

WAIVER AND FIRST AMENDMENT TO THE SENIOR SECURED METAL PREPAY AGREEMENT

This waiver and first amendment (this “**Waiver and First Amendment**”) dated as of December 22, 2014, among FORTUNE REVENUE SILVER MINES, INC., as Seller, FORTUNE MINERALS LIMITED, as Guarantor and LRC-FRSM LLC, as Buyer (collectively, the “**Parties**”). This Waiver and First Amendment modifies the Senior Secured Metal Prepay Agreement dated as of October 1, 2014 among the Parties (the “**Prepay Agreement**”).

WHEREAS certain Defaults and Events of Default have occurred and are continuing (as listed in the attached **Exhibit A**, the “**Current Events of Default**”); and

WHEREAS the Seller and the Guarantor have requested, and the Buyer has agreed, to waive such Current Events of Default in accordance with the terms and conditions hereof; and

WHEREAS the Seller and the Guarantor have requested, and the Buyer has agreed to advance an additional \$7,000,000 of working capital on the terms and conditions described herein, subject to the execution of this Waiver and First Amendment, the NSR Royalty Agreement (as defined below), and the satisfaction of all conditions and compliance with all covenants contained herein

NOW, THEREFORE, in consideration of the following mutual covenants and agreements and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

Section 1 Interpretation.

- (1) Capitalized terms used in this Waiver and First Amendment but not defined have the meanings given to them in the Prepay Agreement.
- (2) The division of this Waiver and First Amendment into Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.
- (3) Any reference to any Transaction Document in this Waiver and First Amendment refers to such Transaction Document as the same may have been to date amended, modified, extended, renewed, restated, replaced or supplemented and includes all schedules attached to it.

Section 2 Waiver.

Subject to the terms and conditions hereof, the Buyer waives the Current Events of Default. The waiver in this Section 2 is effective with respect to the Current Events of Default only and is not a waiver of (i) any preceding or succeeding breach of the same provisions of the Prepay Agreement, (ii) any breach of any other covenant representation,

warranty or provision of the Prepay Agreement, or (iii) any breach of any covenant, representation, warranty or other provision of this Waiver and First Amendment.

Section 3 Amendments to the Prepay Agreement

- (1) The following definitions will be added (or replace existing definitions, as the case may be) to Section 1.1 of the Prepay Agreement (*Definitions*):

“Copper” means payable Copper as defined in the Offtake Agreements.

“Copper Payment” means, during the Repayment Period, 25% of any shipment of Copper.

“Current Events of Default” has the meaning set for the in the recital above.

“Metal Prepay Facility” means collectively, the Tranche 1 Advance, the Tranche 2 Advance and the Working Capital Prepay Advance.

“NSR” means the Net Revenue as defined in the NSR Royalty Agreement multiplied by the NSR Percentage.

“NSR Royalty Agreement” means an agreement in a form and substance satisfactory to the Buyer acting reasonably, documenting and describing the rights, obligations, calculations, and payment terms with respect to the NSR. Such NSR Royalty Agreement will be attached to the Mineral Properties. Such NSR Royalty Agreement will specify that the first payment of the NSR will be due with the first shipment of Materials in January 2016 and will continue for the life of the Mineral Properties.

“NSR Percentage” means a percentage in accordance with the table below determined by the month in which the Seller delivers in full the Working Capital Metal Repayment. As noted in such table upon delivery of 100% of all Repayment Units, the NSR Percentage will be further reduced by the following formula: NSR Percentage (after the delivery of 100% of all Repayment Units) = NSR Percentage (prior to delivery of 100% of all Repayment Units) multiplied by 50%.

