electronic or other communications medium, are able to communicate with each other. A shareholder or proxy holder who participates in a meeting in a manner contemplated by this Article 11.24 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

PART 12 VOTES OF SHAREHOLDERS

12.1 Number of Votes by Shareholder or by Shares. Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (a) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (b) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2 Votes of Persons in Representative Capacity. A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders. If there are joint shareholders registered in respect of any share:

- (a) any one of the joint shareholders may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or
- (b) if more than one of the joint shareholders is present at any meeting, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

12.4 Legal Personal Representatives as Joint Shareholders. Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders.

12.5 Representative of a Corporate Shareholder. If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (a) for that purpose, the instrument appointing a representative must:
 - (i) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting; or
 - (ii) be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting;
- (b) if a representative is appointed under this Article 12.5:
 - (i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and

- (ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.6 Proxy Provisions Do Not Apply to All Companies. Articles 12.7 to 12.15 do not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

12.7 Appointment of Proxy Holders. Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

12.8 Alternate Proxy Holders. A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

12.9 When Proxy Holder Need Not Be Shareholder. A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (a) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or
- (c) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

12.10 Deposit of Proxy. A proxy for a meeting of shareholders must:

- (a) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting; or
- (b) unless the notice provides otherwise, be provided, at the meeting, to the chair of the meeting or to a person designated by the chair of the meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11 Validity of Proxy Vote. A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of

the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (a) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (b) by the chair of the meeting, before the vote is taken.

12.12 Form of Proxy. A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

[Name of Company]
(the “Company”)

The undersigned, being a shareholder of the Company, hereby appoints *[name]* or, failing that person, *[name]*, as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on *[month, day, year]* and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the shareholder): _____.

Signed this _____ day of _____, _____.

(Signature of shareholder)

(Name of shareholder - printed)

12.13 Revocation of Proxy. Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is:

- (a) received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used; or
- (b) provided, at the meeting, to the chair of the meeting.

12.14 Revocation of Proxy Must Be Signed. An instrument referred to in Article 12.13 must be signed as follows:

- (a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;

- (b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

12.15 Production of Evidence of Authority to Vote. The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

PART 13 DIRECTORS

13.1 First Directors; Number of Directors. The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

- (a) subject to paragraphs (b) and (c), the number of directors that is equal to the number of the Company's first directors;
- (b) if the Company is a public company, the greater of three and the most recently set of:
 - (i) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (ii) the number of directors set under Article 14.4;
- (c) if the Company is not a public company, the most recently set of:
 - (i) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (ii) the number of directors set under Article 14.4.

13.2 Change in Number of Directors. If the number of directors is set under Articles 13.1(b)(i) or 13.1(c)(i):

- (a) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number; and
- (b) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

13.3 Directors' Acts Valid Despite Vacancy. An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

13.4 Qualifications of Directors. A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

13.5 Remuneration of Directors. The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

13.6 Reimbursement of Expenses of Directors. The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

13.7 Special Remuneration for Directors. If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

13.8 Gratuity, Pension or Allowance on Retirement of Director. Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

PART 14 ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting. At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (a) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (b) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (a), but are eligible for re-election or re-appointment.

14.2 Consent to be a Director. No election, appointment or designation of an individual as a director is valid unless:

- (a) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (b) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (c) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

14.3 Failure to Elect or Appoint Directors. If:

- (a) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution

contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or

- (b) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (c) the date on which his or her successor is elected or appointed; and
- (d) the date on which he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

14.4 Places of Retiring Directors Not Filled. If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies. Any casual vacancy occurring in the board of directors may be filled by the directors.

14.6 Remaining Directors Power to Act. The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of summoning a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

14.7 Shareholders May Fill Vacancies. If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

14.8 Additional Directors. Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed:

- (a) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (b) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(a), but is eligible for re-election or re-appointment

14.9 Ceasing to be a Director. A director ceases to be a director when:

- (a) the term of office of the director expires;
- (b) the director dies;
- (c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (d) the director is removed from office pursuant to Articles 14.10 or 14.11.

