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Licence No.: SK949988

File No.: 6408448

Disposition No.: 949988

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THIS AGREEMENT is dated for reference September 19, 2024 and is made under the *Land Act*.

**BETWEEN:**

**HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the minister responsible for the *Land Act*, Parliament Buildings, Victoria, British Columbia

(the “Province”)

**AND:**

**KSM MINING ULC (INC. NO.: BC1174031)**  
PO Box 2536  
Smithers, BC V0J 2N0

(the “Licensee”)

The parties agree as follows:

**ARTICLE 1 - INTERPRETATION**

1.1 In this Agreement,

“**Agreement**” means this licence of occupation;

“**Commencement Date**” means September 27, 2024;

“**Disposition**” has the meaning given to it in the *Land Act* and includes a licence of occupation;

“**Fees**” means the fees set out in Article 3;

“**Hazardous Substances**” means any substance which is hazardous to persons, property or the environment, including without limitation

(a) waste, as that term is defined in the *Environmental Management Act*; and

- (b) any other hazardous, toxic or other dangerous substance, the use, transportation or release into the environment of which, is now or from time to time prohibited, controlled or regulated under any laws or by any governmental authority, applicable to, or having jurisdiction in relation to, the Land;

**“Improvements”** includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;

**“Land”** means that part or those parts of the Crown land either described in, or shown outlined by bold line on, the schedule attached to this Agreement entitled “Legal Description Schedule” except for those parts of the land that, on the Commencement Date, consist of highways (as defined in the *Transportation Act*) and land covered by water;

**“Management Plan”** means the most recent management plan, development plan or investigative plan, prepared by you in a form specified by us, approved by us, signed and dated by the parties, and held by us in the Crown Land Registry;

**“Realty Taxes”** means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them and which you are liable to pay under applicable laws;

**“Security”** means the security referred to in section 6.1 or 6.2, as replaced or supplemented in accordance with section 6.5;

**“Term”** means the period of time set out in section 2.2;

**“we”, “us” or “our”** refers to the Province alone and never refers to the combination of the Province and the Licensee: that combination is referred to as **“the parties”**; and

**“you” or “your”** refers to the Licensee.

- 1.2 In this Agreement, “person” includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 1.3 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 1.4 This Agreement will be interpreted according to the laws of the Province of British Columbia.

- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 Any liabilities or obligations of either party arising, or to be performed, before or as a result of the termination of this Agreement, and which have not been satisfied or remain unperformed at the termination of this Agreement, any indemnity and any release in our favour and any other provision which specifically states that it will survive the termination of this Agreement, shall survive and not be affected by the expiration of the Term or the termination of this Agreement.
- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Any requirement under this Agreement for us to act reasonably shall not require us to act in a manner that is contrary to or inconsistent with any legislation, regulations, Treasury Board directives or other enactments or any policy, directive, executive direction or other such guideline of general application.

- 1.14 Wherever this Agreement provides that you may not undertake some activity or do something without our prior written approval or consent, our prior approval of the Management Plan will constitute our approval of, or consent to, the activity or thing to the extent the same is specifically and expressly described in the Management Plan and subject always to any conditions or qualifications that may be set in the Management Plan.
- 1.15 In the event of any conflict between the Management Plan and the terms and conditions of any other part of this Agreement, the terms and conditions of any other part of this Agreement shall prevail.

