
CONTINENTAL GOLD INC.

- and -

NEWMONT MINING CORPORATION

INVESTMENT AGREEMENT

May 10, 2017

TABLE OF CONTENTS

	<u>Page No.</u>
ARTICLE 1 INTERPRETATION.....	1
1.1 Definitions.....	1
1.2 Time of the Essence	8
1.3 Calculation of Time	8
1.4 Currency.....	9
1.5 Business Days	9
1.6 Headings	9
1.7 Plurals and Gender.....	9
1.8 Statutory References	9
1.9 Knowledge	9
ARTICLE 2 SUBSCRIPTION FOR PURCHASED SHARES	9
2.1 Subscription	9
2.2 Deliveries	10
2.3 Closing	10
2.4 Closing Conditions	10
ARTICLE 3 COVENANTS	12
3.1 Investor Nominee.....	12
3.2 Equity Financing Transactions	15
3.3 Other Financing Transactions	19
3.4 Strategic Cooperation.....	20
3.5 Strategic Alliance.....	21
3.6 Standstill	23
3.7 Restrictions on Transfer	24
3.8 Share Dispositions	25
3.9 Use of Proceeds.....	26
3.10 Information and Access Rights.....	26
3.11 Listing of Common Shares; Reporting Issuer Status.....	26
3.12 Confidentiality	27
3.13 Voting Support.....	28
3.14 Red Kite Credit Agreement	28
3.15 Interim Period Covenants	28
3.16 Regulatory Matters.....	30
ARTICLE 4 REPRESENTATIONS AND WARRANTIES.....	31
4.1 Representations and Warranties of the Company.....	31
4.2 Representations and Warranties of the Investor	41
4.3 Survival of Representations and Warranties.....	43
4.4 Indemnification	43
ARTICLE 5 GENERAL.....	43
5.1 Termination.....	43
5.2 Consent	44
5.3 Application of this Agreement.....	44

	<u>Page No.</u>
5.4 No Partnership	45
5.5 Expenses	45
5.6 Public Notices	45
5.7 Remedies.....	45
5.8 Further Assurances.....	45
5.9 Assignment and Enurement	45
5.10 Entire Agreement	46
5.11 Waiver.....	46
5.12 Notices	46
5.13 Severability	47
5.14 Governing Law and Jurisdiction for Disputes	47
5.15 Counterparts.....	47

INVESTMENT AGREEMENT

THIS AGREEMENT is made as of the 10th day of May, 2017.

BETWEEN:

CONTINENTAL GOLD INC., a corporation governed by the laws of the Province of Ontario

(the “**Company**”)

- and -

NEWMONT MINING CORPORATION, a corporation governed by the laws of the State of Delaware

(the “**Investor**”)

RECITALS:

- A. On the terms and subject to the conditions set forth in this Agreement, the Investor wishes to subscribe for, and the Company wishes to issue to the Investor, the Purchased Shares (as defined herein), which Purchased Shares represent approximately 19.9% of the issued and outstanding Common Shares (as defined herein).
- B. In connection with the Investor’s investment in the Company, the Parties have agreed to the additional covenants, representations, warranties and indemnities set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants in this Agreement and for other consideration (the receipt and sufficiency of which are acknowledged), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires, the following terms shall have the following meanings (and grammatical variations thereof shall have corresponding meanings):

“**Affiliate**” means, with respect to a specified Person, any other Person that such specified Person directly or indirectly Controls, is Controlled by, or is under common Control with; provided that, for greater certainty, neither the Company nor any of its Subsidiaries is an Affiliate of the Investor or any of its Subsidiaries for the purposes of this Agreement;

“**Agreement**”, “**this Agreement**”, “**the Agreement**”, “**hereof**”, “**herein**”, “**hereto**”, “**hereby**”, “**hereunder**” and similar expressions mean this Investment Agreement, including all instruments

supplementing, amending or confirming this Agreement. All references to “**Articles**” or “**Sections**” refer to the specified Article or Section of this Agreement;

“**Applicable Period**” has the meaning given to it in Section 3.2(b);

“**arm’s length**” has the meaning given to it in the Tax Act, as in effect on the date hereof;

“**Backstop Right**” has the meaning given to it in Section 3.2(e);

“**Board**” means the board of directors of the Company;

“**Business**” means the mining and exploration business of the Company and its Subsidiaries as described in the Public Disclosure Documents;

“**Business Day**” means any day which is not a Saturday, a Sunday or a day observed as a holiday under the Laws applicable in either Toronto, Ontario or Denver, Colorado;

“**Claim**” means any claim or liability of any nature whatsoever, including any demand, obligation, liability, debt, cause of action, suit, proceeding, judgment, award, assessment or reassessment;

“**Closing Date**” has the meaning given to it in Section 2.3;

“**Commencement of Commercial Production**” means the last calendar day of a period of 90 consecutive days in which the mine and mill and all related critical infrastructure are operating at or near design capacity and the mill located on the Buriticá project property processed ore from the project at 60% of its rated capacity and a recovery rate of 80%, provided that any ore that is shipped from the property for testing purposes or a bulk sample will not be taken into account in determining the date of Commencement of Commercial Production;

“**Common Shares**” means the common shares in the capital of the Company;

“**Company**” has the meaning given to it in the preamble;

“**Conditional Portion**” has the meaning given to it in Section 3.2(g);

“**Confidential Information**” has the meaning given to it in Section 3.12(a);

“**Contract**” means any agreement, indenture, contract, lease, deed of trust, licence, option, instrument, arrangement, understanding or other commitment, whether written or oral;

“**Control**” means that a Person has the power to direct or cause the direction of the management and policies of another Person, whether through holding beneficial ownership interest in such other Person, through Contract or otherwise;

“**Convertible Securities**” means any agreement, option, warrant, note, instrument, right or other security or conversion privilege issued or granted by the Company or any of its Affiliates that is exercisable or convertible into, or exchangeable for, or otherwise carries the right of the holder to

purchase or otherwise acquire Common Shares, including pursuant to one or more multiple exercises, conversions and/or exchanges;

“Credible Bid” means any take-over bid (including an amended take-over bid) other than a take-over bid (i) that the Board has determined in good faith, after consultation with its financial and legal advisors, that such bid (and each material amendment thereto) is not reasonably capable of being completed in accordance with its terms, and (ii) in respect of which the Company has publicly announced the Board’s conclusion in (i) via news release no later than ten Business Days following the date on which such take-over bid is commenced or the intention to make such take-over bid (together with the material terms of the bid) is publicly announced;

“Dilutive Event” has the meaning given to it in Section 3.1(a);

“Disclosure Letter” means that certain letter of disclosure dated as of the date of this Agreement, signed by an authorized officer of the Company and delivered by the Company to the Investor on or prior to the date of this Agreement;

“Effective Time” has the meaning given to it in Section 2.2(a);

“Environmental Laws” means all applicable Laws relating to the protection of the environment, natural resources, human health and safety, Hazardous Substances, the assessment of environmental and social impacts or the rehabilitation, reclamation and closure of lands used in connection with the Business;

“Equity Financing” has the meaning given to it in Section 3.2(a);

“Equity Financing Notice” has the meaning given to it in Section 3.2(d)(i);

“Equity Securities” means Common Shares or Convertible Securities (including debt securities that are Convertible Securities);

“Excess Securities” has the meaning given to Section 3.2(e);

“Exploration Committee” has the meaning given to it in Section 3.4(c);

“Exploration Properties” means the exploration properties and projects identified in Schedule A hereto;

“Exploration Property Transaction” means any offer, proposal or inquiry from any Person or group of Persons (other than the Investor or any of its Affiliates), whether or not in writing, relating to any sale, joint venture, option, earn-in, farm-in or similar arrangement, or any Investment in or of any Exploration Property;

“Exploration Property Transaction Notice” has the meaning given to it in Section 3.5(f)(i);

“Exploration Property Transaction Offering Period” has the meaning given to it in Section 3.5(f)(iii);

“Exploration Property Transaction ROFO Exercise Period” has the meaning given to it in Section 3.5(f)(ii);

“Financial Buyer” means any Person other than a Person whose primary business (either directly or through one or more Subsidiaries) is the commercial production of mineral deposits;

“Financial Statements” has the meaning given to it in Section 4.1(k);

“Financing Subscription Notice” has the meaning given to it in Section 3.2(d)(ii);

“Governmental Authorization” means licenses, permits, consents, certificates, exemptions, registrations, waivers and other authorizations and approvals of any Governmental Entity;

“Governmental Entity” means any (a) multinational, federal, provincial, state, territorial, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign, (b) any subdivision or authority of any of the foregoing, (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above, or (d) any stock exchange;

“Hazardous Substances” means any substance, material or waste that is defined, regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, tailings, wasterock, radioactive materials, flammable substances, explosives, petroleum and petroleum products, polychlorinated biphenyls, chlorinated solvents and asbestos;

“IFRS” means International Financial Reporting Standards in effect from time to time;

“Investments” means with respect to any Person, all advances, loans or extensions of credit to any other Person, all purchases or commitments to purchase any shares, stock, bonds, notes, debentures or other securities of any other Person, and any other investment in any other Person, including partnerships or joint ventures (whether by capital contribution or otherwise) or other similar arrangement (whether written or oral) with any Person, including but not limited to arrangements in which (a) the Person shares profits and losses, (b) any such other Person has the right to obligate or bind the Person to any third party, or (c) the Person may be wholly or partially liable for the debts or obligations of such partnership, joint venture or other arrangement;

“Investor” has the meaning given to it in the preamble to this Agreement;

“Investor Exploration Property Transaction Offer” has the meaning given to it in Section 3.5(f)(ii);

“Investor Nominee” has the meaning given to it in Section 3.1(a);

“Investor Other Financing Transaction Offer” has the meaning given to it in Section 3.3(c);

“Investor’s Percentage” means the percentage of the outstanding Common Shares owned beneficially by the Investor and its Affiliates collectively at any given time and is calculated by

multiplying 100 by a fraction, the numerator of which is the aggregate number of Common Shares beneficially owned by the Investor and its Affiliates (including any Common Shares that are issuable upon the exercise, exchange or conversion of Convertible Securities held by the Investor and its Affiliates), and the denominator of which is the number of outstanding Common Shares (including any Common Shares that are issuable upon the exercise, exchange or conversion of Convertible Securities held by the Investor and its Affiliates);

“**Laws**” means any domestic or foreign federal, provincial, regional, local, municipal or other law, statute, constitution, principle of common law, resolution, ordinance, proclamation, directive, code, edict, instrument, Order, policy, rule, regulation, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Entity;

“**Liability**” means any debts, liabilities and obligations, whether accrued, absolute or contingent, matured or unmatured or determined or determinable;

“**Lien**” means any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, easement or security interest of any nature, any matter capable of registration against title, option, right of pre-emption, privilege other third party interest in respect of an asset, or any Contract to create any of the foregoing;

“**Material Adverse Effect**” means any result, fact, change, effect, event, circumstance, occurrence or development that when taken together with all other results, facts, changes, effects, events, circumstances, occurrences or developments has or would reasonably be expected to have a material and adverse effect on the business, results of operations, capitalization, assets, liabilities (including any contingent liabilities), obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole;

“**Material Contract**” has the meaning given to it in Section 4.1(r);

“**Mining Claims**” has the meaning given in Section 4.1(w)(i);

“**Mining Company**” means a Person that is or controls a business primarily operating in the direct business of commercial production of or exploration for mineral deposits and those that are involved in streaming and/or royalty transactions;

“**Misrepresentation**” has the meaning given in Section 4.1(g);

“**Negotiation Period**” has the meaning given to it in Section 3.5(a);

“**Non-Conditional Portion**” has the meaning given to it in Section 3.2(g);

“**Non-Disclosure Agreement**” means the confidentiality and non-disclosure agreement effective the 29th day of November 2016 between the Company and the Investor, as amended by a letter agreement dated February 21, 2017;

“**OBCA**” means the *Business Corporations Act* (Ontario);

“**Offered Equity Securities**” has the meaning given to it in Section 3.2(d)(i)(B);

“**Order**” means any judgment, decision, decree, injunction, ruling, writ, assessment or order of any Governmental Entity that is binding on any Person or its property under applicable Law;