14.10 Removal of Director by Shareholders. The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

14.11 Removal of Director by Directors. The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

PART 15 POWERS AND DUTIES OF DIRECTORS

15.1 Powers of Management. The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

15.2 Appointment of Attorney of Company. The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

PART 16 DISCLOSURE OF INTEREST OF DIRECTORS

16.1 Obligation to Account for Profits. A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

16.2 Restrictions on Voting by Reason of Interest. A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

16.3 Interested Director Counted in Quorum. A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

16.4 Disclosure of Conflict of Interest or Property. A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

16.5 Director Holding Other Office in the Company. A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

16.6 No Disqualification. No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

16.7 Professional Services by Director or Officer. Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

16.8 Director or Officer in Other Corporations. A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

PART 17

PROCEEDINGS OF DIRECTORS

17.1 Meetings of Directors. The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

17.2 Voting at Meetings. Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

17.3 Chair of Meetings. The following individual is entitled to preside as chair at a meeting of directors:

- (a) the chair of the board, if any;
- (b) in the absence of the chair of the board, the president, if any, if the president is a director;
or
- (c) any other director chosen by the directors if:
 - (i) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;
 - (ii) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
 - (iii) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

17.4 Meetings by Telephone or Other Communications Medium. A director may participate in a meeting of the directors or of any committee of the directors in person, by telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director may participate in a meeting of the directors or of any committee of the directors by a communications medium other than telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all directors who wish to participate in the meeting agree to such participation. A director who participates in a meeting in a manner contemplated by this Article 17.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

17.5 Calling of Meetings. A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

17.6 Notice of Meetings. Other than for meetings held at regular intervals as determined by the directors pursuant to Article 17.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors by any method set out in Article 23.1 or orally or by telephone.

17.7 When Notice Not Required. It is not necessary to give notice of a meeting of the directors to a director if:

- (a) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (b) the director has waived notice of the meeting.

17.8 Meeting Valid Despite Failure to Give Notice. The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director does not invalidate any proceedings at that meeting.

17.9 Waiver of Notice of Meetings. Any director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to such director and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director.

17.10 Quorum. The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at two directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

17.11 Validity of Acts Where Appointment Defective. Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

17.12 Consent Resolutions in Writing. A resolution of the directors or of any committee of the directors consented to in writing by: (i) in all cases, each of the directors entitled to vote on the resolution consents to it in writing; or (ii) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, each of the other directors who have not made such a disclosure consents in writing to the resolution, in each case whether by signed document, fax, email or any other method of transmitting legibly recorded messages, is as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors duly called and held. Such resolution may be in two or more counterparts which together are deemed to constitute one resolution in writing. A resolution passed in that manner is effective on the date stated in the resolution or on the latest date stated on any counterpart. A resolution of the directors or of any committee of the directors passed in accordance with this Article 17.12 is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

PART 18 EXECUTIVE AND OTHER COMMITTEES

18.1 Appointment and Powers of Executive Committee. The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and this committee has, during the intervals between meetings of the board of directors, all of the directors' powers, except:

- (a) the power to fill vacancies in the board of directors;
- (b) the power to remove a director;
- (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and

- (d) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

18.2 Appointment and Powers of Other Committees. The directors may, by resolution:

- (a) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (b) delegate to a committee appointed under paragraph (a) any of the directors' powers, except:
 - (i) the power to fill vacancies in the board of directors;
 - (ii) the power to remove a director;
 - (iii) the power to change the membership of, or fill vacancies in, any committee of the directors; and
 - (iv) the power to appoint or remove officers appointed by the directors; and
- (c) make any delegation referred to in paragraph (b) subject to the conditions set out in the resolution or any subsequent directors' resolution.

18.3 Obligations of Committees. Any committee appointed under Articles 18.1 or 18.2, in the exercise of the powers delegated to it, must:

- (a) conform to any rules that may from time to time be imposed on it by the directors; and
- (b) report every act or thing done in exercise of those powers at such times as the directors may require.

18.4 Powers of Board. The directors may, at any time, with respect to a committee appointed under Articles 18.1 or 18.2:

- (a) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (b) terminate the appointment of, or change the membership of, the committee; and
- (c) fill vacancies in the committee.

18.5 Committee Meetings. Subject to Article 18.3(a) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 18.1 or 18.2:

- (a) the committee may meet and adjourn as it thinks proper;
- (b) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;

- (c) a majority of the members of the committee constitutes a quorum of the committee; and
- (d) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

PART 19 OFFICERS

19.1 Directors May Appoint Officers. The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

19.2 Functions, Duties and Powers of Officers. The directors may, for each officer:

- (a) determine the functions and duties of the officer;
- (b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (c) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

19.3 Qualifications. No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as the managing director must be a director. Any other officer need not be a director.