## ARTICLE 2 - GRANT AND TERM

- 2.1 On the terms and conditions set out in this Agreement, we grant you a licence of occupation of the Land for Underground infrastructure to connect mining operations that are geographical isolated locations purposes, as set out in the Management Plan. You acknowledge this licence of occupation does not grant you exclusive use and occupancy of the Land.
- 2.2 The term of this Agreement commences on September 27, 2024 and terminates on September 27, 2044 or such earlier date provided for in this Agreement. We reserve the right to terminate this Agreement in certain circumstances as expressly provided in this Agreement.
- 2.3 If you
- (a) are not in default under this Agreement;
  - (b) have delivered to us not later than 30 days prior to the expiration of this Agreement an appropriate legal survey for a Licence of Occupation, SK949988 of the Land completed by a British Columbia Land Surveyor and, where applicable, confirmation that the legal survey has been deposited with the Land Title Survey Authority; and
  - (c) have paid to us the fees due under the *Land Act* for issuance of a Licence of Occupation, SK949988;
- then we will grant to you a Licence of Occupation, SK949988 over the Land described in the legal survey, substantially on the terms and conditions set out in the form used by us at the time the "Licence of Occupation, SK949988" is being offered.
- 2.4 Our obligation to grant you a Licence of Occupation, SK949988 under section 2.3 will cease if the form of Licence of Occupation, SK949988 we deliver to you is not executed and returned to us within 60 days of the date of delivery.
- 2.5 If we determine that the area of the land comprised within or described by the legal survey referred to in section 2.3 is greater than the area of the Land, then the fee specified in Article 3 will be adjusted accordingly and you will pay the additional fee to us prior to issuance of the

Licence of Occupation, SK949988.

### ARTICLE 3 - FEES

3.1 The Fee for the Term is \$420,144.62, the receipt of which we acknowledge.

### ARTICLE 4 - OBLIGATIONS

4.1 You must

- (a) pay, when due,
  - (i) the Fees to us at the address set out in Article 10,
  - (ii) the Realty Taxes, and
  - (iii) all charges for electricity, gas, water and other utilities supplied to the Land for use by you or on your behalf or with your permission;
- (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
- (c) observe, abide by and comply with
  - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or occupation of the Land or the Improvements including without limitation all laws, bylaws, orders, directions, ordinances and regulations relating in any way to Hazardous Substances, the environment and health and safety, and
  - (ii) the provisions of this Agreement;
- (d) in respect of the use of the Land by you or by any person who enters upon or uses the Land as a result of your use of the Land under this Agreement, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us;
- (e) not commit any wilful or voluntary waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance to an owner or occupier of land in the vicinity of the Land;
- (f) use and occupy the Land only as permitted in the Management Plan in accordance with

the purposes set out in section 2.1;

- (g) not make, construct, place, anchor or affix any Improvements in, on or to the Land except as permitted in the Management Plan and as necessary for the purposes set out in section 2.1;
- (h) within 3 months of a written request from us, provide us with a decommissioning or reclamation plan, in a form acceptable to us, that meets the requirements set out in this agreement, including the Management Plan if applicable;
- (i) not make, construct, place, anchor, or affix any Improvements in, on, or to the Land or otherwise use the Land in a manner that will interfere with any person's riparian right of access over the Land and you acknowledge and agree that the granting of this Agreement and our approval of the Improvements under this Agreement, whether through our approval of a Management Plan or otherwise, do not:
  - (i) constitute a representation or determination that such Improvements will not give rise to any infringement of any riparian right of access that may exist over the Land; or
  - (ii) abrogate or authorize any infringement of any riparian right of access that may exist over the Land;

and you remain responsible for ensuring that you will not cause any infringement of any such riparian right of access; despite the foregoing, you will be deemed to not be in breach of this subsection so long as:

- (iii) you are the owner of an upland property adjacent to the Land and your activities on the Land only interfere with riparian rights of access held by you; or
- (iv) each owner of any upland property adjacent to the Land whose rights of riparian access are infringed by your activities undertaken within the Land remains bound by an agreement in which that owner consents to any such infringement. Any such agreement must be in a form and on terms acceptable to us, including, if we so require that the agreement be in a form appropriate for registration in a Land Title Office against the title of the upland property.