<i>Working Capital Metal Repayment delivered in full prior to end of:</i>	<i>NSR Percentage prior to delivery of 100% of all Repayment Units</i>	<i>NSR Percentage after delivery of 100% of all Repayment Units</i>
Jan-15	2.00%	1.00%
Feb-15	2.20%	1.10%
Mar-15	2.40%	1.20%
Apr-15	2.60%	1.30%
May-15	2.80%	1.40%
Jun-15	3.00%	1.50%
Jul-15	3.20%	1.60%
Aug-15	3.40%	1.70%

Sep-15	3.60%	1.80%
Oct-15	3.80%	1.90%
Nov-15	3.90%	1.95%
Dec-15	4.00%	2.00%

“Pre-Adjustment Silver Equivalent Repayment Units” means any Silver, Zinc, Lead or Gold delivered to the Buyer with respect to amortizing the Working Capital Metal Repayment using the following formula for any such metal delivery:

- (A) the sum in such metal delivery of
 - (i) total number of metric tonnes of Zinc delivered [formula redacted], plus
 - (ii) total number of metric tonnes of Lead delivered [formula redacted], plus
 - (iii) total number of ounces of Gold delivered [formula redacted], plus
 - (iv) total number of ounces of Silver delivered;

“Silver Equivalent Repayment Units” means any Silver, Zinc, Lead or Gold delivered to the Buyer with respect to amortizing the Working Capital Metal Repayment, adjusted pursuant to the following formula for any such metal delivery:

- (A) the Pre-Adjustment Silver Equivalent Repayment Units;
- (B) divided by [number redacted];
- (C) then, multiplied by the lower of (x) [number redacted] and (y) the Silver Equivalent Price for such metal delivery.

For clarity, such adjusted Silver Equivalent Repayment Units will be used only to amortize the Working Capital Metal Repayment and will not count as Repayment Units.

“Silver Equivalent Price” is equal to an amount based on the quantity of each of the delivered metals in accordance with the following formula:

- (A) the sum in such metal delivery of
 - (i) total number of metric tonnes of Zinc delivered multiplied by the Zinc Market Price, plus
 - (ii) total number of metric tonnes of Lead delivered multiplied by the Lead Market Price, plus
 - (iii) total number of ounces of Gold delivered multiplied by the Gold Market Price, plus
 - (iv) total number of ounces of Silver delivered multiplied by the Silver Market Price;

(B) then, divided by the Pre-Adjustment Silver Equivalent Repayment Units in such delivery.

“Transaction Documents” means this Agreement, the Credit Documents, the Asset Purchase Agreement, the Material Contracts, the Waiver and First Amendment, the NSR Royalty Agreement, and any other documents related to the transactions described herein or therein.

“Working Capital Accrued Ounces” means interest on the Working Capital Metal Repayment accrued in additional Silver Equivalent Repayment Units calculated at the beginning of each calendar month by multiplying the then outstanding Working Capital Metal Repayment (after giving effect to any deliveries of Silver Equivalent Repayment Units and the cumulative Working Capital Accrued Ounces through the end of the prior month) by 15% *per annum*. For clarity, Working Capital Accrued Ounces are added to and become a part of the Working Capital Metal Repayment.

“Working Capital Prepay Advance” means \$7,000,000

“Working Capital Repayment Period” is a maximum of 12 calendar months from the month following the advance of the Working Capital Prepay Advance.

“Working Capital Metal Repayment” means the delivery to the Buyer of Silver Equivalent Repayment Units in an amount that totals 430,000 Silver Equivalent Repayment Units plus the cumulative Working Capital Accrued Ounces. For clarity, the Working Capital Metal Repayment shall constitute an Obligation of the Credit Parties.