19.4 Remuneration and Terms of Appointment. All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors thinks fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

PART 20 INDEMNIFICATION

20.1 Definitions. In this Article 20:

- (a) “**eligible penalty**” means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (b) “**eligible proceeding**” means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director or former director of the Company (an “eligible party”) or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director of the Company:
 - (i) is or may be joined as a party; or
 - (ii) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;

- (c) “**expenses**” has the meaning set out in the *Business Corporations Act*.

20.2 Mandatory Indemnification of Directors and Former Directors. Subject to the *Business Corporations Act*, the Company must indemnify a director or former director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding.

20.3 Deemed Contract. Each director is deemed to have contracted with the Company on the terms of the indemnity referred to in this Part.

20.4 Optional Indemnification. Except as otherwise required by the *Business Corporations Act* and subject to Article 20.2, the Company may from time to time indemnify and save harmless any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Company) by reason of the fact that he or she is or was an employee or agent of the Company, or is or was serving at the request of the Company as an employee, agent of or participant in another entity against expenses (including legal fees), judgments, fines and any amount actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted honestly and in good faith with a view to the best interests of the Company or, as the case may be, to the best interests of the other entity for which he or she served at the Company’s request and, with respect to any criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that his or her conduct was lawful. The termination of any action, suit or proceeding by judgment, order, settlement or conviction will not, of itself, create a presumption that the person did not act honestly and in good faith with a view to the best interests of the Company or other entity and, with respect to any criminal or administrative action or proceeding that is enforced by a monetary penalty, had no reasonable grounds for believing that his or her conduct was lawful.

20.5 Right of Indemnity not Exclusive. The provisions for indemnification contained in these Articles will not be deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any agreement, vote of shareholders or directors or otherwise, both as to action in his or her official capacity and as to action in another capacity, and will continue as to a person who has ceased to be a director, officer, employee or agent and will inure to the benefit of that person’s heirs and legal representatives.

20.6 Non-Compliance with *Business Corporations Act*. The failure of a director or officer of the Company to comply with the *Business Corporations Act* or these Articles does not invalidate any indemnity to which he or she is entitled under this Part.

20.7 Company May Purchase Insurance. The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (a) is or was a director, officer, employee or agent of the Company;
- (b) is or was a director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (c) at the request of the Company, is or was a director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;

- (d) at the request of the Company, holds or held a position equivalent to that of a director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, officer, employee or agent or person who holds or held such equivalent position.

PART 21 DIVIDENDS

21.1 Payment of Dividends Subject to Special Rights. The provisions of this Article 21 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

21.2 Declaration of Dividends. Subject to the *Business Corporations Act* and the rights of the holders of issued shares of the Company, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.

21.3 No Notice Required. The directors need not give notice to any shareholder of any declaration under Article 21.2.

21.4 Record Date. The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

21.5 Manner of Paying Dividend. A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company, or in any one or more of those ways.

21.6 Settlement of Difficulties. If any difficulty arises in regard to a distribution under Article 21.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (a) set the value for distribution of specific assets;
- (b) determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (c) vest any such specific assets in trustees for the persons entitled to the dividend.

21.7 When Dividend Payable. Any dividend may be made payable on such date as is fixed by the directors.

21.8 Dividends to be Paid in Accordance with Number of Shares. All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

21.9 Receipt by Joint Shareholders. If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

21.10 Dividend Bears No Interest. No dividend bears interest against the Company.

21.11 Fractional Dividends. If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

21.12 Payment of Dividends. Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the address of the shareholder, or in the case of joint shareholders, to the address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

21.13 Capitalization of Surplus. Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the surplus or any part of the surplus.

PART 22 DOCUMENTS, RECORDS AND REPORTS

22.1 Recording of Financial Affairs. The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

22.2 Inspection of Accounting Records. Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

PART 23 NOTICES

23.1 Method of Giving Notice. Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (a) mail addressed to the person at the applicable address for that person as follows:
 - (i) for a record mailed to a shareholder, the shareholder's registered address;
 - (ii) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;
 - (iii) in any other case, the mailing address of the intended recipient;
- (b) delivery at the applicable address for that person as follows, addressed to the person:
 - (i) for a record delivered to a shareholder, the shareholder's registered address;

- (ii) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;
- (iii) in any other case, the delivery address of the intended recipient;
- (c) by making the document available or by transmitting it by electronic means (including facsimile and email or otherwise) in accordance with such directions as may be given by such shareholder to the Company for such purpose;
- (d) by making the document available to such shareholder electronically or by any other method permitted by applicable securities law; or
- (e) physical delivery to the intended recipient.