You acknowledge that if any such agreement ceases to be binding on an upland owner or is found to be ineffective or unenforceable for any reason then you remain responsible for complying with this subsection and we may terminate this Agreement in accordance with Article 8 if you fail to satisfy your obligations under this subsection;

- (j) pay all accounts and expenses as they become due for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, except for

- money that you are required to hold back under the *Builders Lien Act*;
- (k) if any claim of lien over the Land is made under the *Builders Lien Act* for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;
  - (l) not cut or remove timber on or from the Land without
    - (i) our prior written consent, and
    - (ii) being granted the right under the *Forest Act* to harvest Crown timber on the Land;
  - (m) maintain all Improvements on the Land in an adequate state of repair, to our satisfaction;
  - (n) not dredge or excavate the Land or deposit on the Land, or any part of it, any earth, fill or other material for the purpose of filling in or raising the level of the Land unless you obtain our prior written approval;
  - (o) not alter, repair or add to any Improvement that was, or may be, placed on or made to the Land under another Disposition or in connection with the use of Land apart from this Agreement, unless you obtain our prior written approval;
  - (p) obtain and maintain in good standing during the Term all permits, permissions, licences, approvals and agreements required in order to use and occupy the Land for the purpose described in Article 2.1 and deliver copies of such to us upon request;
  - (q) at our request and at your expense, have a British Columbia Land Surveyor conduct a survey that shows the location of all buildings and other structures owned, placed on, constructed or used by you on the Land within one year of the date of the request;
  - (r) take all reasonable precautions to avoid disturbing or damaging any archaeological material found on or under the Land and, upon discovering any archaeological material on or under the Land, you must immediately notify the ministry responsible for administering the *Heritage Conservation Act*;
  - (s) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements, including without limitation to test and remove soil, groundwater and other materials and substances, where the inspection may be necessary or advisable for us to determine whether or not you have complied with your

obligations under this Agreement with respect to Hazardous Substances, provided that we take reasonable steps to minimize any disruption of your operations;

- (t) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of one or more of the following:
- (i) any breach, violation or non-performance of a provision of this Agreement,
  - (ii) any conflict between your use of the Land under this Agreement and the lawful use of the Land by any other person, and
  - (iii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

- (u) on, or before the termination of this Agreement,
- (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii), (iii) and (iv), the Improvements in a safe, clean and sanitary condition,
  - (ii) remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building (other than as a tenant's fixture) or part of the Land and you are not in default of this Agreement,
  - (iii) not remove any Improvement from the Land if you are in default of this Agreement, unless we direct or permit you to do so under paragraph (iv),
  - (iv) remove from the Land any Improvement that we, in writing, direct or permit you to remove, other than any Improvement permitted to be placed on or made to the Land under a Disposition to an unrelated third party, and
  - (v) unless otherwise specified in the Management Plan, restore the surface of the Land to the condition that the Land was in on the Commencement Date, but if you are not directed or permitted to remove an Improvement under paragraph (iv), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,



and all of your right, interest and estate in the Land will be absolutely forfeited to us, and to the extent necessary, this covenant will survive the termination of this Agreement.

4.2 You will not permit any person who enters upon or uses the Land as a result of your use of the Land under this Agreement to do anything you are restricted from doing under this Agreement.

4.3 You must not use all or any part of the Land

- (a) for the storage or disposal of any Hazardous Substances; or
- (b) in any other manner whatsoever which causes or contributes to any Hazardous Substances being added or released on, to or under the Land or into the environment from the Land;

unless

- (c) such storage, disposal, release or other use does not result in your breach of any other provision of this Agreement, including without limitation, your obligation to comply with all laws relating in any way to Hazardous Substances, the environment and human health and safety; and
- (d) we have given our prior written approval to such storage, disposal, release or other use and for certainty any such consent operates only as a consent for the purposes of this section and does not bind, limit, or otherwise affect any other governmental authority from whom any consent, permit or approval may be required.