“**ordinary course of business**” means the ordinary course of the Company’s business consistent with past practices;

“**Other Financing Transaction**” has the meaning given to it in Section 3.3(a);

“**Other Financing Transaction Notice**” has the meaning given to it in Section 3.3(b);

“**Other Financing Transaction Offering Period**” has the meaning given to it in Section 3.3(d);

“**Other Financing Transaction ROFO Exercise Period**” has the meaning given to it in Section 3.3(c);

“**Outside Date**” means June 10, 2017;

“**Participation Right**” has the meaning given to it in Section 3.2(b);

“**Parties**” means the Company and the Investor;

“**Permit**” means any permit, lease, licence, claim, certificate, order, grant, approval, consent, registration, closure plan or other authorization of or from any Governmental Entity and includes any permit necessary to explore for, exploit, develop, mine, produce or refine minerals;

“**Person**” means an individual, body corporate with or without share capital, partnership, joint venture, unincorporated association, syndicate, sole proprietorship, trust, pension fund, union, governmental agency, board, tribunal, ministry, commission or department and the heirs, beneficiaries, executors, legal representatives or administrators of an individual;

“**Private Warrants**” means the warrants issued to Red Kite having a four-year term and an exercise price of US\$3.67;

“**Public Disclosure Documents**” means, collectively, all of the documents which have been filed by or on behalf of the Company prior to the Effective Time with the relevant Securities Regulators pursuant to the requirements of Securities Laws, including all documents filed on www.sedar.com;

“**Public Warrants**” means the Common Share purchase warrants issued by the Company, each of which is exercisable for one Common Share at an exercise price of \$4.75 with an expiry date of November 25, 2017;

“**Purchased Shares**” has the meaning given to it in Section 2.1;

“**Real Property**” means any freehold, leasehold or other real property interests and rights, including but not limited to licences from landholders permitting the use of the land, leases, rights of way, occupancy rights, surface rights and easements;

“**Red Kite**” means RK Mine Finance Bermuda 1 Limited;

“**Red Kite Credit Agreement**” means the senior credit agreement dated January 10, 2017 between the Company and Red Kite;

“**Red Kite Subscription Agreement**” means the subscription agreement dated the date of this Agreement providing for the subscription by an Affiliate of Red Kite for 8,589,375 Common Shares for an aggregate subscription price of US\$25,000,000;

“**Release**” means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, disbursal, leaching or migration into the indoor or outdoor environment, including the movement of Hazardous Substances through ambient air, soil, surface water, groundwater, wetlands, land or subsurface strata;

“**Remediate**” means any containment, clean up, Response, treatment, removal, mitigation, abatement, elimination, or control of any Hazardous Substances;

“**Reporting Jurisdictions**” means British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland;

“**Response**” means action required under Environmental Laws or by a Governmental Entity to Remediate, prevent, monitor, or investigate the Release of Hazardous Substances.

“**Representatives**” means, in respect of any Person, the directors, officers, employees, consultants and professional advisers of such Person;

“**S&ER Committee**” has the meaning given to it in Section 3.4(b);

“**Sale Shares**” has the meaning given to it in Section 3.8(a);

“**Securities Laws**” means all securities Laws in the Reporting Jurisdictions, together with published fee schedules, prescribed forms, policy statements, notices, Orders, blanket rulings and other regulatory instruments of the Securities Regulators and all rules and policies of each stock exchange on which the Common Shares are listed;

“**Securities Regulators**” means, collectively, the securities regulators or other securities regulatory authorities in the Reporting Jurisdictions;

“**Shareholders**” means the shareholders of the Company;

“**Standstill Termination Date**” means the earlier of the Commencement of Commercial Production and June 30, 2020;

“**Subscription Price**” has the meaning given to it in Section 2.1;

“**Subsidiary**” means, with respect to a specified Person, another Person that is Controlled, directly or indirectly, by such specified Person, and includes a Subsidiary of that Person; provided that, for greater certainty, neither the Company nor any of its Subsidiaries is a Subsidiary of the Investor or any of its Subsidiaries for the purposes of this Agreement;

“Survival Period” means:

- (a) in relation to the representations and warranties of the Company and the Investor set forth in this Agreement, other than those specifically identified in subparagraph (b) of this definition, a period commencing on the Closing Date and ending on the date which is two years from the date of this Agreement; and
- (b) in relation to the representations and warranties of the Company set forth in Sections 4.1(a), 4.1(e), 4.1(f), 4.1(i), indefinitely.

“Tax Act” means the *Income Tax Act* (Canada);

“Tax Return” means any return, report, declaration, designation, election, notice, filing, form, claim for refund, information return or other document (including any related or supporting schedule, statement or information) filed or required to be filed in connection with the determination, assessment or collection of any Tax or the administration of any Laws, regulations or administrative requirements relating to any Tax;

“Taxes” means all taxes, however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by any Governmental Entity, which taxes shall include, all income or profits taxes, capital taxes, withholding taxes, payroll and employee withholding taxes, employment insurance, social insurance taxes, good and services taxes, harmonized sales taxes, sales taxes (including provincial sales taxes), franchise taxes, gross receipts taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, (including land transfer taxes) workers’ compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing;

“Technical Committee” has the meaning given to it in Section 3.4(a);

“TSX” means the Toronto Stock Exchange;

“U.S. Securities Act” means the *U.S. Securities Act of 1933*; and

“Year End Financial Statements” has the meaning given to it in Section 4.1(k).

1.2 Time of the Essence

Time shall be of the essence of each provision of this Agreement. Any extension, waiver or variation of any provision of this Agreement shall not be deemed to affect this provision and there shall be no implied waiver of this provision.

1.3 Calculation of Time

Unless otherwise specified, time periods within or following which any act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends. Where the last day of any such time period is not a Business Day, such time period shall be extended to the next Business Day following the day on which it would otherwise end.

1.4 Currency

Unless otherwise specified, all references in this Agreement to dollar amounts, “dollars” or “\$” are references to Canadian dollars.

1.5 Business Days

Whenever any action to be taken pursuant to this Agreement would otherwise be required to be taken on a day that is not a Business Day, such action shall be taken on the next Business Day following the day on which such action was to be taken.

1.6 Headings

The descriptive headings preceding Articles and Sections of this Agreement are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections. The division of this Agreement into Articles and Sections shall not affect the interpretation of this Agreement.

1.7 Plurals and Gender

Words in the singular include the plural and *vice versa* and words in one gender include all genders.

1.8 Statutory References

Any reference to a statute shall mean the statute in force as at the date of this Agreement, together with all rules and regulations promulgated thereunder (including any instrument of the Canadian Securities Administrators), as the same may be amended, re-enacted, consolidated or replaced from time to time, and any successor statute thereto, unless otherwise expressly provided.

1.9 Knowledge

For the purposes of this Agreement, with respect to any matter, the phrase “knowledge of the Company” shall mean (i) the actual knowledge of Ari Sussman, Mateo Restrepo, Donald Gray, Paul Begin, Mauricio Castañeda, Omar Ossma, Julián González and Guillermo Salgado, and (ii) all information which ought to have been known by any such individual after making reasonable inquiry of the directors, officers and employees of and consultants to the Company concerning the matters in question, whether or not any such inquiry was actually made.

ARTICLE 2 SUBSCRIPTION FOR PURCHASED SHARES

2.1 Subscription

Subject to the terms and conditions of this Agreement, effective as of the Effective Time, the Investor agrees to subscribe for and purchase from the Company, and the Company agrees to issue from treasury to the Investor, 37,383,844 Common Shares (the “**Purchased Shares**”), free and clear of all Liens, in consideration for the payment by the Investor of \$4.00 per

Purchased Share, for aggregate consideration of the US\$108,927,284.38 (the “**Subscription Price**”).

2.2 Deliveries

- (a) The Investor shall pay, or cause to be paid, an amount equal to the Subscription Price by wire transfer to an account designated by the Company, or in any other manner agreed upon by the Parties, at the Effective Time.
- (b) The Subscription Price shall be paid against issue and delivery of the Purchased Shares registered in the name of the Investor (or as the Investor may direct in writing not less than three (3) Business Days prior to the Closing Date), duly executed and issued by the Company and registered in the share register of the Company in the name of the Investor (or as the Investor may direct in writing not less than three (3) Business Days prior to the Closing Date).

2.3 Closing

Subject to the terms and conditions of this Agreement, the closing for the purchase of the Purchased Shares herein will be completed at the offices of Cassels Brock & Blackwell LLP at Suite 2100, Scotia Plaza, 40 King Street West, Toronto, Ontario M5H 3C2, or at such other mutually acceptable place, on May 18, 2017 (or on the first date thereafter upon which all conditions set forth in Section 2.4 have been satisfied, other than conditions that by their nature are to be satisfied as of the Effective Time and that are capable of being satisfied if the Effective Time occurs on such date) (the “**Closing Date**”) at 8:00 a.m. (Toronto time) (the “**Effective Time**”).

2.4 Closing Conditions

- (a) The obligations of the Parties shall be subject to the following conditions (each of which is for the benefit of each Party and may only be waived with the consent of both Parties):
 - (i) no Law or Order shall be in effect that temporarily or permanently prohibits the completion of the transactions contemplated by this Agreement.
 - (ii) Conditional approval (subject only to customary post-closing filing requirements and payment of fees) of the issuance and listing of the Purchased Shares on the TSX on terms and evidence satisfactory to the Company and the Investor, each acting reasonably.
- (b) The Investor’s obligation to purchase the Purchased Shares at the Effective Time shall be subject to the following conditions (each of which is for the sole benefit of the Investor and may only be waived by the Investor):
 - (i) Each of the representations and warranties of the Company contained in this Agreement shall be accurate in all material respects (except those representations and warranties which are qualified by materiality which

shall be true and correct in all respects) as and when made and at and as of the Effective Time as though such representations and warranties were made at and as of the Effective Time, and the Investor shall have received a certificate of the Company with respect to the foregoing dated the Closing Date, addressed to the Investor and signed on behalf of the Company by an executive officer of the Company, for and on behalf of the Company, after having made due inquiry.

- (ii) All covenants and agreements of the Company contained in this Agreement to be completed prior to the Effective Time shall have been performed or completed in all material respects by the Company, and the Investor shall have received a certificate of the Company with respect to the foregoing dated the Closing Date, addressed to the Investor and signed on behalf of the Company by an executive officer of the Company, for and on behalf of the Company, after having made due inquiry.
 - (iii) No act, action, suit, proceeding, objection or opposition shall have been taken, entered or promulgated before or by any Governmental Entity that seeks to temporarily or permanently prohibit the completion of the transactions contemplated by this Agreement.
 - (iv) No Material Adverse Effect shall have occurred since the date of this Agreement.
 - (v) The Investor shall have received a share certificate, in physical or electronic form, representing the Purchased Shares in accordance with Section 2.2(b).
 - (vi) The concurrent closing of the transactions contemplated by the Red Kite Subscription Agreement (as it exists on the date of this Agreement).
- (c) The Company's obligation to issue the Purchased Shares at the Effective Time shall be subject to the following conditions (each of which is for the sole benefit of the Company and may only be waived by the Company):
- (i) Each of the representations and warranties of the Investor contained in this Agreement shall be accurate in all material respects (except those representations and warranties which are qualified by materiality which shall be true and correct in all respects) as and when made and at and as of the Effective Time as though such representations and warranties were made at and as of the Effective Time, and the Company shall have received a certificate of the Investor with respect to the foregoing dated the Closing Date, addressed to the Company and signed on behalf of the Investor by an officer of the Investor, for and on behalf of the Investor, after having made due inquiry.
 - (ii) All covenants and agreements of the Investor contained in this Agreement to be completed prior to the Effective Time shall have been performed or

completed in all material respects by the Investor, and the Company shall have received a certificate of the Investor with respect to the foregoing dated the Closing Date, addressed to the Company and signed on behalf of the Investor by an officer of the Investor, for and on behalf of the Investor, after having made due inquiry.

- (iii) The Investor shall deliver or cause to be delivered to the Company payment of the Subscription Price in accordance with Section 2.2(a).