- (2) **Schedule 1.1(a)** and **Schedule 1.1(e)** of the Prepay Agreement will be deleted in their entirety and replaced with the revised **Schedule 1.1(a)** and **Schedule 1.1(e)** attached hereto:
- (3) The following will be added to Section 2.4 of the Prepay Agreement (*Use of Proceeds*):

“(c) The Seller shall use the Working Capital Prepay Advance:

- (i) for additional development of and working capital for the Project substantially in accordance with the project budget and schedule set forth in the Schedule 2.4 attached hereto, as such project budget and schedule may be updated from time to time with the approval of the Buyer acting reasonably;; and
- (ii) for working capital of the Seller”

- (4) **Schedule 2.4** of the Prepay Agreement will be deleted in its entirety and replaced with the revised **Schedule 2.4** attached hereto:

- (5) The following shall be added to Article 3 of the Prepay Agreement (*Metal Prepay Facility Repayments; Interest and Other Payments*):

“3.4 Working Capital Metal Repayment

The Seller shall deliver to the Buyer, from time to time, Silver Equivalent Repayment Units. Prior to the end of the Working Capital Repayment Period the Seller shall deliver to the Buyer a cumulative volume of Silver Equivalent Repayment Units equal to the Working Capital Repayment. For any delivery such delivery of Silver Equivalent Repayment Units, upon the written direction of the Buyer, the direct purchaser of Metal pursuant to Offtake Agreements, or another party, may deliver to the Buyer an amount equal to the value of the Silver Equivalent Repayment Units in lieu of delivery of physical metal to the Buyer at the Buyer’s Account.”

- (6) Section 4.1 of the Prepay Agreement will be deleted in its entirety and replaced with the following:

“The Seller shall deliver, or shall cause to be delivered, the following amounts (each, a **“Mandatory Prepayment Amount”**) and at the following times:

(a) Deliveries of Repayment Units

(i) **Grace Period Sweep for Repayment Units.** If the Working Capital Metal Repayment is satisfied, during the Grace Period the Seller shall thereafter deliver, or cause to be delivered, directly and immediately to the Buyer’s Account, a volume of Repayment Units equal to not less than (i) 7.5% of the monthly shipments of Silver and (ii) 17.5% of the monthly shipments of Gold, Lead and Zinc; provided that the Seller may direct the purchaser of the Metal to pay directly to the Buyer an amount equal to the value of such Repayment Units on the same basis as set forth in Section 3.1(a);

(ii) **Excess Monthly Production for Repayment Units.** After the Working Capital Metal Repayment is satisfied, if production of Metal in any given month is greater than the Monthly Budget (the “Excess Monthly Production”), the Seller shall deliver, or shall cause to be delivered immediately to the Buyer’s Account, a volume of Repayment Units equal to not less than (i) 20% of such Excess Monthly Production in Silver, and (ii) 50% of such Excess Production of Gold, Lead and Zinc; and

(iii) **Change of Control for Repayment Units.** If a Change of Control shall occur, the Seller shall deliver, or cause to be delivered, directly and immediately to the Buyer’s Account, a volume of Repayment Units equal to the Full Prepayment Amount; provided that the Seller may direct the purchaser of the Metal to pay directly to the Buyer an amount equal to

the value of such Repayment Units on the same basis as set forth in Section 3.1(a);

and together with any of the foregoing prepayments of the Metal Prepay Facility under (a), (b) or (c) above, the Seller shall simultaneously pay the Buyer any accrued and unpaid interest on any part of the Metal Prepay Facility so prepaid, together with all other payments, charges and costs and other amounts payable hereunder. On the day any such prepayment is made, the Metal Prepay Facility shall be deemed repaid in an amount equal to the Mandatory Prepayment Amount and, the remaining Repayment Units due shall be reduced in the inverse order as set forth in Schedule 1.1(a) and otherwise in a manner determined by the Buyer, acting reasonably and in its sole discretion. Promptly (and in any event within five (5) Business Days) after such prepayment the Seller shall deliver to the Buyer a revised Schedule 1.1(a), showing the adjusted Repayment Units Due, all in form and substance satisfactory to the Buyer.