4.4 Despite any other provision of this Agreement you must:

- (a) on the expiry or earlier termination of this Agreement; and
- (b) at any time if we request and if you are in breach of your obligations under this Agreement relating to Hazardous Substances;

promptly remove from the Land all Hazardous Substances stored, or disposed of, on the Land, or which have otherwise been added or released on, to or under the Land:

- (c) by you; or
- (d) as a result of the use of the Land under this Agreement; or
- (e) if applicable, as a result of the use of the Land under prior agreements for the same purpose;

save and except only to the extent that we have given a prior written approval expressly allowing specified Hazardous Substances to remain on the Land following the expiry of the Term.

4.5 We may from time to time

- (a) in the event of the expiry or earlier termination of this Agreement;
- (b) as a condition of our consideration of any request for consent to an assignment of this Agreement; or
- (c) if we have a reasonable basis for believing that you are in breach of your obligations under this Agreement relating to Hazardous Substances;

provide you with a written request to investigate the environmental condition of the Land and upon any such request you must promptly obtain, at your cost, and provide us with, a report from a qualified and independent professional who has been approved by us, as to the environmental condition of the Land, the scope of which must be satisfactory to us and which may include all such tests and investigations that such professional may consider to be necessary or advisable to determine whether or not you have complied with your obligations under this Agreement with respect to Hazardous Substances.

4.6 You must at our request from time to time, but not more frequently than annually, provide us with your certificate (and if you are a corporation such certificate must be given by a senior officer) certifying that you are in compliance with all of your obligations under this Agreement pertaining to Hazardous Substances, and that no adverse environmental occurrences have taken place on the Land, other than as disclosed in writing to us.

## ARTICLE 5 - LIMITATIONS

5.1 You agree with us that

- (a) in addition to the other reservations and exceptions expressly provided in this Agreement this Agreement is subject to the exceptions and reservations of interests, rights, privileges and titles referred to in section 50 of the *Land Act*;
- (b) other persons may hold or acquire rights to use the Land in accordance with enactments other than the *Land Act* or the *Ministry of Lands, Parks and Housing Act*, including but not limited to rights held or acquired under the *Coal Act*, *Forest Act*, *Geothermal Resources Act*, *Mineral Tenure Act*, *Petroleum and Natural Gas Act*, *Range Act*, or *Water Sustainability Act* (or any prior or subsequent enactment of the Province of British Columbia of like effect); such rights may exist as of the Commencement Date and may be granted or acquired subsequent to the Commencement Date and may affect

your use of the Land;

- (c) other persons may hold or acquire interests in or over the Land granted under the *Land Act* or the *Ministry of Lands, Parks and Housing Act*; such interests may exist as of the Commencement Date; following the Commencement Date we may grant such interests (including fee simple interests, leases, statutory rights of way and licences); you acknowledge that your use of the Land may be affected by such interests and the area or boundaries of the Land may change as a result of the granting of such interests;
- (d) you have no right to compensation from us and you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your use of the Land under this Agreement and any use of, or impact on the Land arising from the exercise, or operation of the interests, rights, privileges and titles described in subsections (a), (b), and (c);
- (e) this Agreement does not limit any right to notice, compensation or any other benefit that you may be entitled to from time to time under the enactments described in subsection (b), or any other applicable enactment;
- (f) you will not commence or maintain proceedings under section 65 of the *Land Act* in respect of any interference with your use of the Land as permitted under this Agreement that arises as a result of the lawful exercise or operation of the interests, rights, privileges and titles described in subsections (a), (b) and (c);
- (g) except as otherwise authorised in this Agreement, you will not interfere with public access over the Land;
- (h) you will make no claim against us or any person acting under the authority of any enactment of the Province of British Columbia for compensation, in damages or otherwise, if the Land becomes unsuitable for the purposes set out in this Agreement;
- (i) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (j) any interest you may have in the Improvements ceases to exist and becomes our property upon the termination of this Agreement, except where an Improvement may be removed under paragraph 4.1(u)(ii) or (iv) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land on termination or within the time period provided for in the direction or permission given under paragraph 4.1(u)(iv); and
- (k) if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year

to year will not be created by implication of law and you will be deemed to be a monthly occupier only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary.