ARTICLE 3 COVENANTS

3.1 Investor Nominee

- (a) For so long as the Investor's Percentage is not less than 10% (subject to the proviso at the end of this Section 3.1(a)), the Investor shall be entitled to designate a number of individuals, who may be non-residents of Canada and directors or officers of the Investor or any of its Affiliates, to be nominated to serve as directors of the Company (each an "**Investor Nominee**") that is equal to:
 - (i) one Investor Nominee; or
 - (ii) if at any time the Investor's Percentage increases to 25% or more, and thereafter for so long as the Investor's Percentage is not less than 25%, two Investor Nominees,

provided that the investor will not lose its right to nominate an Investor Nominee pursuant to Section 3.1(a)(i) or 3.1(a)(ii) if the Investor's Percentage falls below the applicable threshold in Section 3.1(a)(i) or 3.1(a)(ii) as a result of one or more issuances of Equity Securities by the Company (a "**Dilutive Event**") if Investor is not permitted pursuant to Section 3.2 or applicable Law to exercise its Participation Right to maintain its Investor's Percentage in connection with such Dilutive Event unless, following such Dilutive Event (1) if the Investor has the right pursuant to Section 3.2(i) to subscribe for additional Equity Securities following such Dilutive Event to increase its Investor's Percentage back to the Investor's Percentage that applied immediately prior to such Dilutive Event, the Investor fails (except to the extent prohibited by applicable Law) to exercise such right within the time period permitted by Section 3.2(i), or (2) if the Investor does not have any such right, the Investor's Percentage decreases further as a result of either (x) a sale or other disposition of Equity Securities by the Investor, or (y) the failure of the Investor to exercise its Participation Right or its right pursuant to Section 3.2(i), in each case to the extent available pursuant to Section 3.2 and applicable Law, to maintain such Investor's Percentage as a result of a subsequent Equity Financing.

- (b) Each Investor Nominee must consent in writing to serve as a director of the Company and meet all statutory and stock exchange requirements for membership on the Board.

- (c) On or prior to the later of 30 days following the Closing Date and the date that is three Business Days following receipt of notice from the Investor designating the initial Investor Nominee, the Company shall appoint such Investor Nominee to the Board as promptly as practicable (and in any event within ten Business Days) pursuant to the power of the Board to appoint additional directors between Shareholders meetings or to fill a vacancy on the Board. The Company will ensure that, both prior to and following the Company's next annual meeting of Shareholders, the Board shall have the power, exercisable by resolution at a duly called meeting of the Board, to appoint the Investor Nominee to the Board.
- (d) If at any time the Investor becomes entitled to nominate an additional Investor Nominee pursuant to Section 3.1(a)(ii), the Company shall take all steps necessary to appoint an additional Investor Nominee designated by the Investor to the Board as promptly as practicable, including pursuant to the power of the Board to appoint additional directors between Shareholders meetings or to fill a vacancy on the Board; provided that if the Board does not have the power to appoint additional directors at any time prior to the next Shareholders meeting and the next Shareholders meeting is not scheduled to occur less than three months from the date the Investor becomes entitled to appoint such additional Investor Nominee, the Company shall convene a special meeting of Shareholders to obtain the approval of Shareholders to elect or appoint such Investor Nominee to the Board and the provisions of Section 3.1(f) shall apply in respect thereof, *mutatis mutandis*.
- (e) The Company shall notify the Investor in writing promptly upon determining the date of any meeting of the Shareholders at which directors of the Company are to be elected and the Investor shall advise the Company of the name of each Investor Nominee that the Investor is entitled to nominate pursuant to Section 3.1(a) (as of the record date for the Shareholders meeting) within ten Business Days after receiving such notice. If the Investor does not advise the Company and the Board of the Investor Nominee(s) within such ten Business Day period, then the Investor will be deemed to have designated the incumbent Investor Nominee(s) for nomination for election at the relevant meeting of the Shareholders.
- (f) At each meeting of Shareholders at which directors are to be elected, the Company shall cause the number of Investor Nominees that the Investor is entitled to nominate pursuant to Section 3.1(a) (as of the record date for the Shareholders meeting) to be included in the slate of nominees proposed by the Company for election as directors of the Company. The Company shall use commercially reasonable efforts to cause the election of each Investor Nominee, including soliciting proxies in favour of the election of each Investor Nominee. Forthwith following any meeting of Shareholders at which an Investor Nominee was nominated to serve as a director but was not validly elected by the Shareholders in accordance with the OBCA, the Company shall take all steps necessary to appoint an Investor Nominee to the Board who is not the same individual who was not elected at the meeting of Shareholders, including pursuant to the power of the Board to appoint additional directors between Shareholders meetings or to fill a vacancy on the Board.

- (g) If an Investor Nominee ceases to hold office as a director of the Company for any reason (including as a result of a resignation by the Investor Nominee tendered pursuant to the Company's by-laws), other than as a result of the Investor no longer being entitled to nominate such Investor Nominee pursuant to this Section 3.1, the Investor shall be entitled to nominate an individual to replace him or her and the Company shall promptly take all steps as may be necessary to appoint such individual to the Board to replace an Investor Nominee who has ceased to hold office, including pursuant to the power of the Board to appoint additional directors between Shareholders meetings or to fill a vacancy on the Board.
- (h) For so long as an Investor Nominee serves as a member of the Board and is considered independent under National Instrument 52-110 – *Audit Committees* (it being acknowledged that the Board will determine independence with regard to the test in NI 52-110, but that an Investor Nominee shall not be considered to not be independent solely on the basis of the Investor's Percentage, so long as it is less than 50%), the Investor shall be entitled to designate one Investor Nominee to serve as a member of the audit committee of the Board (and if the Investor exercises such right the Company shall take all steps necessary to appoint such Investor Nominee to the audit committee as promptly as practicable and in any event within ten Business Days of receipt of notice of such exercise by the Investor), and each Investor Nominee shall be eligible to serve on all committees of the Board, in each case provided that such Investor Nominee satisfies all statutory and stock exchange requirements and the requirements of the Company's relevant charter or mandate for membership on such committee (as they exist on the date hereof or as amended with the consent of the Investor Nominee).
- (i) The Company shall pay all reasonable expenses incurred by each Investor Nominee in the performance of his or her duties for or on behalf of the Company incurred as a result of the Investor Nominee attending Board and committee meetings, including travel and accommodation expenses, in each case in accordance with the Company's policies applicable to all directors.
- (j) The Company shall maintain director and officer indemnifications and liability insurance in respect of each Investor Nominee of the same kind and type provided for the Company's other directors and officers.
- (k) The Company acknowledges and agrees that the Investor Nominee shall be entitled to disclose to the Investor and its Affiliates (and their respective Representatives) any information (including Confidential Information) received by the Investor Nominee in his or her capacity as such, and the Investor further acknowledges and agrees that upon receiving such Confidential Information, the Investor and its Affiliates (and their respective Representatives) may be considered to be in a "special relationship" with the Company pursuant to the *Securities Act* (Ontario).

3.2 Equity Financing Transactions

- (a) If, at any time during the Applicable Period, the Company or any of its Affiliates is considering a potential Equity Financing, then before soliciting proposals for, or entering into discussions or negotiations regarding, such Equity Financing, the Company shall notify the Investor of the possibility of such Equity Financing and the potential terms thereof.
- (b) From and after the Effective Time and so long as the Investor continues to be entitled to nominate at least one Investor Nominee pursuant to Section 3.1 (the “**Applicable Period**”), the Investor shall have a right (the “**Participation Right**”) to participate in any issuance by the Company of Equity Securities (each, an “**Equity Financing**”) such that its Investor’s Percentage after giving effect to the Proposed Equity Financing (including, for greater certainty, any upsizing, over-allotment option or similar exercised by the underwriter(s) or agent(s)) shall be equal to its Investor’s Percentage immediately prior to the Equity Financing, all on the same terms and conditions offered to other subscribers of the Equity Financing, subject to and in compliance with the terms and conditions of this Section 3.2.
- (c) Until the Standstill Termination Date, the Company will not issue Equity Securities to a Mining Company (other than the Investor and its Affiliates).
- (d) During the Applicable Period, in the event that the Company proposes an Equity Financing:
 - (i) The Company shall deliver to the Investor (prior to or concurrently with first delivery to any other subscriber) copies of all documents and other materials delivered by the Company (or any agent of the Company) to potential subscribers under the Equity Financing and a notice in writing (the “**Equity Financing Notice**”) specifying:
 - (A) as of the date thereof, the total number of Common Shares outstanding;
 - (B) the maximum number and type of Equity Securities that are being offered, including any Equity Securities subject to an option or other right exercisable by a subscriber, underwriter or agent in connection with the Equity Financing (the “**Offered Equity Securities**”);
 - (C) the rights, privileges, restrictions, terms and conditions of such Equity Securities;
 - (D) the consideration for which such Equity Securities are currently anticipated being offered; and
 - (E) the proposed closing date of the Equity Financing.

- (ii) The Investor shall have the option by notice given to the Company (a “**Financing Subscription Notice**”), to subscribe for up to that number of Equity Securities being offered for sale (as described in the Equity Financing Notice) for the consideration set forth in the Equity Financing Notice such that its Investor’s Percentage after giving effect to the proposed Equity Financing (including any Equity Securities issued pursuant to an option or other right exercisable by a subscriber, underwriter or agent in connection with the Equity Financing) shall be equal to its Investor’s Percentage immediately prior to the Equity Financing. In the Financing Subscription Notice, the Investor shall specify the number of Equity Securities beneficially owned, directly or indirectly, by it as at the date of the Equity Financing Notice and either the number of Equity Securities for which the Investor is subscribing or the Investor’s Percentage (up to the then applicable Investor’s Percentage) that the Investor wishes to maintain following completion of the Equity Financing. The right to subscribe is exercisable by the Investor for a period of five Business Days from the date the Equity Financing Notice is delivered, provided that such period shall be reduced, in the case of a “bought deal” or “overnight marketed” financing proposal where the Company has entered into a bid letter, engagement letter or other form of binding commitment with one or more underwriters to purchase Equity Securities for resale by means of a short form prospectus to be filed with the applicable Securities Regulators to 48 hours from the Investor’s receipt of the Equity Financing Notice. In the case of an Equity Financing that is qualified by a prospectus, the Company will use commercially reasonable efforts to qualify the Equity Securities subscribed for by the Investor pursuant to such prospectus, failing which the Equity Securities Subscribed for by the Investor will be issued on a private placement basis concurrently with the closing of the Equity Financing.
- (iii) If the Investor does not deliver a Financing Subscription Notice within the period identified in Section 3.2(d)(ii) or waives its rights hereunder in writing following receipt of an Equity Financing Notice, then any rights which the Investor may have had to subscribe for any of the Equity Securities covered by that specific Equity Financing Notice shall be extinguished (subject to Section 3.2(f)).
- (iv) Each Equity Financing Notice and Financing Subscription Notice, taken together with each subscription agreement in the form that all subscribers are required to enter into with the Company (except as otherwise required pursuant to this Section 3.2), if any, shall constitute a binding agreement by the Investor to subscribe for and take up, and by the Company to issue and sell to the Investor, the number of Equity Securities subscribed for therein upon the terms and conditions specified in the Equity Financing Notice; provided that (A) the Investor shall not be required to fulfill any obligation of a subscriber that cannot reasonably be fulfilled by the Investor and its Affiliates (e.g., an agreement conditioned upon the

services of a particular individual or the supply of a product exclusively under the control of the subscriber), and (B) if the Equity Financing involves the issuance of Common Shares to be issued as “flow-through shares”, as defined in subsection 66(15) of the Tax Act, the subscription price per Common Share to be paid by the Investor shall be reduced, by an amount to be mutually agreed upon by the Company and the Investor, to take into account any tax benefits that would be received by a subscriber of flow-through shares that would not be received by the Investor. The closing of any purchase by the Investor pursuant to the Equity Financing Notice shall be conditional upon, and shall be consummated concurrently with, the relevant closing of the Equity Financing (including any subsequent closing, of an over-allocation option or otherwise) described in the Equity Financing Notice.