(b) Delivery of Working Capital Metal Repayment

(i) Grace Period Sweep for Working Capital Metal Repayment. Until the Working Capital Metal Repayment is satisfied, during the Grace Period the Seller shall deliver, or cause to be delivered, directly and immediately to the Buyer's Account, a volume of Silver Equivalent Repayment Units equal to not less than (i) 7.5% of the monthly shipments of Silver and (ii) 17.5% of the monthly shipments of Gold, Lead and Zinc; provided that the Seller may direct the purchaser of the Metal to pay directly to the Buyer an amount equal to the value of such Silver Equivalent Repayment Units on the same basis as set forth in Section 3.1(a);

(ii) Excess Monthly Production for Working Capital Metal Repayment. Until the Working Capital Metal Repayment is satisfied, if production of Metal in any given month is greater than the Monthly Budget (the "Excess Monthly Production"), the Seller shall deliver, or shall cause to be delivered immediately to the buyer's Account, a volume of Silver Equivalent Repayment Units equal to not less than 100% of such Excess Monthly Production of Silver, Gold, Lead and Zinc; and

(iii) Change of Control for Working Capital Metal Repayment. If a Change of Control shall occur, the Seller shall deliver, or cause to be delivered, directly and immediately to the Buyer's Account, a volume of Silver Equivalent Repayment Units equal to the Working Capital Metal Repayment; provided that the Seller may direct the purchaser of the Metal to pay directly to the Buyer an amount equal to the value of such Silver Equivalent Units on the same basis as set forth in Section 3.1(a);

and together with any Working Capital Metal Repayment under (f) above, the Seller shall simultaneously deliver to the Buyer any Working

Capital Accrued Ounces accrued since the last calculation date and not yet added to the Working Capital Metal Repayment.”

- (7) The following will be added to Section 8.1 of the Prepay Agreement (*Affirmative Covenants*):

(cc) **Minimum Net Working Capital.** The Seller shall at all times maintain net working capital and cash in an aggregate amount of not less than \$2,000,000.00.

(dd) **Copper Payment.** The Seller shall pay to the Buyer the Copper Payment, payable directly to the Buyer from the purchaser of Metal against the first provisional invoice, as defined in and pursuant to the terms of the Offtake Agreement.

(ee) **NSR.** The Seller shall pay to the Buyer the NSR in accordance with the terms of each NSR Royalty Agreement.

- (8) Section 8.2(i)(iv) of the Prepay Agreement shall be deleted and replaced with the following:

(iv) and, regardless of clauses (i), (ii), and (iii) above in no case shall any such payment be made before the later of (x) repayment in full of the Working Capital Metal Repayment and (y) January 1, 2016.

- (9) **Schedule 8.1(aa)** and **Schedule 8.1(bb)** of the Prepay Agreement will be deleted in their entirety and replaced with the revised **Schedule 8.1(aa)** and **Schedule 8.1(bb)** attached hereto:

- (10) Section 9.1(a) of the Prepay Agreement shall be deleted and replaced with the following:

(a) **Non-payment/Non-Delivery.** The Seller shall fail to (i) repay the Metal Prepay Facility as and when due hereunder (whether at stated maturity, by prepayment, on demand or otherwise), or shall fail to deliver any Repayment Units Due as set forth in this Agreement including any additional Repayment Units Due under Section 4.3 for two (2) consecutive months, or shall fail to deliver the Working Capital Metal Repayment as set forth in this Agreement including payment in full no later than the end of the Working Capital Repayment Period (ii) pay interest hereunder when due (whether on a payment date, by prepayment, on demand or otherwise), or (iii) the Seller or any other Credit Party shall fail to pay any other amount due hereunder when due and, with respect to clauses (ii) and (iii), such failure continues for five (5) Business Days following the due date thereof.

Section 4 Representations, Warranties and Covenants.