## ARTICLE 6 - SECURITY AND INSURANCE

- 6.1 On the Commencement Date, you will deliver to us Security in the amount of \$0.00 which will
- (a) guarantee the performance of your obligations under this Agreement;
  - (b) be in the form required by us; and
  - (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 6.2 Despite section 6.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other Dispositions held by you.
- 6.3 We may use the Security for the payment of any costs and expenses associated with any of your obligations under this Agreement that are not performed by you or to pay any overdue Fees and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.
- 6.4 After we provide the written notice described in section 6.1(c) we will return to you the Security maintained under section 6.1, less all amounts drawn down by us under section 6.3.
- 6.5 You acknowledge that we may, from time to time, notify you to
- (a) change the form or amount of the Security; and
  - (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;
- and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by you.
- 6.6 You must without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:
- (a) Commercial General Liability and, if applicable Marine General Liability insurance in

an amount of not less than \$2,000,000.00 inclusive per occurrence insuring against liability for personal injury, bodily injury and property damage, including coverage for all accidents or occurrences on the Land or the Improvements. Such policy will include cross liability, liability assumed under contract, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured but only with respect to liability arising out of the activities of the named insured;

6.7 You must

- (a) ensure that all insurance required to be maintained by you under this Agreement is primary and does not require the sharing of any loss by any of our insurers;
- (b) within 10 working days of Commencement Date of this Agreement, provide to us evidence of all required insurance in the form of a completed "Province of British Columbia Certificate of Insurance";
- (c) if the required insurance policy or policies expire or are cancelled before the end of the Term of this Agreement, provide within 10 working days of the cancellation or expiration, evidence of new or renewal policy or policies of all required insurance in the form of a completed "Province of British Columbia Certificate of Insurance";
- (d) notwithstanding subsection (b) or (c) above, if requested by us, provide to us certified copies of the required insurance policies.

6.8 We may, acting reasonably, from time to time, require you to

- (a) change the amount of insurance set out in subsection 6.6(a); and
- (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance then required to be maintained by you under this Agreement.

6.9 You shall provide, maintain, and pay for any additional insurance which you are required by law to carry, or which you consider necessary to insure risks not otherwise covered by the insurance specified in this Agreement in your sole discretion.

6.10 You waive all rights of recourse against us with regard to damage to your own property arising from any source whatsoever.

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## ARTICLE 7 - ASSIGNMENT

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- 7.1 You must not sublicense, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may withhold.
- 7.2 Prior to considering a request for our consent under section 7.1, we may require you to meet certain conditions, including without limitation, that you provide us with a report as to the environmental condition of the Land as provided in section 4.5.

## ARTICLE 8 - TERMINATION

8.1 You agree with us that

- (a) if you
- (i) default in the payment of any money payable by you under this Agreement, or
  - (ii) fail to observe, abide by and comply with other provisions of this Agreement, or
  - (iii) in our opinion, fail to make diligent use of the Land for the purposes set out in this Agreement;

and you fail to rectify such default or failure within the time period specified in a written notice from the Province requesting you to do so,

- (b) if you
- (i) become insolvent or make an assignment for the general benefit of your creditors,
  - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
  - (iii) voluntarily enter into an arrangement with your creditors;
- (c) if you are a corporation and,
- (i) a receiver or receiver-manager is appointed to administer or carry on your business, or

- (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (d) if you are a society and you convert into a company in accordance with the *Society Act* without our prior written consent;
- (e) if this Agreement is taken in execution or attachment by any person; or
- (f) if we require the Land for our own use or, in our opinion, it is in the public interest to cancel this Agreement and we have given you 90 days' written notice of such requirement or opinion;

this Agreement will, at our option and with or without entry, terminate and your right to use and occupy the Land will cease.

8.2 You agree with us that

- (a) you will make no claim against us for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 8.1; and
- (b) our remedies under this Article are in addition to those available to us under the *Land Act*.