- (v) The Investor agrees that, if required by applicable securities laws, Securities Regulators or any stock exchange on which the applicable Equity Securities are listed, the Investor shall execute and deliver any report, undertaking or other documents with respect to the issue of Equity Securities to it contemplated hereunder as may be required by such applicable securities laws, Securities Regulators or stock exchanges.
- (e) In the event the Company proposes an Equity Financing for which the Investor has exercised its full Participation Right and a portion of the Offered Equity Securities (the “**Excess Securities**”) are not subscribed for by other investors (including unallocated inventory of the underwriter(s) or agent(s)) the Investor shall have a right to subscribe for all or any portion of the Excess Securities (the “**Backstop Right**”). Promptly following the close of trading on each Business Day commencing on the third Business Day prior to the scheduled closing date of such Equity Financing, the Company shall notify the Investor of the number of Excess Securities as of the close of trading on such date, and the Investor shall have the option, exercisable by notice given to the Company prior to closing, to subscribe for all or any portion of the Excess Securities that have not been subscribed for by other investors as of the end of the day prior to the closing date, on the same terms as the Equity Securities subscribed for pursuant to the Investor’s Financing Subscription Notice. The Company shall not take any action or omit to take any action for the purpose, directly or indirectly, of avoiding or limiting the Backstop Right or the Investor’s exercise thereof, or the number of Excess Securities available for purchase by the Investor pursuant to the Backstop Right.
- (f) Any material amendment to the terms of an Equity Financing shall be deemed to be a new Equity Financing for the purposes of this Section 3.2.
- (g) If the exercise by the Investor of its rights pursuant to this Section 3.2 in respect of any Equity Financing requires the approval of any Governmental Entity or the Shareholders under any applicable Law, then:

- (i) prior to receiving such approval, the Company shall only be permitted to complete the portion of the Equity Financing (the “**Non-Conditional Portion**”) to the Investor and the other subscribers that would result in the Investor acquiring, pursuant to the Non-Conditional Portion, the lesser of (A) a number of Equity Securities such that its Investor’s Percentage after giving effect to the Non-Conditional Portion will be equal to its Investor’s Percentage immediately prior to the completion of the Non-Conditional Portion, and (B) all of the Equity Securities elected in its Financing Subscription Notice; and
 - (ii) the portion of the Equity Financing (including Equity Securities that would be issued to the Investor and the other subscribers) other than the Non-Conditional Portion (the “**Conditional Portion**”) may not be completed unless and until such approval has been obtained, and the Company shall use its commercially reasonable efforts to obtain such approval as promptly as practical (which shall include, if applicable, convening a meeting of the Shareholders to approve any such transaction and recommending that Shareholders vote in favour of such transaction) and preserve the ability of the Company to complete the Conditional Portion on the terms set forth in the Equity Financing Notice pending such approval (including filing one or more price reservation forms with the TSX).
- (h) Without limiting the Company’s obligations in Section 3.2(g), at each meeting of the Shareholders held after the Company’s annual Shareholders’ meeting in 2017 until the approval of Shareholders contemplated by this Section 3.2(h) has been obtained, the Company will seek the approval of the Shareholders, on a disinterested basis, excluding the votes cast by, or on behalf of, the Investor in accordance with applicable Laws (including the policies of the TSX and/or any other exchange on which the Common Shares are listed) for the Investor to exercise its rights pursuant to this Section 3.2 (to the extent such exercise requires the approval of Shareholders), including any acquisition of Equity Securities from treasury in accordance with the terms of this Section 3.2. The Board shall unanimously recommend that Shareholders approve such resolution, and the Company shall use commercially reasonable efforts to obtain the approval of such resolution by the Shareholders, including soliciting proxies in favour of the approval of such resolution. For greater certainty, the parties acknowledge that the Shareholder approval contemplated by this Section 3.2(h) if obtained in accordance with the policies of the TSX, shall satisfy the requirement in Section 604(a)(i) of the TSX Company Manual (the “**Manual**”) (or any successor provision or policy) with respect to any future exercise by the Investor of its rights pursuant to this Section 3.2, but any such future exercise shall remain subject to the other requirements of the TSX (including Sections 607(g)(ii) and 611(b) of the Manual and any requirement for Shareholder approval under any other requirement of the TSX that applies to such transaction).
- (i) The Investor’s Participation Right under this Section 3.2 shall not apply to the issue of Equity Securities (i) under any securities-based compensation

arrangement in respect of the directors, officers, consultants or employees of the Company that has been approved by Shareholders, up to a maximum of 10% of the outstanding Common Shares from time to time (on a non-diluted basis), (ii) pursuant to existing Convertible Securities outstanding on the date hereof, (iii) as consideration for an acquisition of any property or another Person or business approved by the Board and, if required by Law, the Shareholders, or (iv) issued as a *bona fide de minimis* “equity kicker” to financial institutions, commercial lenders, brokers/finders or any similar Person, or their respective designees, in connection with the incurrence of indebtedness by the Company or an Affiliate; provided that if at any time the Investor’s Percentage is diluted by more than 0.5% as a result of one or more transaction(s) described in this Section 3.2(i) (other than a transaction described in paragraph (iii) hereof) or any other occurrence which results in the issuance of additional Equity Securities (other than as a result of an Equity Financing in respect of which the Investor does not elect to exercise its Participation Right pursuant to this Section 3.2, in whole or in part), the Investor shall have the right, within 60 days of such dilution occurring, and upon five Business Days’ notice to the Company, to subscribe, at a price equal to the volume weighted average trading price of the Common Shares on the TSX for the preceding 20 trading days, for that number of Common Shares required for the Investor to maintain its Investor’s Percentage prior to such dilution. Upon receipt of such notice and the applicable subscription price, the Company shall issue such additional number of Common Shares to the Investor as soon as practicable.

3.3 Other Financing Transactions

- (a) During the Applicable Period, the Company shall only enter into an agreement, arrangement or understanding (or series of related agreements, arrangements or understandings), whether written or oral, with respect to any transaction (other than a transaction that is an Equity Financing) that is, directly or indirectly, intended to provide the Company and/or any of its Affiliates with financing, including the incurrence or guarantee of any indebtedness, in excess of \$30 million in the aggregate or not in connection with equipment financing (an “**Other Financing Transaction**”), in compliance with the terms and conditions of this Section 3.3.
- (b) If, at any time during the Applicable Period, the Company or any of its Affiliates proposes to solicit, negotiate or enter into an agreement, arrangement or understanding in respect of an Other Financing Transaction, then before doing so, the Company shall consult with the Investor regarding the possibility of the Company and the Investor entering into such Other Financing Transaction and the potential terms thereof. Without limiting the foregoing, before the Company or any of its Affiliates solicits, negotiate or enter into an arrangement, agreement or understanding with respect to an Other Financing Transaction, the Company shall first provide written notice of such intention to the Investor (an “**Other Financing Transaction Notice**”), which notice shall specify the aggregate amount of financing sought and all other currently anticipated material terms and conditions

of such Other Financing Transaction that are requested by the Company or the applicable Affiliate.

- (c) At any time prior to the expiration of 15 Business Days following the Investor's receipt of an Other Financing Transaction Notice (the "**Other Financing Transaction ROFO Exercise Period**"), the Investor shall have the right to make an offer to the Company for the Investor (or an Affiliate) to provide the financing contemplated in the Other Financing Transaction Notice (an "**Investor Other Financing Transaction Offer**"). An Investor Other Financing Transaction Offer shall set forth all of the material terms and conditions of the Other Financing Transaction that are proposed by the Investor (which may be the same as, or more or less favourable than, the terms and conditions set forth in the Other Financing Transaction Notice). The Company will use its commercially reasonable efforts to provide the Investor, as promptly as practicable, with such information concerning the Company and its Affiliates as the Investor may reasonably request for the purposes of determining whether to exercise its right of first offer under this Section 3.3.

- (d) Provided that the Company has complied with all of the provisions of this Section 3.3, and whether or not the Investor has delivered an Investor Other Financing Transaction Offer during the Other Financing Transaction ROFO Exercise Period, at any time during the 120-day period following the expiration of the Other Financing Transaction ROFO Exercise Period (such period, the "**Other Financing Transaction Offering Period**"), the Company or the applicable Affiliate may solicit, negotiate and enter into an agreement for an Other Financing Transaction with any Person for an aggregate amount of financing that is not less than the amount set forth in the Other Financing Transaction Notice and that is otherwise on terms and conditions that are no more favourable to such Person, and no less favourable to the Company or the applicable Affiliate, than the terms and conditions set forth in the Other Financing Transaction Notice and, if applicable, the Investor Other Financing Transaction Offer (and, for this purpose, any such agreement shall be deemed to exclude any obligation that cannot reasonably be fulfilled by the Investor and its Affiliates (e.g., an agreement conditioned upon the services of a particular individual or the supply of a product exclusively under the control of such Person or its Affiliates)). If no such agreement in respect of an Other Financing Transaction is entered into prior to the expiry of the Other Financing Transaction Offering Period, the terms and conditions of this Section 3.3 will again apply to any proposed Other Financing Transaction.

3.4 Strategic Cooperation

Within 30 days following the date of this Agreement, and thereafter during the Applicable Period, the parties agree to take all actions necessary to form:

- (a) a joint technical committee (the "**Technical Committee**"), which shall be constituted and conduct itself in accordance with the mandate set forth on Schedule B and otherwise in accordance with the Company's by-laws;

- (b) a joint sustainability and environmental responsibility committee (the “**S&ER Committee**”), which shall be constituted and conduct itself in accordance with the mandate set forth on Schedule C and otherwise in accordance with the Company’s by-laws; and
- (c) a joint exploration committee (the “**Exploration Committee**”), which shall be constituted and conduct itself in accordance with the mandate set forth on Schedule D and otherwise in accordance with the Company’s by-laws.

3.5 Strategic Alliance

- (a) For a period of one year following the Effective Time (or such later date as the Parties may mutually agree) (the “**Negotiation Period**”), the Parties agree to negotiate in good faith to reach an agreement for the exploration of the Exploration Properties on terms to be agreed upon by the Parties.
- (b) During the Negotiation Period, the Company agrees that, without the prior written consent of the Investor, neither it nor any of its Subsidiaries will enter into any agreement, arrangement or understanding with respect to any Exploration Property Transaction.
- (c) The Company shall, and shall cause each of its Subsidiaries to, immediately cease and cause to be terminated any existing solicitation, encouragement, discussion or negotiation (including through any Representatives on its behalf), if any, with any Person (other than the Investor and its Affiliates) conducted before the date of this Agreement with respect to any Exploration Property Transaction or any inquiry, proposal or offer that could reasonably be expected to lead to an Exploration Property Transaction, and, in connection therewith, the Company shall, and shall cause its Subsidiaries to, discontinue access to any of its confidential information.
- (d) During the Negotiation Period, the Company shall not, and shall cause each of its Subsidiaries and its and their respective Representatives not to solicit, initiate, knowingly encourage, negotiate, discuss or facilitate (including by way of furnishing non-public information) any sale of any of their respective interests in any Exploration Property or any Exploration Property Transaction, or any proposals, inquiries or offers that could reasonably be expected to lead to such a sale or Exploration Property Transaction.
- (e) The Company shall forthwith provide notice to the Investor of any Exploration Property Transaction or any proposal, inquiry, offer or request with respect to a possible sale of the Company’s or any of its Subsidiaries’ interests in any Exploration Property or any Exploration Property Transaction, or that could reasonably be expected to lead to any such sale or Exploration Property Transaction (or any amendment thereto).
- (f) Following the Negotiation Period, until the expiry of the Applicable Period, the Company shall only enter into an agreement, arrangement or understanding,

whether written or oral, with respect to an Exploration Property Transaction in compliance with the terms and conditions of this Section 3.5(f).