23.2 Deemed Receipt of Mailing. A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 23.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing.

23.3 Certificate of Sending. A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record was addressed as required by Article 23.1, prepaid and mailed or otherwise sent as permitted by Article 23.1 is conclusive evidence of that fact.

23.4 Notice to Joint Shareholders. A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing the notice to the joint shareholder first named in the central securities register in respect of the share.

23.5 Notice to Trustees. A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (a) mailing the record, addressed to them:
 - (i) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
 - (ii) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (b) if an address referred to in paragraph (a)(ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

PART 24
SEAL AND EXECUTION OF DOCUMENTS

24.1 Who May Attest Seal. Except as provided in Articles 24.2 and 24.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (a) any two directors;
- (b) any officer, together with any director;
- (c) if the Company only has one director, that director; or
- (d) any one or more directors or officers or persons as may be determined by the directors.

24.2 Sealing Copies. For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 24.1, the impression of the seal may be attested by the signature of any director or officer.

24.3 Mechanical Reproduction of Seal. The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and the chair of the board or any senior officer together with the secretary, treasurer, secretary-treasurer, an assistant secretary, an assistant treasurer or an assistant secretary-treasurer may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

24.4 Execution of Documents Generally. The Directors may from time to time by resolution appoint any one or more persons, officers or Directors for the purpose of executing any instrument, document or agreement in the name of and on behalf of the Company for which the seal need not be affixed, and if no such person, officer or Director is appointed, then any one officer or Director of the Company may execute such instrument, document or agreement.

PART 25 PROHIBITIONS

25.1 Definitions. In this Article 25:

- (a) “**designated security**” means:
 - (i) a voting security of the Company;
 - (ii) a security of the Company that is not a debt security and that carries a residual right to participate in the earnings of the Company or, on the liquidation or winding up of the Company, in its assets; or
 - (iii) a security of the Company convertible, directly or indirectly, into a security described in paragraph (i) or (ii);
- (b) “**security**” has the meaning assigned in the *Securities Act* (British Columbia);
- (c) “**voting security**” means a security of the Company that:
 - (i) is not a debt security, and
 - (ii) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

25.2 Application. Article 25.3 does not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

25.3 Consent Required for Transfer of Shares or Designated Securities. No share or designated security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

PART 26 MECHANICAL REPRODUCTION OF SIGNATURES

26.1 Mechanical Reproduction of Signatures. The signature of any officer, director, registrar, branch registrar, transfer agent or branch agent of the Company, unless otherwise required by the *Business Corporations Act* or by these Articles, may, if authorized by the directors, be printed, lithographed, engraved or otherwise mechanically or electronically reproduced upon all instruments executed or issued by the Company or any officer thereof. Any instrument on which the signature of any such person is so reproduced shall be deemed to have been manually signed by such person whose signature is so reproduced and shall be as valid to all intents and purposes as if such instrument had been signed manually, and notwithstanding that the person whose signature is so reproduced may have ceased to hold the office that he is stated on such instrument to hold at the date of the delivery or issue of such instrument.

PART 27
FORUM SELECTION

27.1 Forum of Adjudication of Certain Disputes. Unless the Corporation consents in writing to the selection of an alternative forum, the Supreme Court of the Province of British Columbia, Canada and the appellate Courts therefrom (or, failing such court, any other “court” (as defined in the *Business Corporations Act*) having jurisdiction and the appellate Courts therefrom), shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) a derivative action, including an application for leave to commence such an action, in the name of and on behalf of the Corporation; (ii) an application for an oppression remedy, including an application for leave to commence such a proceeding; (iii) an action asserting a claim of breach of the duty of care owed by the Corporation or any director, officer or other employee of the Corporation to the Corporation or to any of the Corporation’s security holders; (iv) an action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or to any of the Corporation’s security holders; (v) an action or other proceeding asserting a claim or seeking a remedy pursuant to any provision of the Business Corporations Act or the Corporation’s Notice of Articles or Articles (as either the may be amended or restated from time to time); and (vi) an action or other proceeding asserting a claim against the Corporation or any director or officer or other employee of the Corporation regarding a matter of the regulation of the business and affairs of the Corporation, including (without limitation) the Notice of Articles, Articles, internal affairs, governance, status, internal controls and procedures of the Corporation. If any action or proceeding the subject matter of which is within the scope of the preceding sentence is filed in a Court other than a Court located within the Province of British Columbia (a “**Foreign Action**”) in the name of any security holder, such security holder shall be deemed to have consented to (a) the personal jurisdiction of the provincial and federal Courts located within the Province of British Columbia in connection with any action or proceeding brought in any such Court to enforce the preceding sentence and (b) having service of process made upon such security holder in any such action or proceeding by service upon such security holder’s counsel in the Foreign Action as agent for such security holder