To induce the Buyer to enter into this Waiver and First Amendment, each of the Seller and the Guarantor represents, warrants and covenants to the Buyer as follows, which representations, warranties and covenants shall survive the execution and delivery hereof:

- (1) All necessary action has been taken to authorize the execution, delivery and performance of this Waiver and First Amendment. This Waiver and First Amendment has been duly executed and delivered by each of the Seller and the Guarantor and constitutes legal, valid and binding obligations of each of the Seller and the Guarantor enforceable against it in accordance with its terms;
- (2) The execution and delivery by each of the Seller and the Guarantor and the performance by them of their obligations under this Waiver and First Amendment will not conflict with or result in a breach of any of the terms or conditions of their constituting documents or by-laws, any Applicable Law or any contractual restriction binding on or affecting them or their assets;
- (3) Each of the representations and warranties contained in the Prepay Agreement and in any other Transaction Document are true and correct on the date hereof as if they were made on such date except for any representation and warranty which is stated to be made only as of a certain date (and then as of such date);
- (4) Other than for the Current Events of Default, no Default or Event of Default exists under the Prepay Agreement, either before or after giving effect to this Waiver and First Amendment;
- (5) The Prepay Agreement, the Corporate Documents described in Section 6.2(b) of the Prepay Agreement, and each of the other Transaction Documents to which the Seller or the Guarantor is a party remains in full force and effect, unamended, and is enforceable against the Seller or the Guarantor, in accordance with its terms, and the security interests, assignments, mortgages, charges, hypothecations and pledges granted by the Seller or the Guarantor in favour of the Buyer continue to secure all debts, liabilities and obligations at any time or from time to time due or accruing due and owing by the Seller or the Guarantor to the Buyer pursuant to the Prepay Agreement; and

Section 5 Conditions to Working Capital Prepay Advance, Waiver and Amendments.

The Working Capital Prepay Advance shall be made, and the waivers and amendments provided for herein shall become effective, upon receipt by the Buyer of the following, each in form and substance satisfactory to the Buyer:

- (1) counterparts of this Waiver and Agreement duly executed and delivered by the Seller and the Guarantor; a counterpart of the NSR Royalty Agreement duly executed and delivered by the Seller; and counterparts of an amendment to the Mortgage, duly executed and delivered by the Seller;
- (2) a bring down of each of the legal opinions delivered on the Tranche 1 Closing Date;

- (3) a certified copy of the directors' resolutions of the Seller and the Guarantor with respect to the authorization, execution and delivery of this Waiver and First Amendment, the NSR Royalty Agreement and the transactions contemplated thereby;
- (4) payment of reasonable fees and expenses of the Buyer; and
- (5) such other documentation as the Buyer shall reasonably request.

Section 6 Reference to and Effect on the Prepay Agreement.

- (1) Upon this Waiver and First Amendment becoming effective, each reference in the Prepay Agreement to "this Agreement" and each reference to the Prepay Agreement in the other Transaction Documents and any and all other agreements, documents and instruments delivered by any of the Buyer, the Seller, the Guarantor or any other Person shall mean and be a reference to the Prepay Agreement as amended or varied by this Waiver and First Amendment. Except as specifically amended or varied by this Waiver and First Amendment, the Prepay Agreement shall remain in full force and effect.
- (2) Except to the extent expressly set forth herein, (a) the execution, delivery and effectiveness of this Waiver and First Amendment and any consents and waivers set forth herein shall not directly or indirectly (i) amend, modify or operate as a waiver of any provision of the Prepay Agreement or any other Transaction Document or any right, power or remedy of the Buyer thereunder; or (ii) constitute a course of dealing or other basis for altering any obligations or any other contract or instrument; and (b) the Buyer reserves all of its rights, powers and remedies under the Prepay Agreement, the other Transaction Documents and Applicable Law.

Section 7 Governing Law.

This Waiver and First Amendment is governed by, and construed in accordance with, the laws of the State of New York and the federal laws applicable therein.

Section 8 Counterparts.

This Waiver and First Amendment may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other electronic means is as effective as a manually executed counterpart of this Waiver and First Amendment.

IN WITNESS WHEREOF the parties have executed this Waiver and First Amendment.