- (i) If, at any time during the Applicable Period, the Company or any of its Affiliates proposes to solicit, negotiate or enter into an agreement, arrangement or understanding in respect of an Exploration Property Transaction, then before doing so, the Company shall consult with the Investor regarding the possibility of the Company and the Investor entering into such Exploration Property Transaction and the potential terms thereof. Without limiting the foregoing, before the Company or any of its Affiliates solicits, negotiates or enters into an arrangement, agreement or understanding with respect to an Exploration Property Transaction, the Company shall first provide written notice of such intention to the Investor (the “**Exploration Property Transaction Notice**”), which notice shall specify the applicable Exploration Property and all of the currently anticipated material terms and conditions of such Exploration Property Transaction that are requested by the Company or the applicable Affiliate.
- (ii) At any time prior to the expiration of 15 Business Days following the Investor’s receipt of an Exploration Property Transaction Notice (the “**Exploration Property Transaction ROFO Exercise Period**”), the Investor shall have the right to make an offer to the Company for the Investor (or an Affiliate) to enter into an Exploration Property Transaction with respect to the applicable Exploration Property (an “**Investor Exploration Property Transaction Offer**”). An Investor Exploration Property Transaction Offer shall set forth all of the material terms and conditions of the Exploration Property Transaction that are proposed by the Investor (which may be the same as, or more or less favourable than, the terms and conditions set forth in the Exploration Property Transaction Notice). The Company will use its commercially reasonable efforts to provide the Investor, as promptly as practicable, with such information concerning the Company and its Affiliates and the applicable Exploration Property as the Investor may reasonably request for the purposes of determining whether to exercise its right of first offer under this Section 3.5(f).
- (iii) Provided that the Company has complied with all of the provisions of this Section 3.5(f), and whether or not the Investor has delivered an Investor Exploration Property Transaction Offer during the Exploration Property Transaction ROFO Exercise Period, at any time during the 120-day period following the expiration of the Exploration Property Transaction ROFO Exercise Period (such period, the “**Exploration Property Transaction Offering Period**”), the Company or the applicable Affiliate may solicit, negotiate and enter into an agreement for an Exploration Property Transaction with any Person for the applicable Exploration Property that is on terms and conditions that are no more favourable to such Person, and no less favourable to the Company or the applicable Affiliate, than the

terms and conditions set forth in the Exploration Property Transaction Notice and, if applicable, the Investor Exploration Property Transaction Offer (and, for this purpose, any such agreement shall be deemed to exclude any obligation that cannot reasonably be fulfilled by the Investor and its Affiliates (e.g., an agreement conditioned upon the services of a particular individual or the supply of a product exclusively under the control of such Person or its Affiliates)). If no such agreement in respect of an Exploration Property Transaction is entered into prior to the expiry of the Exploration Property Transaction Offering Period, the terms and conditions of this Section 3.5(f) will again apply to any proposed Exploration Property Transaction.

3.6 Standstill

- (a) From the Effective Time until the Standstill Termination Date, the Investor shall not, without the prior written authorization of the Board, directly or indirectly, or jointly and in concert (within the meaning of applicable Canadian securities laws) with any other person:
 - (i) purchase, offer or agree to purchase or negotiate to purchase any securities or assets of the Company or any of its Affiliates other than in connection with acquisitions carried out by the Investor or its Affiliates where such securities, when added together with the securities held by the Investor as of such date, would cause the Investor's percentage to exceed 19.9%;
 - (ii) enter into, offer, or agree to enter into any acquisition of, or other business combination involving, the Company or any of its Affiliates, or propose any of the foregoing;
 - (iii) solicit or join in or in any way participate in a solicitation of proxies from the Shareholders or otherwise attempt to influence the conduct of the Shareholders (other than in connection with the election of an Investor Nominee to the Board);
 - (iv) make any public announcement with respect to the foregoing; and
 - (v) advise, assist or encourage any other person to do, or take any action inconsistent with, any of the foregoing.
- (b) Section 3.6(a) shall cease to be of any force or effect as and from the date of public announcement of or public disclosure of (i) commencement of a Credible Bid, or an intention to undertake a Credible Bid, for voting or equity securities of the Company or any of its Affiliates, (ii) any agreement, arrangement or understanding in respect of a merger, amalgamation, arrangement, asset purchase or other business combination transaction involving the Company or any of its Affiliates, or an intention to make an offer to the Company or any of its Affiliates to undertake such a transaction, which would, if completed, result in (A) any class of outstanding voting securities of the Company being converted into cash or

securities of another Person resulting in Shareholders holding less than 75% of the voting or equity securities of the resulting or surviving entity, or (B) all or substantially all of the Company's assets (including shares of a Subsidiary or all or substantially all of the assets comprising the Buriticá project) being sold to any Person or group (other than the Investor), or (iii) the commencement of any proceeding by or against the Company in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of the Company, for the appointment of a trustee, receiver, manager or other administrator of the Company or any of its properties or assets, or for protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation.

- (c) From the Effective Time until the Standstill Termination Date, the Company shall not adopt a shareholders rights plan or "poison pill" or adopt or impose provisions or arrangements with similar effect or take any other similar action except with the prior written consent of the Investor, and for the remainder of the Applicable Period after the Standstill Termination Date, the Company shall not adopt a shareholders rights plan or "poison pill" or adopt or impose provisions or arrangements with similar effect or take any other similar action unless the acquisition by Investor or any of its Affiliates or joint actors of securities of the Company in accordance with this Agreement (including Section 3.2(e) and this Section 3.6) is excluded from the application of such plan, arrangement or other action.
- (d) Nothing in this Section 3.6 shall prevent the Investor or any of its Affiliates from (i) exercising any right granted to the Investor or its Affiliates pursuant to any of the provisions of this Agreement, or (ii) acquiring securities or investing in a mutual fund or a non-affiliated corporate entity holding shares of the Company in its portfolio.
- (e) The Investor and its Affiliates (and their respective Representatives) shall not be prohibited from using Confidential Information in connection with the actions or initiatives that it can pursue as a result of the termination of the provisions of Section 3.6(a) as a result of any event described in Section 3.6(b).

3.7 Restrictions on Transfer

For a period of 12 months following the date hereof, the Investor will not, and will cause its Affiliates not to, sell, transfer or otherwise dispose of beneficial ownership of, or control or direction over, any Common Shares; provided that the foregoing restriction shall not apply:

- (a) in respect of any transfer of Common Shares among the Investor and its Affiliates, provided the Investor shall be responsible for any breach of this Agreement by its Affiliates;
- (b) in respect of any transfer of Common Shares (i) by way of deposit under any formal take-over bid that may be made for the Common Shares by any Person or (ii) in connection with a statutory arrangement or other business combination

involving the Company (and, for greater certainty, nothing contained in this Agreement shall restrict the Investor and its Affiliates from entering into a lock-up agreement, support agreement or other similar agreement in connection with any such formal take-over bid or a statutory arrangement or other business combination);

- (c) from and after the date that any Investor Nominee is not elected or re-elected in accordance with Section 3.1 and such Investor Nominee is not otherwise appointed to the Board within the 30 day period following the date of the applicable Shareholders meeting;
- (d) if the Company or any of its Affiliates breaches this Agreement in any material respect and such breach is not cured within ten Business Days following receipt of notice of such breach from the Investor; or
- (e) in connection with any other sale, transfer or other disposition approved in advance by the Board.

3.8 Share Dispositions

- (a) Following the expiration of the period described in Section 3.7(a) until the Standstill Termination Date, if the Investor and/or its Affiliates wishes to sell or otherwise dispose of a number of Common Shares held by the Investor and/or its Affiliates which represents greater than or equal to 5% of the then outstanding Common Shares (the “**Sale Shares**”), the Investor shall notify the Company of its intention to sell or dispose of the Sale Shares at least five Business Days prior to the intended completion date of a sale, and, except in circumstances where such designation is not reasonably possible, the Company shall have the opportunity to designate the purchaser or purchasers of such Common Shares at a price to be mutually agreed upon by the Investor and the proposed purchaser(s).
- (b) If the Company is unable to obtain binding commitments from a purchaser or purchasers of the Sale Shares as contemplated in Section 3.8(a), the Investor and/or its Affiliates shall be permitted to sell all or a portion of the Sale Shares, subject to Section 3.8(c).
- (c) The Investor shall not sell Common Shares if, to the knowledge of the Investor (after reasonable inquiry in the case of a private transaction):
 - (i) the purchaser, together with its Affiliates and any person acting jointly and in concert with the purchaser (within the meaning of applicable Canadian securities laws), would as a result of such sale acquire more than 9.9% of the Common Shares outstanding as of the closing of such sale; or
 - (ii) such Common Shares constitute 5% or more of the Common Shares outstanding as of the closing of such sale unless the purchaser is a Financial Buyer,

in each case other than (1) by way of deposit under any formal take-over bid that may be made for the Common Shares by any Person or (2) in connection with a statutory arrangement or other business combination involving the Company (and, for greater certainty, nothing contained in this Agreement shall restrict the Investor and its Affiliates from entering into a lock-up agreement, support agreement or other similar agreement in connection with any such formal take-over bid or a statutory arrangement or other business combination).

3.9 Use of Proceeds

The aggregate Subscription Price received by the Company pursuant to this Agreement will be used solely for (a) the development of the Buriticá project and other Exploration Properties, and (b) general administrative expenses consistent with past practice. The Company represents and warrants that, other than the Company, there is no Person that is or will be entitled to any portion of the aggregate Subscription Price under the terms of any note, loan, bond, debenture, promissory note or other instrument or document (written or unwritten).

3.10 Information and Access Rights

- (a) During the Applicable Period, in the event the Company ceases to be a reporting issuer in all of the Reporting Jurisdictions, the Company will, for every interim and annual period thereafter, provide the Investor with:
 - (i) interim, unaudited financial statements on or before the 45th day after the end of each of the Company's completed interim periods; and
 - (ii) audited, comparative annual financial statements on or before the 90th day after the end of each of the Company's completed financial years.
- (b) During the Applicable Period, the Company will provide the Investor with access to all relevant information and documentation reasonably requested by the Investor in respect of the Company and its material properties (including the Buriticá project).

3.11 Listing of Common Shares; Reporting Issuer Status

- (a) From and after the Effective Time, the Company shall use all commercially reasonable efforts to not take any action which would reasonably be expected to result in the delisting or suspension of the Common Shares on or from any securities exchange, market or trading or quotation facility on which the Common Shares are now or are then listed or quoted, including without limitation the TSX, and the Company shall comply with the rules and regulations thereof; provided that this covenant shall not apply to any merger, amalgamation, arrangement, take-over bid, going private transaction or other similar transaction involving the purchase or sale of all of the outstanding Common Shares for cash or securities of an entity listed on an internationally recognized stock exchange.
- (b) From and after the Effective Time, the Company shall use its commercially reasonable efforts to maintain its status as a "reporting issuer" in each of the

Reporting Jurisdictions and the Company shall comply with all applicable Securities Laws, provided that the covenant to remain a “reporting issuer” shall not apply to any merger, amalgamation, arrangement, take-over bid, going private transaction or other similar transaction involving the purchase or sale of all of the outstanding Common Shares.

3.12 Confidentiality

- (a) Except as otherwise provided in this Agreement, each Party agrees that all information, data and technology disclosed to it by or on behalf of the other Party and any other information that such Party receives or acquires from the other Party in connection with this Agreement (including any Financing Transaction Offer and Exploration Property Transaction Offer) or the subject matter hereof (“**Confidential Information**”) shall be kept confidential and shall not be disclosed to any Person that is not a Party or an Affiliate of a Party.
- (b) In complying with the foregoing, each Party shall use the same degree of care as would be used by a normally prudent Person in protecting its own proprietary and confidential information.
- (c) Notwithstanding the foregoing:
 - (i) a Party shall not be required to keep confidential any Confidential Information that is:
 - (A) at the time of the disclosure, through no wrongful act or omission of such Party, part of the public domain;
 - (B) independently developed by such Party; or
 - (C) lawfully obtained by such Party from a Third Party that to the knowledge of such Party is not subject to restrictions of confidentiality with respect to such Confidential Information; and
 - (ii) each Party shall have the right to disclose Confidential Information:
 - (A) to the extent permitted by this Agreement;
 - (B) to the extent consented to by the other Party;
 - (C) to its Affiliates that agree to keep the Confidential Information received by it confidential and to be bound by the provisions of this Section 3.12;
 - (D) on a need to know basis to professional advisers including legal counsel, provided that such Party shall be responsible for ensuring their compliance with this Section 3.12;

- (E) on a need to know basis to its insurers, banks or other financial institutions, if such disclosure is reasonably necessary in connection with the services to be performed by them and each such Person agrees to keep the Confidential Information confidential and to be bound by this Section 3.12;
- (F) to the extent required by applicable Law or the requirements of an Governmental Entity (which, for greater certainty, includes filing a conformed copy of this Agreement on the Company's profile on www.sedar.com and disclosing a summary of the Agreement in the appropriate Public Disclosure Documents, so long as any such disclosure is approved by the Investor, acting reasonably, prior to the first time it is publicly disclosed); provided that, to the extent permissible by applicable Law, prompt notice, in writing, of the circumstances of the required disclosure is given to the other Party, and the other Party is given the ability to object to such disclosure and, at its election, to take such steps as it considers necessary to maintain the confidentiality of the Confidential Information by the Governmental Entity (including, without limitation, steps to obtain a protective order or other assurance that confidential treatment will be accorded to the Confidential Information after the disclosure); and
- (G) in legal or arbitration proceedings involving the rights and obligations of a Party (which proceedings shall be kept confidential to the extent permitted by applicable Law).