EXCALIBUR METALS OPERATING CORP.

Name:

Title:

DATED as of _____

SCHEDULE “J”

CORPORATION AMALGAMATION RESOLUTION

IT IS RESOLVED THAT:

1. The amalgamation (the “Amalgamation”) of 1496606 B.C. Ltd. (“Purchaser Subco”) and Excalibur Metals Corp. (“Corporation”) upon substantially the terms and conditions set forth in the form of amalgamation agreement (the “Amalgamation Agreement”) between Victory Opportunities 1 Corp., Purchaser Subco and Corporation dated August 13, 2024 be and is hereby approved.
2. The Amalgamation Agreement, as it may be amended in accordance with its terms, is hereby approved.
3. The actions of the directors of Corporation in connection with the Amalgamation are hereby approved.
4. Any one or more officers and directors of Corporation is hereby authorized and directed for and on behalf of Corporation to execute and deliver articles of amalgamation to the Director under the *Business Corporations Act* (British Columbia) and to execute and deliver for and in the name of and on behalf of Corporation, whether under corporate seal or not, all such other certificates, instruments, agreements, documents and notices, and to take all such further actions that such person may determine to be necessary or appropriate to carry out the purposes and intent of the foregoing resolutions, such determination to be conclusively evidenced by the execution and delivery of such certificate, instrument, agreement, document or notice and taking of such action.
5. The directors of Corporation are hereby authorized to revoke this resolution at any time prior to the Amalgamation becoming effective without further approval of the shareholders of Corporation and to determine not to proceed with the Amalgamation.

AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT (the “**Agreement**”) is made the 30th day of September, 2024.

AMONG:

EXCALIBUR METALS CORP., a corporation existing under the laws of the Province of British Columbia

(hereinafter called the “**Corporation**”)

OF THE FIRST PART

AND:

VICTORY OPPORTUNITIES 1 CORP., a corporation existing under the laws of the Province of British Columbia

(hereinafter called the “**Purchaser**”)

OF THE SECOND PART

AND:

1496606 B.C. Ltd., a corporation existing under the laws of the Province of British Columbia

(hereinafter called the “**Purchaser Subco**”)

(the Corporation, Purchaser and Purchaser Subco are collectively referred to as the “**Parties**”)

WHEREAS:

- A. The Parties entered into an amalgamation agreement dated August 13, 2024 (the “**Amalgamation Agreement**”);
- B. The Parties seek to amend the Amalgamation Agreement as a result of a one (1) for two (2) share split completed by the Corporation on September 30, 2024; and
- C. Capitalized terms used herein, including the recitals, and not otherwise defined herein shall have the meaning ascribed to them in the Amalgamation Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by each party, the parties hereto agree as follows:

1. Amendments to Amalgamation Agreement

1.1. The Parties hereby agree to make the following amendments to the Amalgamation Agreement:

- (a) Section 1.1 of the Amalgamation Agreement is amended by deleting the definition of “Concurrent Offering” in its entirety and replacing it with the following:

“Concurrent Offering” means the sale and issuance of up Subscription Receipts (which upon satisfaction of the Release Conditions shall automatically convert into Concurrent Offering Units at the Exchange Ratio) issued at a price per Subscription Receipt determined by the Corporation for aggregate gross proceeds of a minimum of \$1,500,000;

- (b) Section 1.1 of the Amalgamation Agreement is amended by deleting the definition of “Exchange Ratio” in its entirety and replacing it with the following:

“Exchange Ratio” means one Purchaser Share for each Corporation Share;

- (c) Section 2.1 of the Amalgamation Agreement is deleted in its entirety and replaced with the following:

2.1 Statement of General Intent. This Agreement and the Amalgamation are intended, subject to the terms and conditions hereof, to result in the Amalgamation to form Amalco; the issuance of Consideration Shares to the shareholders of the Corporation (the “Corporation Shareholders”) in exchange for their Corporation Shares outstanding at the Effective Time on a one -for-one basis; and Amalco becoming a wholly-owned subsidiary of Purchaser. To this end, each of Purchaser, Purchaser Subco and Corporation agrees to act in good faith and use all commercially reasonable efforts to take and do, or cause to be taken and done, all acts and other things necessary, proper or advisable to obtain all necessary approvals to complete the Amalgamation and Closing in accordance with the terms and conditions hereof and applicable laws, and to cooperate with each other in connection therewith.

- (d) Section 2.2(c) of the Amalgamation Agreement is deleted in its entirety and replaced with the following:

(c) each Corporation Share issued and outstanding to Corporation Shareholders at the Effective Time (including the Corporation Shares forming part of the Concurrent Offering Units), other than in respect of the Corporation Dissent Shares, shall be exchanged for one fully paid and non-assessable Consideration Share, and thereafter all the Corporation Shares shall be cancelled without any repayment of capital in respect thereof;

- (e) Section 2.2(d) of the Amalgamation Agreement is deleted in its entirety and replaced with the following:

(d) as consideration for the issuance of Consideration Shares under Section 2.2(c), Purchaser shall receive one fully paid and non-assessable Amalco Share for each Consideration Share so issued;

- (f) Schedule "A" of the Amalgamation Agreement is deleted in its entirety and replaced with Schedule "A" to this Agreement.

2. General

- 2.1. Except as amended hereby, the Amalgamation Agreement continues in full force and effect and the Amalgamation Agreement and this Agreement will be read and construed together as one agreement. The parties ratify and affirm the Amalgamation Agreement as amended hereby (the "**Amended Amalgamation Agreement**"), and agree that the Amended Amalgamation Agreement contains the entire understanding of the parties hereto with respect to the subject matter hereof. The Amended Amalgamation Agreement supersedes all prior agreements and understandings between the parties with respect to the subject matter hereof.
- 2.2. Each Party, upon the request of the other Party, shall do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged or delivered, all such further acts, deeds, documents and assurances as may be reasonably necessary or desirable to give effect to the transactions contemplated by the Amended Amalgamation Agreement.
- 2.3. The Amended Amalgamation Agreement is governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable herein, and the parties hereby attorn to the jurisdiction of the Courts of competent jurisdiction of British Columbia in any proceeding hereunder.
- 2.4. This Agreement is effective as of the day, month and year written on the first page hereof notwithstanding the actual date of execution.
- 2.5. This Agreement may be executed in counterpart and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including by DocuSign, facsimile transmission or by electronic delivery in portable document format (".pdf"), shall be equally effective as delivery of a manually executed counterpart hereof. The Parties acknowledge and agree that in any legal proceedings between them respecting or in any way relating to this Agreement, each waives the right to raise any defense based on the execution hereof in counterparts or the delivery of such executed counterparts by electronic means.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day, month and year first above written.

EXCALIBUR METALS CORP.

By: "Mark Morabito"
Authorized Signatory

VICTORY OPPORTUNITIES 1 CORP.

By: "Brian Shin"
Authorized Signatory

1496606 B.C. LTD.

By: "Brian Shin"
Authorized Signatory

SCHEDULE “A”

SHAREHOLDERS OF CORPORATION

[REDACTED: Personal information]

SECOND AMENDMENT AGREEMENT

THIS SECOND AMENDMENT AGREEMENT (the “**Agreement**”) is made the 28th day of August, 2025.

AMONG:

EXCALIBUR METALS CORP., a corporation existing under the laws of the Province of British Columbia

(hereinafter called the “**Corporation**”)

OF THE FIRST PART

AND:

VICTORY OPPORTUNITIES 1 CORP., a corporation existing under the laws of the Province of British Columbia

(hereinafter called the “**Purchaser**”)

OF THE SECOND PART

AND:

1496606 B.C. Ltd., a corporation existing under the laws of the Province of British Columbia

(hereinafter called the “**Purchaser Subco**”)

(the Corporation, Purchaser and Purchaser Subco are collectively referred to as the “**Parties**”)

WHEREAS:

- A. The Parties entered into an amalgamation agreement dated August 13, 2024, as amended September 30, 2024 (the “**Amalgamation Agreement**”);
- B. The Parties seek to amend the Amalgamation Agreement on the terms set forth in this Agreement; and
- C. Capitalized terms used herein, including the recitals, and not otherwise defined herein shall have the meaning ascribed to them in the Amalgamation Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by each party, the parties hereto agree as follows:

1. Amendments to Amalgamation Agreement

1.1. The Parties hereby agree to make the following amendments to the Amalgamation Agreement:

- (a) Section 1.1 of the Amalgamation Agreement is amended by adding the following definitions:

“Purchaser Amalco” means the continuing amalgamated corporation following the Effective Time created by the Purchaser Amalgamation;

“Purchaser Amalco Shares” means common shares in the capital of Purchaser Amalco;

“Purchaser Amalgamation” means the amalgamation of Purchaser and Amalco under the provisions of Division 3 of Part 9 of the BCBCA contemplated by this Agreement;

“Purchaser Amalgamating Companies” means Amalco and Purchaser;

- (b) Section 2.1 of the Amalgamation Agreement is deleted in its entirety and replaced with the following:

2.1 Statement of General Intent. This Agreement and the Amalgamation are intended, subject to the terms and conditions hereof, to result in the Amalgamation to form Amalco, and the amalgamation of Amalco and the Purchaser; and the issuance of Consideration Shares to the shareholders of the Corporation (the “Corporation Shareholders”) in exchange for their Corporation Shares outstanding at the Effective Time on a one -for-one basis. To this end, each of Purchaser, Purchaser Subco and Corporation agrees to act in good faith and use all commercially reasonable efforts to take and do, or cause to be taken and done, all acts and other things necessary, proper or advisable to obtain all necessary approvals to complete the Amalgamation and Closing in accordance with the terms and conditions hereof and applicable laws, and to cooperate with each other in connection therewith.

- (c) A new Section 2.10 is added to the Amalgamation Agreement as follows:

2.10 Upon and subject to the terms and conditions hereof, the Purchaser Amalgamating Companies hereby agree to effect the Amalgamation under Division 3 of Part 9 of the BCBCA and to continue as one corporation subsequent to the Purchaser Amalgamation on the terms and conditions prescribed herein. At the Effective Time:

- (a) *the Purchaser Amalgamating Companies shall be amalgamated under the BCBCA and shall continue as one corporation subsequent to the Purchaser*

Amalgamation on the terms and conditions prescribed in this Agreement, and in connection therewith:

- (i) the Purchaser Amalgamation of the Purchaser Amalgamating Companies and their continuation as one company shall become irrevocable;*
- (ii) the amalgamation application that will be filed with the Registrar, shall be as set forth in Schedule "K" attached hereto (the "Purchaser Amalgamation Application");*
- (iii) Purchaser Amalco shall have, as its Notice of Articles, the Notice of Articles contained in the Purchaser Amalgamation Application;*
- (iv) Purchaser Amalco shall have, as its Articles, the Articles attached hereto as Schedule "I", provided that those Articles have been signed by one or more of the individuals identified in this Agreement as the directors of Purchaser Amalco;*
- (v) Purchaser Amalco shall become capable immediately of exercising the functions of an incorporated company;*
- (vi) the shareholders of Purchaser Amalco shall have the powers and liability provided in the BCBCA;*
- (vii) each shareholder of each of the Purchaser Amalgamating Companies is bound by this Agreement;*
- (viii) the property, rights and interests of each of the Purchaser Amalgamating Companies shall continue to be the property, rights and interests of Purchaser Amalco;*
- (ix) Purchaser Amalco shall continue to be liable for the obligations of each of the Purchaser Amalgamating Companies;*
- (x) an existing cause of action, claim or liability to prosecution is unaffected;*
- (xi) a legal proceeding being prosecuted or pending by or against either of the Purchaser Amalgamating Companies may be prosecuted, or its prosecution may be continued, as the case may be, by or against Purchaser Amalco; and*
- (xii) a conviction against, ruling, order or judgment in favour or against either of the Purchaser Amalgamating Companies may be enforced by or against Purchaser Amalco;*
- (b) each Purchaser Share issued and outstanding to Purchaser Shareholders at the Effective Time shall be exchanged for one fully paid and non-assessable*

Purchaser Amalco Share, and thereafter all the Purchaser Shares shall be cancelled without any repayment of capital in respect thereof;

- (c) *each Amalco issued and outstanding to Purchaser shall be cancelled without any repayment of capital in respect thereof; and*
- (d) *the stated capital of the Purchaser Amalco Shares shall be equal to the aggregate "paid-up capital", as defined in the Tax Act, of the Purchaser Shares and Amalco Shares immediately prior to the Effective Time.*

No fractional shares will be issued pursuant to this Agreement, and in the event that any share exchange pursuant to paragraphs (b) and (c) above results in the issuance of a fraction of a share, the number of shares to be issued will be rounded down without any compensation in lieu thereof to the next nearest whole number.