LRC-FRSM LP

By: Lascaux Resource Capital Partners, LLC
its Managing Partner

By: its Managers

(signed) Elliot Rothstein
Elliot Rothstein

(signed) David Kaplan
David Kaplan

For GUARANTORS

By: FORTUNE MINERALS LIMITED

By:

(signed) Robin Goad
Authorized Signing Officer

For SELLERS

**By: FORTUNE REVENUE SILVER MINES,
INC.**

By:

(signed) Robin Goad
Authorized Signing Officer

Schedule 1.1(a)

REPAYMENT UNITS DUE

	Au Repayment Ounces	Au Repayment Ounces	Ag Repayment Ounces	Ag Repayment Ounces	Pb Repayment Tonnes	Pb Repayment Tonnes	Zn Repayment Tonnes	Zn Repayment Tonnes
	Amt Due	Cum Amt Due	Amt Due	Cum Amt Due	Amt Due	Cum Amt Due	Amt Due	Cum Amt Due
Dec-14	0	0	0	0	0	0	0	0
Jan-15	0	0	0	0	0	0	0	0
Feb-15	0	0	0	0	0	0	0	0
Mar-15	0	0	0	0	0	0	0	0
Apr-15	0	0	35,000	35,000	100	100	0	0
May-15	0	0	35,000	70,000	100	200	0	0
Jun-15	400	400	35,000	105,000	100	300	0	0
Jul-15	0	400	35,000	140,000	100	400	25	25
Aug-15	0	400	35,000	175,000	100	500	0	25
Sep-15	400	800	35,000	210,000	100	600	25	50
Oct-15	0	800	35,000	245,000	100	700	0	50
Nov-15	0	800	35,000	280,000	100	800	25	75
Dec-15	400	1,200	35,000	315,000	100	900	0	75
Jan-16	0	1,200	35,000	350,000	100	1,000	25	100
Feb-16	0	1,200	35,000	385,000	100	1,100	0	100
Mar-16	400	1,600	35,000	420,000	100	1,200	25	125
Apr-16	0	1,600	35,000	455,000	100	1,300	0	125
May-16	0	1,600	35,000	490,000	100	1,400	25	150
Jun-16	400	2,000	35,000	525,000	100	1,500	0	150
Jul-16	0	2,000	35,000	560,000	100	1,600	25	175
Aug-16	0	2,000	35,000	595,000	100	1,700	0	175
Sep-16	400	2,400	35,000	630,000	100	1,800	25	200
Oct-16	0	2,400	35,000	665,000	100	1,900	0	200
Nov-16	0	2,400	35,000	700,000	100	2,000	25	225
Dec-16	400	2,800	35,000	735,000	100	2,100	0	225
Jan-17	0	2,800	25,000	760,000	100	2,200	25	250