3.13 Voting Support

From the Effective Time until the Standstill Termination Date, the Investor shall not vote or cause to be voted, any Common Shares which are held or controlled by the Investor on the respective record date for each Shareholders meeting, or which are otherwise entitled to be voted at each such Shareholders meeting, against any matter recommended by management of the Company for approval by the Shareholders at each such meeting; provided that management of the Company shall not bring or recommend a matter for approval by the Shareholders that is inconsistent with the purpose or terms of this Agreement.

3.14 Red Kite Credit Agreement

The Company shall work diligently and use commercially reasonable best efforts to satisfy all of the conditions precedent to the Company's right to draw down the second tranche of \$100 million under the Red Kite Credit Agreement and shall deposit the Subscription Price into the Collateral Account pursuant to Section 10.5(d) of the Red Kite Credit Agreement.

3.15 Interim Period Covenants

- (a) The Company will, from and including the date of this Agreement through to and including the Effective Time or earlier termination of this Agreement:

- (i) do all such acts and things necessary to ensure that all of the representations and warranties of the Company contained in this Agreement and the Red Kite Subscription Agreement or any certificates or documents delivered by it pursuant hereto or thereto remain true and correct and not do any such act or thing that would render any representation or warranty of the Company contained in this Agreement or the Red Kite Subscription Agreement or any certificates or documents delivered by it pursuant to this hereto or thereto untrue or incorrect;
 - (ii) fulfill in a timely manner all its covenants and agreements contained in this Agreement and the Red Kite Subscription Agreement;
 - (iii) ensure that the conditions for the benefit of the Investor contained in Section 2.4 of this Agreement and the conditions for the benefit of Red Kite's Affiliate in the Red Kite Subscription Agreement over which the Company has reasonable control have been performed or complied with by the Effective Time;
 - (iv) ensure that the issue and sale of the Purchased Shares will fully comply, in all material respects, with the requirements of Securities Laws;
 - (v) will immediately send to the Investor and its legal counsel copies of all correspondence and filings to and correspondence from the Securities Regulators or the TSX relating to the transactions contemplated by this Agreement or the Red Kite Subscription Agreement;
 - (vi) conduct its business and affairs and maintain its properties and facilities in, and not take any action except in, the usual, ordinary and regular course of business consistent with past practice; and
 - (vii) use commercially reasonable best efforts to preserve intact its present business organization, assets (including intellectual property) and goodwill, maintain its real property interests (including title to, and leasehold interests in respect of, any real property) in good standing, keep available the services of its officers and employees as a group and preserve the current material relationships with suppliers, distributors, employees, consultants, customers and others having business relationships with it.
- (b) The Investor will, from and including the date of this Agreement through to and including the Effective Time or earlier termination of this Agreement:
- (i) do all such acts and things necessary to ensure that all of the representations and warranties of the Investor contained in this Agreement or any certificates or documents delivered by it pursuant hereto or thereto remain true and correct and not do any such act or thing that would render any representation or warranty of the Investor contained in this Agreement

- or any certificates or documents delivered by it pursuant to this hereto or thereto untrue or incorrect;
- (ii) fulfill in a timely manner all its covenants and agreements contained in this Agreement;
 - (iii) ensure that the conditions for the benefit of the Investor contained in Section 2.4 of this Agreement over which the Investor has reasonable control have been performed or complied with by the Effective Time; and
 - (iv) will immediately send to the Investor and its legal counsel copies of all correspondence and filings to and correspondence from the Securities Regulators or the TSX relating to the transactions contemplated by this Agreement.
- (c) The Company will not, without the prior written consent of the Investor, from and including the date of this Agreement through to and including the Effective Time:
- (i) take any action that could reasonably be expected to interfere with or be inconsistent with the completion of the transactions contemplated by this Agreement or the Red Kite Subscription Agreement; or
 - (ii) solicit, initiate, knowingly encourage, negotiate, discuss or facilitate (including by way of furnishing non-public information), either directly or through any of its Affiliates or its or their respective Representatives, any transaction that would be inconsistent with, interfere with or delay the transactions contemplated by this Agreement and the Red Kite Subscription Agreement.

3.16 Regulatory Matters

- (a) In the event that either of the Parties, or any of their respective Representatives, receives any request for information, documents or other materials, or a notice, from any Governmental Entity indicating that any investigation, review, inquiry or other formal or informal proceeding, which could lead to an Order temporarily or permanently prohibiting the Closing or the closing of the transactions contemplated by the Red Kite Subscription Agreement, is taking place or may take place, such Party shall:
- (i) promptly notify the other Party of the applicable notice or request for information, documents or other materials, and cooperate with the other Party in connection with any related investigation or other inquiry;
 - (ii) in consultation and cooperation with the other Party, respond as promptly as possible to any request for information made by any such Governmental Entity, and thereafter, after providing the other Party with a reasonable opportunity to review and comment on any drafts of any written communications with a Governmental Entity, make any other submissions or filings as may be advisable in order to enable the

consummation of the transaction contemplated by this Agreement and the Red Kite Subscription Agreement (promptly notifying the other Party when any such submission or filing is made);

- (iii) promptly respond to any request for a meeting by any Governmental Entity, arrange for such meeting to take place as soon as possible, and permit the other Party to attend such meeting, unless prohibited by the Governmental Entity; and
- (iv) take or to cause to be taken, all actions and steps, and to do, or to cause to be done all things necessary on its part under this Agreement, the Red Kite Subscription Agreement, Law or otherwise, including as required agreeing to any undertaking, term or condition, or making a commitment to divest anything, required to consummate and make effective the transaction contemplated by this Agreement and the Red Kite Subscription Agreement, and not enter into any agreement with any Governmental Entity not to consummate, or to make any undertaking or commit to any divestiture regarding, the transaction contemplated by this Agreement or the Red Kite Subscription Agreement, without the prior written consent of the other Party.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Company

Except as disclosed in the Disclosure Letter (which shall make reference to the applicable Section in respect of which such qualification is being made), the Company hereby represents and warrants to the Investor as follows and acknowledges that the Investor is relying on such representations and warranties in entering into this Agreement:

- (a) Corporate Existence and Power: Subsidiaries. The Company and its Subsidiaries are corporations duly formed, validly existing and in good standing under the corporate Laws of the jurisdictions in which they are domiciled, and have all corporate powers required to carry on their business as now conducted. The Company and its Subsidiaries are duly qualified to do business and are in good standing in each jurisdiction where the character of the property owned or leased by them or the nature of their activities makes such qualification necessary, except for those jurisdictions where the failure to be so qualified would not have a Material Adverse Effect. The Company owns, beneficially and of record, 100% of all outstanding securities of each of the Subsidiaries free and clear of all Liens except as disclosed in the Public Disclosure Documents in connection with the Red Kite Credit Agreement.
- (b) Subsidiaries and Investments. The Company has no Subsidiaries or Investments other than as disclosed in the Disclosure Letter.

- (c) Shareholder and Similar Agreements. Except for this Agreement, neither the Company nor any of its Subsidiaries is a party to any shareholder, partnership, policy, voting trust or similar agreement relating to any of the issued and outstanding securities or equity interests of the Company or any of its Subsidiaries.
- (d) Corporate Books and Records. The minute books and records of the Company and its Subsidiaries have been maintained in material compliance with applicable Laws, and contain substantially complete and accurate records of all meetings and other corporate actions of the board of directors, committees of the board of directors, incorporators and shareholders of the Company and its Subsidiaries.
- (e) Capitalization. The authorized capital of the Company consists of an unlimited number of Common Shares, of which 141,885,295 Common Shares are issued and outstanding. All of the Company's issued and outstanding Common Shares have been duly authorized, are validly issued and outstanding, and are fully paid and non-assessable. No securities issued by the Company since the date of its incorporation were issued in violation of any pre-emptive rights or similar privileges. There are no dividends which have accrued or been declared but are unpaid on the Common Shares. All securities of the Company have been issued in accordance with the provisions of all applicable Securities Laws and other applicable Laws. Other than in connection with this Agreement, no Person possesses any pre-emptive rights in respect of any issued and outstanding securities or equity interests of the Company. The Purchased Shares have been issued as fully paid, non-assessable Common Shares free and clear of all Liens (other than restrictions on transfer imposed by Securities Laws or Liens created, or agreed to in writing, by the Investor or any of its Affiliates).
- (f) Convertible Securities. The Company has outstanding options to purchase 8,400,534 Common Shares and Public Warrants to purchase 5,750,000 Common Shares and Private Warrants to purchase 3,000,000 Common Shares. Except for this Agreement or as set out in the Disclosure Letter:
 - (i) there are no outstanding (a) Convertible Securities or securities, notes or instruments convertible into or exercisable for any equity interests of the Company or its Subsidiaries; (b) options, warrants, subscriptions or other rights to acquire capital stock or other equity interests of the Company or its Subsidiaries, and (c) commitments, agreements or understandings of any kind, including employee benefit arrangements, relating to the issuance or repurchase by the Company or its Subsidiaries of any Common Shares or other equity interests of the Company or its Subsidiaries, any such securities or instruments convertible or exercisable for securities or any such options, warrants or rights;
 - (ii) neither the Company nor any of its Subsidiaries has a shareholders rights plan or similar plan in effect;

- (iii) neither the Company nor the Subsidiaries have granted anti-dilution rights to any person or entity except for standard anti-dilution rights in connection with the Private Warrants, the Public Warrants and the options and restricted share units granted under the Company's security based compensation arrangements; and
 - (iv) there are no outstanding rights which permit the holder thereof to cause the Company or the Subsidiaries to file a prospectus or registration statement under Securities Laws or which permit the holder thereof to include securities of the Company or any of its Subsidiaries in a prospectus or registration statement filed by the Company or any of its Subsidiaries under Securities Laws, and there are no outstanding agreements or other commitments which otherwise relate to the registration or qualification of any securities of the Company or any of its Subsidiaries for sale or distribution in any jurisdiction.
- (g) Public Filings. The Company has filed all documents and information required to be filed by it under applicable Securities Laws or any rules or regulations promulgated thereunder or with the TSX. The Public Disclosure Documents do 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 under which and at the time they were made, not misleading (collectively a "**Misrepresentation**"). All of the Public Disclosure Documents, as of their respective dates (and as of the dates of any amendments thereto), complied as to both form and content in all material respects with the requirements of Securities Laws. The Company has not filed any confidential material change report with any securities regulatory authority that remains confidential.
- (h) Reporting Issuer Status, TSX Listing. The Company is a reporting issuer (within the meaning of Securities Laws) in good standing in the each of the Reporting Jurisdictions, is not on the list of defaulting issuers as maintained by the Securities Regulators for a default of any requirement of any Securities Laws, and neither the TSX nor any other regulatory authority having jurisdiction over the Company has issued any Order preventing or suspending trading of any securities of the Company. The Common Shares are listed and posted for trading only on the TSX (under the symbol "CNL"), the OTCQX® International (under the symbol "CGOOF") and the Frankfurt Exchange (under the symbol "7C0"), and the Public Warrants are listed and posted for trading only on the TSX (under the symbol "CNL.WT.A") and no other securities of the Company or the Subsidiaries are listed for trading or are quoted on any other stock exchange or quotation system. Neither the Company nor the Subsidiaries have taken any action which would be reasonably expected to result in the delisting or suspension of the Common Shares on or from the TSX and the Company is in compliance with the rules and regulations of the TSX.