- (d) A new Section 2.11 is added to the Amalgamation Agreement as follows:

2.11 Purchaser Amalco Matters on Closing. *Subject to the terms and conditions of this Agreement, at the Closing:*

- (a) **Directors.** *Purchaser Amalco shall reconstitute its board of directors such that the following directors will either remain as directors, or be appointed in substitution thereof, subject to Purchaser Amalco's receipt of all necessary documentation or authorizations to effect such appointments:*
 - (i) *Mark Morabito (remain as a director);*
 - (ii) *Ken Engquist (remain as a director);*
 - (iii) *Brian Shin (remain as a director); and*
 - (iv) *Charanjit Hayre (remain as a director).*
- (b) **Officers.** *Purchaser shall reconstitute its senior management such that all existing officers will resign and the following officers will be appointed in substitution thereof, subject to Purchaser's receipt of all necessary documentation or authorizations to effect such appointments:*
 - (i) *Mark Morabito – Executive Chair*
 - (ii) *John Gilbert – Chief Executive Officer*
 - (iii) *Daniel Lee - Chief Financial Officer*
 - (iv) *Sheila Paine - Corporate Secretary*
- (c) **Name Change.** *Purchaser Amalco shall keep its corporate name as Excalibur Metals Corp.*

- (d) A new Section 2.12 is added to the Amalgamation Agreement as follows:

2.12 The Closing of the Purchaser Amalgamation shall occur at the offices of the Purchaser's counsel on the Closing Date, or on such other date or at such other time and place as the parties may agree. The parties have discretion to effect the transactions set forth in this Agreement in an alternative order provided that the general intent set forth in Section 2.1 is obtained and the final corporate structure is that Purchaser, Purchaser Subco and the Corporation continue as one amalgamated entity, with Excalibur USA as its sole subsidiary. To effect the final corporate structure, the parties may utilize Division 3 of Part 9 of the BCBCA including a "Vertical short form amalgamation", as may be needed.

2. General

- 2.1. Except as amended hereby, the Amalgamation Agreement continues in full force and effect and the Amalgamation Agreement and this Agreement will be read and construed together as one agreement. The parties ratify and affirm the Amalgamation Agreement as amended hereby (the "**Amended Amalgamation Agreement**"), and agree that the Amended Amalgamation Agreement contains the entire understanding of the parties hereto with respect to the subject matter hereof. The Amended Amalgamation Agreement supersedes all prior agreements and understandings between the parties with respect to the subject matter hereof.
- 2.2. Each Party, upon the request of the other Party, shall do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged or delivered, all such further acts, deeds, documents and assurances as may be reasonably necessary or desirable to give effect to the transactions contemplated by the Amended Amalgamation Agreement.
- 2.3. The Amended Amalgamation Agreement is governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable herein, and the parties hereby attorn to the jurisdiction of the Courts of competent jurisdiction of British Columbia in any proceeding hereunder.
- 2.4. This Agreement is effective as of the day, month and year written on the first page hereof notwithstanding the actual date of execution.
- 2.5. This Agreement may be executed in counterpart and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including by DocuSign, facsimile transmission or by electronic delivery in portable document format (".pdf"), shall be equally effective as delivery of a manually executed counterpart hereof. The Parties acknowledge and agree that in any legal proceedings between them respecting or in any way relating to this Agreement, each waives the right to raise any defense based on the execution hereof in counterparts or the delivery of such executed counterparts by electronic means.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day, month and year first above written.

EXCALIBUR METALS CORP.

By: "Olen Aasen"
Authorized Signatory

VICTORY OPPORTUNITIES 1 CORP.

By: "Brian Shin"
Authorized Signatory

1496606 B.C. LTD.

By: "Brian Shin"
Authorized Signatory