	Au Repayment Ounces	Au Repayment Ounces	Ag Repayment Ounces	Ag Repayment Ounces	Pb Repayment Tonnes	Pb Repayment Tonnes	Zn Repayment Tonnes	Zn Repayment Tonnes
	Amt Due	Cum Amt Due	Amt Due	Cum Amt Due	Amt Due	Cum Amt Due	Amt Due	Cum Amt Due
Feb-17	0	2,800	25,000	785,000	100	2,300	0	250
Mar-17	400	3,200	25,000	810,000	100	2,400	25	275
Apr-17	0	3,200	25,000	835,000	100	2,500	0	275
May-17	0	3,200	25,000	860,000	100	2,600	25	300
Jun-17	400	3,600	25,000	885,000	100	2,700	0	300
Jul-17	0	3,600	35,000	920,000	100	2,800	25	325
Aug-17	0	3,600	35,000	955,000	100	2,900	0	325
Sep-17	400	4,000	35,000	990,000	100	3,000	25	350
Oct-17	0	4,000	35,000	1,025,000	100	3,100	0	350
Nov-17	0	4,000	35,000	1,060,000	100	3,200	25	375
Dec-17	400	4,400	35,000	1,095,000	100	3,300	0	375
Jan-18	0	4,400	35,000	1,130,000	100	3,400	25	400
Feb-18	0	4,400	35,000	1,165,000	100	3,500	0	400
Mar-18	400	4,800	35,000	1,200,000	100	3,600	25	425
Apr-18	0	4,800	25,000	1,225,000	100	3,700	0	425
May-18	0	4,800	25,000	1,250,000	100	3,800	25	450
Jun-18	400	5,200	25,000	1,275,000	100	3,900	0	450
Jul-18	0	5,200	25,000	1,300,000	100	4,000	25	475
Aug-18	0	5,200	25,000	1,325,000	100	4,100	0	475
Sep-18	400	5,600	25,000	1,350,000	100	4,200	25	500
Oct-18	0	5,600	35,000	1,385,000	100	4,300	0	500
Nov-18	0	5,600	35,000	1,420,000	100	4,400	25	525
Dec-18	400	6,000	35,000	1,455,000	100	4,500	0	525
Jan-19	0	6,000	35,000	1,490,000	100	4,600	25	550
Feb-19	0	6,000	35,000	1,525,000	100	4,700	0	550
Mar-19	400	6,400	35,000	1,560,000	100	4,800	25	575
Apr-19	0	6,400	35,000	1,595,000	100	4,900	0	575
May-19	0	6,400	35,000	1,630,000	100	5,000	25	600
Jun-19	400	6,800	35,000	1,665,000	100	5,100	0	600
Jul-19	0	6,800	35,000	1,700,000	100	5,200	25	625
Aug-19	0	6,800	35,000	1,735,000	100	5,300	0	625
Sep-19	400	7,200	35,000	1,770,000	100	5,400	25	650

Schedule 1.1(e)

MONTHLY BUDGET

[Schedule deleted]

Schedule 2.4

USE OF PROCEEDS

[Schedule deleted]

Schedule 8.1(aa)

ADDITIONAL COVENANTS

Item	Items Description	Expected Completion Date	Status as of date herein [column deleted]
1	Hire Mining Engineer	January 9, 2015	
2	Complete Upgrade Projects per Below	Opportunistic	
3	Concentrate filters drip trays	December 31, 2014	
4	Delivery of a complete, comprehensive title insurance in respect of the patented claims that are Mineral Properties addressed to the Buyer, in form and substance satisfactory to the Buyer	March 31, 2015	

***Upgrade Projects to be included in monthly capital projects pursuant to item #20 on Schedule 8.1(bb)**

Area	Project	Estimated Date Project(s) is(are) to be Completed	Status as of date herein
Mining	Diesel Locomotive	December 24, 2014	
Mining	Slushers	December 19, 2014 (2) January 20, 2015 (2) February 15, 2015 (2)	
Mining	Muckers	December 22, 2014	
Milling	Instrument air and automation	December 31, 2014	

Milling	Replace Undersized Mill Pumps	Upgrades will be completed during maintenance shutdowns over the next few months. Changes include new pump box, new pump, new controls and piping. The plan will be adjusted based on ore grades or if bottleneck becomes apparent	
Surface	12 ton truck	February 20, 2015	
Surface	Surface items	March 1, 2015	

Schedule 8.1(bb)

POST CLOSING MATTERS

Item	Items Description	Required Completion Date	Status as of date herein [column deleted]
1.	The Seller to (A) file Form 2000-7 to secure MSHA recognition of the change in ownership and operation of the Project, and (B) [item deleted related to operational matters].	Promptly following the Tranche 1 Closing Date	
2.	MSHA Consultant's report to be completed, and a copy delivered to the Buyer	January 26, 2015	
3.	The Seller to implement such recommendations in the MSHA Consultant's report as mutually agreed to by the Buyer and the Seller, both acting reasonably	Date(s) mutually agreed to by the Buyer and the Seller, both acting reasonably	
4.	Satisfaction of Condition No 2. DRMS Permit 112D Rider and any other required permits in order to enable commercial production and 400 tonne/day operation	December 31, 2014	
5.	Delivery of a complete, comprehensive title opinion in respect of the patented and unpatented claims that are Mineral Properties addressed to the Buyer, in form and substance satisfactory to the Buyer;	January 31, 2015	
6.	Complete land swap and other activities required for the additional land for the purposes of tailings disposal as referenced in Section 7.1(s)	January 1, 2017	
7.	Obtain required permits listed below*	March 31, 2015	