- (i) Corporate Authorization.
- (i) The execution, delivery and performance by the Company of this Agreement and the consummation of the transactions contemplated hereby (including, but not limited to, the sale and delivery of the Purchased Shares) have been duly authorized by all necessary corporate action, and no additional corporate action is required for the approval of this Agreement and the completion of the transactions contemplated herein.
 - (ii) The Purchased Shares have been duly reserved and allotted for issuance by the Company.
 - (iii) This Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms subject to such limitations and prohibitions as may exist or may be enacted and applicable Laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other Laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally and the general principles of equity including that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.
- (j) Regulatory or Third Party Consents and Approvals. No consent, approval, Order or authorization of, or declaration or filing with, any Governmental Entity or any other third party is required to be obtained by the Company in connection with the execution, delivery or performance of this Agreement, or the consummation of the transactions contemplated hereby, except for such consents, approvals, Orders or authorizations, or declarations or filings, which have been obtained or as to which the failure to obtain or make would not, individually or in aggregate, prevent or materially delay the consummation of the transactions contemplated by this Agreement.
- (k) Financial Statements. Each of the Company's audited consolidated statement of financial position as at December 31, 2016 and related consolidated statements of loss and comprehensive loss, consolidated statements of cash flows and statements of consolidated changes in shareholders' equity (including the related notes) as of the year ended December 31, 2016 (the "**Year End Financial Statements**"), and each of the Company's unaudited consolidated balance sheet as at September 30, 2016 and related consolidated statements of loss and comprehensive loss, consolidated statements of cash flows and statements of consolidated changes in shareholders' equity (including the related notes) for the nine months ended September 30, 2016, all as contained in the Public Disclosure Documents (collectively, the "**Financial Statements**") (a) present fairly in all material respects the financial position of the Company and its Subsidiaries on a consolidated basis as of the dates thereof and the results of operations, cash flows and shareholders' equity as of and for each of the periods then ended, and (b) were prepared in accordance with IFRS in effect from time to time applied on a

consistent basis throughout the periods involved, in each case, except, in the case of any unaudited Financial Statements, for the absence of normal period end adjustments, none of which are material, individually or in the aggregate. The financial books, records and accounts of the Company and each of the Subsidiaries, in all material respects: (i) have been maintained in accordance with accounting principles generally accepted in the country of domicile of each such entity on a basis consistent with prior years; (ii) are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of the Company and its Subsidiaries; and (c) accurately and fairly reflect the basis for the Financial Statements.

- (l) No Undisclosed Liabilities. Except to the extent reflected or disclosed in the Year End Financial Statements or in connection with the Red Kite Credit Agreement, neither the Company nor any of its Subsidiaries has any material Liabilities of any nature (whether accrued, absolute, contingent or otherwise), or any obligation to issue any debt securities, or guarantee, endorse or otherwise become responsible for, the obligations of any other Person.
- (m) Litigation. Except as set out in the Disclosure Letter, there is no action, suit, proceeding, judgment, claim or investigation pending or, to the knowledge of the Company, threatened against the Company or its Subsidiaries, and to the knowledge of the Company there is no basis for the assertion of any of the foregoing. Neither the Company nor any Subsidiary of the Company is subject to any Order which would reasonably be expected to have a Material Adverse Effect.
- (n) Taxes. All Tax returns and Tax reports required to be filed with respect to the income, operations, business or assets of the Company and its Subsidiaries have been filed (or appropriate extensions have been obtained) with the appropriate Governmental Entity in all jurisdictions in which such returns and reports are required to be filed, and all of the foregoing as filed are, in all material respects, correct, complete and reflect accurately all liability for Taxes of the Company and its Subsidiaries for the periods to which such returns relate, and all amounts shown as owing thereon have been paid.
- (o) Non-Contravention. The execution, delivery and performance by the Company of this Agreement and the consummation by the Company of the transactions contemplated hereby (including the issuance of the Purchased Shares) does not and will not:
 - (i) violate, contravene or conflict with the constating documents of the Company or any of its Subsidiaries;
 - (ii) subject to obtaining TSX approval and the other Governmental Authorizations specifically contemplated in this Agreement, contravene or conflict with or constitute a violation of any provision of any Law or Order binding upon or applicable to the Company or its Subsidiaries;

- (iii) violate, contravene or conflict with, constitute a default (or would constitute a default with notice or lapse of time or both) under or give rise to a right of termination, cancellation or acceleration or loss of any benefit under, any Material Contract or under any material license, franchise, permit or other similar authorization held by the Company or its Subsidiaries; or
 - (iv) result in the creation or imposition of any Lien on any asset of the Company or its Subsidiaries.

- (p) Corrupt Practices. Neither the Company nor any of its Affiliates nor, to the knowledge of the Company, any of their respective Representatives has made or authorized any payment (or offer or promise to pay), directly or indirectly, on behalf of or to the benefit of the Company or any of its Affiliates (i) in violation of any applicable laws prohibiting the payment of undisclosed commissions or bonuses or the making of bribe or incentive payments or other arrangements of a similar nature, including the *Corruption of Foreign Public Officials Act (Canada)*, or (ii) to any Representative of any Person with the intent to influence or reward such Representative's or such Person's actions with respect to the such Person's business, or to gain a commercial benefit to the detriment of such Person, or to induce or reward the improper performance of such Representative's duties. The Company has instituted and maintains policies and procedures designed to ensure continued compliance with such Laws and to prevent all such payments or potential payments. Neither the Company nor any of its Affiliates nor, to the knowledge of the Company, any of their respective Representatives has accepted or received any unlawful contribution, payments, gifts or expenditures.

- (q) No Defaults. The Company and its Subsidiaries are not, nor have they received notice that they would be with the passage of time, giving of notice, or both, (i) in violation of any provision of their constating documents, or (ii) in default or violation of any term, condition or provision of (A) any Law or Order applicable to the Company or any of its Subsidiaries, or (B) any Material Contract, permit or concession to which the Company or any of its Subsidiaries is a party or by which the Company or its Subsidiaries or their properties or assets may be bound, and no circumstances exist which would entitle a party to any Material Contract to terminate such as a result of such Company or its Subsidiaries having failed to meet any material provision thereof.

- (r) Material Contracts.
 - (i) Set forth in the Disclosure Letter, is a list of all contracts and agreements material to the Company and its Subsidiaries and their respective businesses, taken as a whole (collectively, the "**Material Contracts**");
 - (ii) All Material Contracts are legal, valid, binding and in full force and effect and are enforceable by the Company and its Subsidiaries in accordance with their respective terms and are the product of arm's length negotiations between the parties thereto; and

- (iii) The Company and the Subsidiaries have performed in all material respects all respective obligations required to be performed by them to date under the Material Contracts and are not alleged to be (with or without the lapse of time or the giving of notice, or both), in breach or default in any material respect thereunder, nor, to the Company's knowledge, is any counterparty thereto in breach or default thereunder.
- (s) Absence of Certain Changes. Since December 31, 2015, except in connection with the transaction contemplated by the Agreement, or disclosed in the Public Disclosure Documents, the Company has conducted its business only in the ordinary course and there has not occurred any event that could reasonably be expected to have a Material Adverse Effect. The Company is not currently evaluating any Investment or acquisition that would constitute a "significant acquisition" under Part 8 of NI 51-102 if the significance tests set out in Section 8.3(2)(a), (b) and (c) of NI 51-102 if "20 percent" were read as "10 percent".
- (t) Restrictions on Business Activities. Other than as set forth in the Public Disclosure Documents, there is no agreement or Order binding upon the Company or its Subsidiaries which has or could reasonably be expected to have the effect of prohibiting or materially impairing any business practice of the Company or its Subsidiaries, any acquisition of property by the Company or its Subsidiaries or the conduct of business by the Company or its Subsidiaries as currently conducted or as currently proposed to be conducted by the Company.
- (u) Absence of Certain Business Practices. Neither the Company nor any of its Subsidiaries, nor any Affiliate of the Company, nor to the knowledge of the Company, any agent or employee of the Company or any of its Subsidiaries, any other Person acting on behalf of or associated with the Company, or any individual related to any of the foregoing Persons, acting alone or together, has:

 - (i) received, directly or indirectly, any rebates, payments, commissions, promotional allowances or any other economic benefits, regardless of their nature or type, from any customer, supplier, trading company, shipping company, governmental employee or other Person with whom the Company or any of its Subsidiaries has done business directly or indirectly; or
 - (ii) directly or indirectly, given or agreed to give any gift or similar benefit to any customer, supplier, trading company, shipping company, governmental employee or other Person who is or may be in a position to help or hinder the business of the Company or any of its Subsidiaries (or assist the Company or any of its Subsidiaries in connection with any actual or proposed transaction) which (i) may subject the Company or any of its Subsidiaries to any damage or penalty in any civil, criminal or governmental litigation or proceeding, (ii) if not given in the past, may have had a Material Adverse Effect or (iii) if not continued in the future, may have a Material Adverse Effect or subject the Company or any of its

Subsidiaries to suit or penalty in any private or governmental litigation or proceeding.

(v) Compliance with Law and Regulatory Requirements; Licenses

- (i) The Company and its Subsidiaries are in material compliance and have conducted their business so as to comply in all material respects with all Laws and Orders of any court, administrative agency, commission, regulatory authority or other Governmental Entity or instrumentality, domestic or foreign, applicable to their operations. To the best of the Company's knowledge, there are no Orders (whether rendered by a court or administrative agency or by arbitration) against the Company or its Subsidiaries or against any of their properties or businesses.
- (ii) The Company and each of its Subsidiaries holds all material Governmental Authorizations (including those issued pursuant to any Environmental Laws) required under applicable Law for the operation of the business of the Company and its Subsidiaries as currently operated and as currently contemplated to be operated. Without limiting the foregoing, the Company has all material Governmental Authorizations and all concessions, mining rights, water rights, easements, surface rights, rights of way, property rights and other consents between the Company and third parties and all licenses or other rights to use technology which are necessary for the development, construction and operation of the Buriticá project have been obtained, are in full force and effect and are sufficient to permit (A) the development and construction of the Buriticá project in all material respects as contemplated by the current feasibility study, and (B) the operation of the Buriticá project in all material respects as contemplated by the initial operating plan and the current feasibility study, in each case other than those which are not now necessary and which are expected to be obtained in the ordinary course of business by the time they are necessary.
- (iii) All of such Governmental Authorizations have been duly issued or obtained and are in full force and effect, and the Company and its Subsidiaries are in material compliance with the terms of all such Governmental Authorizations.
- (iv) The Company and its Subsidiaries have not engaged in any activity that, to the knowledge of the Company, could cause revocation or suspension of any such Governmental Authorizations.
- (v) The Company has no knowledge of any facts which could reasonably be expected to cause the Company to believe that such Governmental Authorizations will not be renewed by the appropriate Governmental Authorities in the ordinary course.

- (vi) Neither the execution, delivery nor performance of this Agreement would adversely affect the status of any of such Governmental Authorizations.

- (w) Mineral Interests and Title.
 - (i) The material mining licenses, claims, concessions, exploration, extraction and other mineral property rights of the Company and the Subsidiaries are set forth on the Disclosure Letter (“**Mining Claims**”). All Mining Claims are in good standing, are valid and enforceable, are free and clear of any material Liens or charges and no material royalty is payable in respect of any of them, except as set out in the Public Disclosure Documents in connection with the Red Kite Credit Agreement. Except as set out in the Public Disclosure Documents or in the Disclosure Letter, no other property rights are necessary for the conduct of the Company’s or any of its Subsidiaries business, and there are no material restrictions on the ability of the Company to use, transfer or otherwise exploit any such property rights except as required by applicable Law. Except as disclosed in the Public Disclosure Documents or in the Disclosure Letter, the Company or a Subsidiary is the owner of Mining Claims necessary to carry on the Company’s and its Subsidiaries’ current and proposed exploration activities and proposed mining operations.