#### **ARTICLE 9 - DISPUTE RESOLUTION**

- 9.1 If any dispute arises under this Agreement, before resorting to arbitration or litigation the parties will make all reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.
- 9.2 A dispute under this Agreement in respect of a matter within our sole discretion cannot, unless we agree, be referred to arbitration.

#### **ARTICLE 10 - NOTICE**

- 10.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:
- to us

**MINISTRY OF WATER, LAND AND RESOURCE STEWARDSHIP**  
1st Floor - 3726 Alfred Avenue,

PO Box 5000  
Smithers, BC V0J 2N0;

to you

KSM MINING ULC  
PO Box 2536  
Smithers, BC V0J 2N0;

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- 10.2 In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 10.1.
- 10.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

## ARTICLE 11 - MISCELLANEOUS

- 11.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 11.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 11.3 The grant of a sublicense, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent to the sublicense, assignment or transfer of this Agreement.
- 11.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.



- 11.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by a period of time equal to the period of time of the delay so long as
- (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
  - (b) you diligently attempt to remove the delay.
- 11.6 You acknowledge and agree with us that
- (a) this Agreement has been granted to you on the basis that you accept the Land on an “as is” basis;
  - (b) without limitation we have not made, and you have not relied upon, any representation or warranty from us as to
    - (i) the suitability of the Land for any particular use, including the use permitted by this Agreement;
    - (ii) the condition of the Land (including surface and groundwater), environmental or otherwise, including the presence of or absence of any toxic, hazardous, dangerous or potentially dangerous substances on or under the Land and the current and past uses of the Land and any surrounding land and whether or not the Land is susceptible to erosion or flooding;
    - (iii) the general condition and state of all utilities or other systems on or under the Land or which serve the Land;
    - (iv) the zoning of the Land and the bylaws of any government authority which relate to the development, use and occupation of the Land;
    - (v) the application of any federal or provincial enactment or law to the Land; and
    - (vi) the existence, availability or quality of access or service to the Land now or in the future;
  - (c) you have been afforded a reasonable opportunity to inspect the Land or to carry out such other audits, investigations, tests and surveys as you consider necessary to

investigate those matters set out in subsection (b) to your satisfaction before entering into this Agreement;

- (d) you waive, to the extent permitted by law, the requirement if any, for us to provide you with a "site profile" under the *Environmental Management Act*;
- (e) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
- (f) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads.

11.7 You agree with us that nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.

11.8 This Agreement does not override or affect any powers, privileges or immunities to which you are entitled under any enactment of the Province of British Columbia.

The parties have executed this Agreement as of the date of reference of this Agreement.

SIGNED on behalf of **HIS MAJESTY  
THE KING IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA**  
by the minister responsible for the *Land Act*  
or the minister's authorized representative



Minister responsible for the *Land Act*  
or the minister's authorized representative