Item	Items Description	Required Completion Date	Status as of date herein [column deleted]
8.	Complete Ground Control Review and Reporting Program, and any corrective actions as specified below **	Ongoing	
9.	Complete Assay Lab	December 31, 2014	
10.	Complete Ramp at Virginus to 100 level	January 15, 2015	
11.	Complete Ramp at Virginus to 210 level	May 1, 2015	
12.	Virginus escape hoist project	August 1, 2015	
13.	Yellow Rose secondary egress	August 15, 2015	
14.	Portal air heater (with propane fuel system)	January 15, 2015	
15.	Mill Thickener	April 1, 2015	
16.	<p>At the same time as the required written report as specified in Section 8.1(a)(iii), delivery of</p> <ul style="list-style-type: none"> (i) Monthly budget updates for the mine, mill and surface operations including KPIs (ii) Rolling quarterly budget updates for all capital projects, including implementation of administrative projects required to support the operations (e.g. Great Plains), and (iii) Reconciliation of performance against such budgets and KPIs on a monthly basis 	Monthly	

Item	Items Description	Required Completion Date	Status as of date herein [column deleted]
17.	Within 7 business days of month-end, complete the cut-off of, and provide to the Seller's chief operating officer, site manager and other appropriate personnel, project accounting and data collection for operational reporting for incorporation in the required report as specified in Section 8.1(a)(iii)	Monthly, starting as of the end of January 2015	
18.	The Guarantor to invest \$4 million of equity into the Seller	February 15, 2015	
19.	The Guarantor to invest an additional \$4 million of equity into the Seller	April 15, 2015	
20.	The Guarantor to invest such additional amounts of equity into the Seller as required to keep the business fully funded at the determination of the Buyer in its sole discretion based on the monthly budget updates provided by the Seller to the Buyer	As determined by the Buyer	
21.	The Seller to provide the Buyer and the Buyer's technical consultant all environmental documentation, correspondence with the State of Colorado, and any inspection reports	Within 5 business days of receipt or issuance by Seller.	
22.	The Seller to produce a sellable Zinc Concentrate	April 1, 2015	

*** NON-TRANSFERABLE PERMITS - TO BE OBTAINED BY SELLER**

Permit Name	Date	Government Authority	Current Holder	Status [Column deleted]
NOI Exploration Permit	11/29/2011	Stat Colorado Division of Reclamation, Mining and Safety	Silver Star Resources LLC	
Notice of Intent to Conduct Prospecting Operations for Hard Rock/Metal Mines – P-2013-006	5/23/2013	State of Colorado Division of Reclamation, Mining and Safety	Star Mine Operations LLC	

**** GROUND CONTROL REVIEW AND REPORTING PROGRAM**

- Continue with regular AAI reviews and ensure it's the same person to review ground control conditions and actions required as new mining stopes are developed. Frequency is monthly until operations stabilize, expected to be in early 2015, and then moving to once every twelve weeks; next review December, 2014
- Deliver a general ground control framework to be submitted to Micon for approval and then to Lascaux. Such framework to include details on incorporating over time operational experience and mine specific detail. Initial framework to be delivered by 01/01/2015
- Subsequently, Framework to be updated and submitted to Micon every quarter for the first year, and every six months thereafter for the duration of Repayment Period of the Metal Prepay Agreement.
- Yellow Rose and Revenue tunnels will required shotcrete or mesh. Will be complete by 03/03/2015