Rob Stewart A/Director of Authorizations  
Print Name and Title

SIGNED on behalf of KSM MINING ULC  
by a duly authorized signatory

Elizabeth F. Miller  
Authorized Signatory

Elizabeth Miller

VP Environment + Social Responsibility  
Print Name and Title

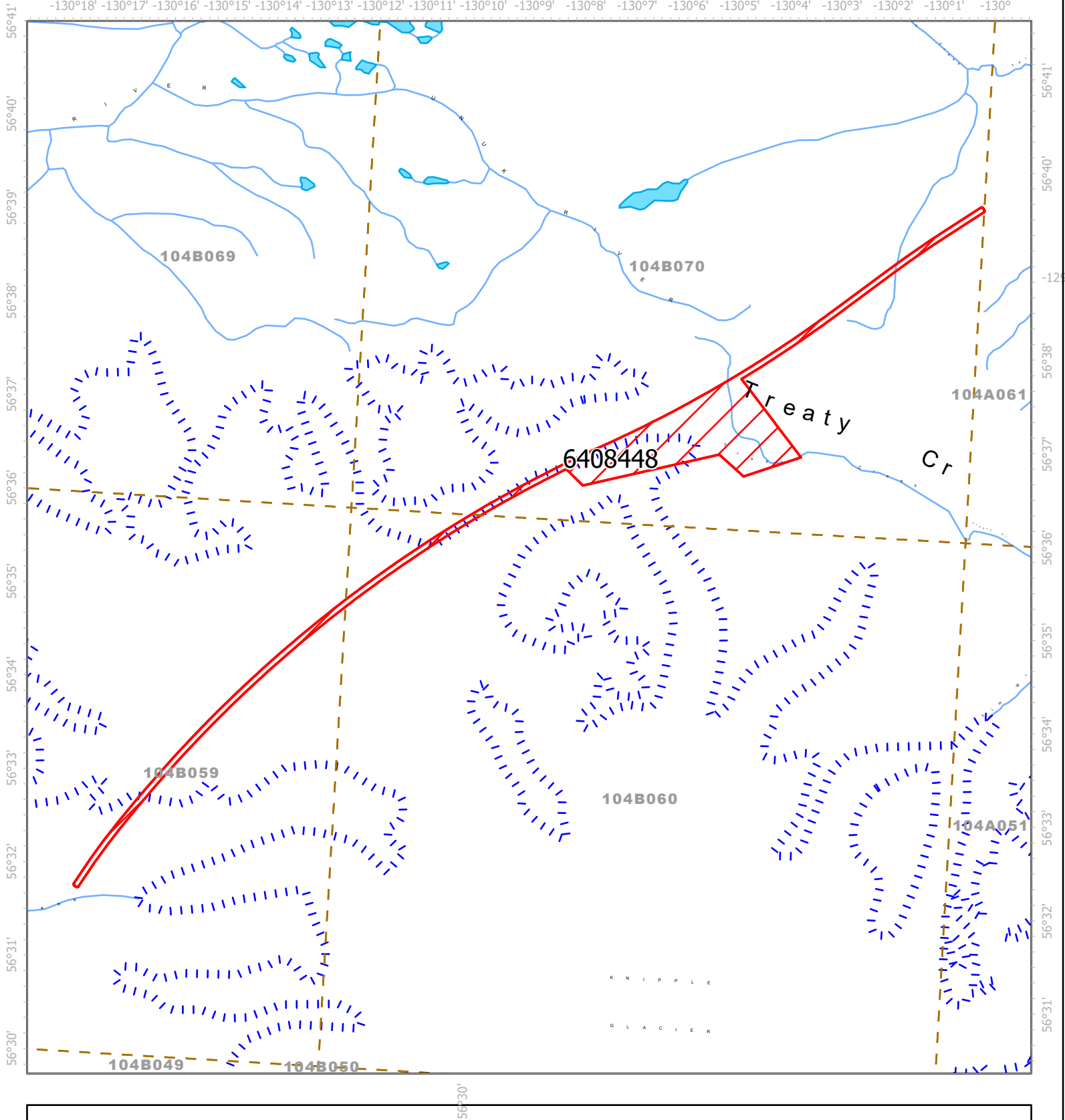
LEGAL DESCRIPTION SCHEDULE

LEGAL DESCRIPTION: UNSURVEYED RIGHT OF WAY OVER UNSURVEYED CROWN LAND IN THE VICINITY OF TREATY CREEK, CASSIAR DISTRICT, CONTAINING 672.56 HECTARES, MORE OR LESS.

Please see enclosed map, page 21 of 21

# Document Map




-130°18' -130°17' -130°16' -130°15' -130°14' -130°13' -130°12' -130°11' -130°10' -130°9' -130°8' -130°7' -130°6' -130°5' -130°4' -130°3' -130°2' -130°1' -130°



File No: 6408448

Scale: 1:100,717

Date: 2023-12-13 3:59 PM

-  Indian Reserves
-  Parks and Protected Areas
-  Tenure Area