 - (ii) Except as disclosed in the Disclosure Letter, with respect to all properties that are owned by the Company or a Subsidiary, the Company or a Subsidiary is in exclusive possession thereof and has good, sufficient and marketable title thereto, free and clear of all Liens, except for Liens that would not individually or in the aggregate have a Material Adverse Effect. Except as disclosed in the Public Disclosure Documents or in the Disclosure Letter, with respect to any properties that are leased by the Company or a Subsidiary:
 - (A) the Company or Subsidiary has not received any notice of default of any of the terms or provisions of the leases applicable thereto;

 - (B) the leases applicable thereto are valid and are in good standing;

 - (C) the Company has no knowledge of any act or omission or any condition on such properties which could be considered or construed as a default under any of the such leases applicable thereto;

 - (D) neither the Company nor any Subsidiary is a party to, or under any agreement to become a party to, any lease with respect to Real Property, which, if terminated, could reasonably be expected to have a Material Adverse Effect;

- (E) the property covered thereby is free and clear of all Liens except Liens that would not individually or in the aggregate have a Material Adverse Effect; and
 - (F) in the case of properties as to which the Company or a Subsidiary holds rights to explore for minerals, the Company or the Subsidiary has the right to explore for such minerals.
- (iii) Except as set out in the Disclosure Letter, there is no action, suit, proceeding, judgment, claim or investigation pending or, to the knowledge of the Company, threatened, against the Company or any of its Subsidiaries for restitution of any lands owned or leased by the Company or any of its Subsidiaries.
- (x) Aboriginal Claims. There are no claims with respect to aboriginal rights or title currently pending or, to the knowledge of the Company, threatened with respect to the properties of the Company or any of its Subsidiaries, except as disclosed in the Disclosure Letter.
- (y) Environmental Matters.
- (i) To the knowledge of the Company, except as disclosed in the Disclosure Letter, the Buriticá project and the other material properties of the Company are in material compliance with all Environmental Laws, and (ii) the Company and, to the knowledge of the Company, its predecessors have complied in all material respects with all Environmental Laws. The Company has no basis to expect, nor has it received any actual, or to the knowledge of the Company, threatened, written or oral Order, notice, report or other communication from any Governmental Entity or other Person of any actual, potential or alleged violation of or failure of the assets of the Company to comply with any Environmental Law.
 - (ii) The Company has obtained and complied with, and is in compliance with, all Governmental Authorizations that are required pursuant to any Environmental Laws for operations, and the occupation of, the properties of the Company and its Subsidiaries.
 - (iii) In connection with the Company's treatment, storage, disposal, transportation, handling, manufacturing and distribution of Hazardous Substances, neither the Company nor, to the knowledge of the Company, any predecessor, with respect to its assets and operations, has any current or future material Liabilities, including any Liability for fines, penalties, corrective action costs, personal injury, property damage, natural resource damages or attorney's fees, pursuant to any Environmental Laws, and (ii) to the knowledge of the Company, none of the assets of the Company are contaminated by any Hazardous Substances.

- (iv) To the knowledge of the Company, no facts, events or conditions relating to the operations or the property of the Company or its Subsidiaries, will prevent, hinder or limit continued compliance with Environmental Laws, or give rise to any proceedings against the Company or its Subsidiaries or any Remediation obligations or Liabilities.
- (v) There are no outstanding bonds, or other surety or security arrangements issued or entered into in connection with the assets or the operations of the Company or its Subsidiaries for Remediation or otherwise. No other bond, surety or security arrangement is required to satisfy the requirements of any Environmental Laws or other Laws applicable to the Company or its Subsidiaries with respect to their respective assets and operations.
- (z) Brokers. Other than the fee payable to RBC Capital Markets, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement, based upon any arrangement made by or on behalf of the Company, which would make the Company liable for any fees or commissions.
- (aa) Red Kite Subscription Agreement. The Company has delivered to the Investor a true and correct copy of the Red Kite Subscription Agreement, and such agreement constitutes a legal, valid and binding obligation of the Company and is in full force and effect and enforceable by the Company in accordance with its terms.
- (bb) Full Disclosure. The Company has made available to the Investor certain information, including financial, marketing, sales and operational information relating to the Company and the Subsidiaries. All the information provided to the Investor and prepared by or on behalf of the Company, is true and correct in all material respects and no material fact or facts have been omitted from that information which would make such information misleading at the time it was made.

4.2 Representations and Warranties of the Investor

The Investor hereby represents and warrants to the Company as follows and acknowledges that the Company is relying on such representations and warranties in entering into this Agreement:

- (a) The Investor is purchasing the Purchased Shares as principal and has not been created, and is not being used, solely to purchase or hold the Purchased Shares in reliance on the exemption in Section 2.10 of National Instrument 45-106 – *Prospectus Exemptions*.
- (b) The Investor is resident in the State of Colorado.
- (c) The Investor is purchasing the Purchased Shares for investment purposes only and not with a view to any resale or distribution of all or any of the Purchased Shares

in violation of applicable Securities Laws, and not in a transaction or series of transactions involving a purchase and sale or a repurchase and resale in the course of or incidental to a distribution.

- (d) The subscription for the Purchased Shares has not been made through or as a result of, and the distribution of the Purchased Shares is not being accompanied by any advertisement, including without limitation in printed public media, radio, television or telecommunications, including electronic display, or as part of a general solicitation.
- (e) The Investor has not been created and is not being used primarily to permit the purchase of securities without a prospectus in reliance on an exemption from the prospectus requirements of applicable securities legislation.
- (f) The Investor understands that it may not sell, hypothecate, transfer, assign or otherwise dispose of the Purchased Shares, any part thereof, or any interest therein, unless and until the Investor has determined that the intended disposition does not violate the Laws of any jurisdiction.
- (g) The Investor has done its own due diligence, and obtained such independent business, legal and tax advice as it considers necessary with respect to:
 - (i) the purchase of the Purchased Shares; and
 - (ii) the execution, delivery and performance by it of this Agreement and the transactions contemplated hereunder.
 - (iii) the Investor has been duly organized under the Laws of its jurisdiction of incorporation and is validly existing and all approvals necessary for the Investor to execute and deliver this Subscription Agreement and to perform its obligations hereunder have been obtained;
 - (iv) this Agreement has been duly authorized, executed and delivered by the Investor and constitutes a legal, valid and binding obligation of the Investor, enforceable against it in accordance with its terms, subject only to (i) any limitation under applicable Laws relating to bankruptcy, insolvency, arrangements or other Laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction; and
 - (v) this Agreement will not violate or conflict with the terms of any restriction, agreement or undertaking respecting purchases of securities by the Investor.
- (h) The Investor is a resident of the United States for the purposes of, and is entitled to the benefits of, the *Canada-U.S. Income Tax Convention*, 1980.

4.3 Survival of Representations and Warranties

The representations and warranties of a Party herein shall survive the Effective Time until the expiration of the applicable Survival Period, unless *bona fide* notice of a Claim that a representation or warranty was incorrect shall have been made in writing before such date, in which case the representation or warranty to which such notice applies shall survive in respect of that Claim until the final determination or settlement of the Claim, notwithstanding any investigation made by or on behalf of the Party entitled to rely on such representation or warranty. Notwithstanding the foregoing, a Claim for any breach of any of the representations and warranties contained in this Agreement involving fraud or fraudulent misrepresentation may be made at any time following the date of this Agreement, subject only to applicable limitation periods imposed by applicable Law.

4.4 Indemnification

The Investor and its Affiliates are relying on the representations and warranties, certifications and covenants contained herein to make the investment in the Purchased Shares contemplated under this Agreement and the Company agrees to indemnify the Investor and its Affiliates and their respective directors and officers, employees, agents and representatives against all losses, claims, costs, expenses, damages or liabilities which any of them may suffer or incur as a result of or arising from breach of any such representations, warranties, certifications and covenant, provided that the indemnification provisions in this Section 4.4 will be limited such that the aggregate liability of the Company for breaches of representations and warranties set forth in this Agreement shall in no event exceed the Subscription Price.

ARTICLE 5 GENERAL

5.1 Termination

- (a) It is understood that the Investor and the Company may at their sole discretion waive, in whole or in part, or extend the time for compliance with, any of the terms and conditions of this Agreement in their favour without prejudice to their rights in respect of any other of such terms and conditions or any other subsequent breach or non-compliance; provided, however, that to be binding on the Investor or the Company as applicable any such waiver or extension must be in writing.
- (b) This Agreement may be terminated under the following circumstances:
 - (i) upon mutual written consent of the Parties;
 - (ii) by the Investor, if the Closing Date has not occurred on or before May 18, 2017, except that the right to terminate this Agreement under this Section 5.1(b)(ii) shall not be available to the Investor if its failure to perform any of its covenants or agreements or breach any of its representations and warranties under this Agreement has been the cause of, or resulted in, the failure of the Closing Date to occur by May 18, 2017;

- (iii) by either the Investor or the Company, if the Closing Date shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this Section 5.1(b)(iii) shall not be available to either Party whose failure to perform any of its covenants or agreements or breach any of its representations and warranties under this Agreement has been the cause of, or resulted in, the failure of the Closing Date to occur by the Outside Date;
- (iv) by the Investor, upon written notice to the Company, if there has been a material violation, breach or inaccuracy of any representation, warranty or covenant of the Company contained in this Agreement, which violation, breach or inaccuracy would cause any of the conditions in Section 2.4(a) or 2.4(b) not to be satisfied by the Outside Date;
- (v) by the Company, upon written notice to the Investor, if there has been a material violation, breach or inaccuracy of any representation, warranty or covenant of the Investor contained in this Agreement, which violation, breach or inaccuracy would cause any of the conditions in Section 2.4(a) or 2.4(c) not to be satisfied by the Outside Date; or
- (vi) by the Investor if the Red Kite Subscription Agreement is terminated for any reason.

5.2 Consent

Where a provision of this Agreement requires an approval or consent by a Party to this Agreement and written notification of such approval or consent is not delivered within the applicable time in accordance with this Agreement, then the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

5.3 Application of this Agreement

The terms of this Agreement shall apply *mutatis mutandis* to any shares or other securities:

- (a) resulting from the conversion, reclassification, redesignation, subdivision, consolidation of other change to any of the shares of the Company held by the Investor and its Affiliates; or
- (b) of the Company or any successor body corporate that may be received by the Investor and its Affiliates on a merger, amalgamation, arrangement or other reorganization of or involving the Company,

and prior to any action referred to in (a) or (b) above being taken, the Parties shall give due consideration to any changes that may be required to this Agreement in order to give effect to the intent of this Section 5.3.

5.4 No Partnership

Nothing in this Agreement will be deemed to constitute a partnership, agency or similar relationship between the Investor and the Company or to authorize either Party to bind the other.

5.5 Expenses

Subject to Section 3.1(i), each Party to this Agreement shall pay its respective legal, accounting and other professional advisory fees, costs and expenses incurred in connection with the negotiation, preparation or execution of this Agreement and all documents and instruments executed or delivered pursuant to this Agreement.

5.6 Public Notices

All public notices to third parties and all other publicity concerning the matters contemplated by this Agreement shall be jointly planned and coordinated by the Company and the Investor and neither the Company nor the Investor shall act unilaterally in this regard without the prior written approval of the other Party, except to the extent that the Party making such notice is required to do so by Law in circumstances where prior consultation with the other Party is not practicable, provided concurrent notice to the other Party is provided.

5.7 Remedies

The Parties hereto acknowledge and agree that an award of money damages may be inadequate for any breach of this Agreement and any such breach could cause the non-breaching Party irreparable harm. Accordingly, the Parties hereto agree that, in the event of any breach or threatened breach of this Agreement by one of the Parties, the non-breaching Party will also be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance. Such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available at Law or equity to each of the Parties.

5.8 Further Assurances

Each Party shall do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments as reasonably required by any other Party as necessary or desirable to effect the purpose of this Agreement and carry out its provisions.

5.9 Assignment and Enurement

Neither Party may assign any of its rights or benefits under this Agreement, or delegate any of its duties or obligations, except with the prior written consent of the other Party, provided, however, that the Investor may assign this Agreement to an Affiliate without the requirement to obtain the prior written consent of the Company. Subject to the foregoing, this Agreement will enure to the benefit of and shall be binding on and enforceable by and against the Parties and their respective successors or heirs, executors, administrators and other legal personal representatives and permitted assigns.

5.10 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the matters herein and supersedes all prior agreements, understandings, negotiations and discussions relating to the subject matter hereof and thereof including, without limitation, the Non-Disclosure Agreement (which the parties acknowledge shall terminate as of the Closing). There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as expressly provided in this Agreement.

5.11 Waiver

Except as otherwise expressly set out herein, no waiver of any provision of this Agreement shall be binding unless it is in writing. No indulgence or forbearance by a Party shall constitute a waiver of such Party's right to insist on performance in full and in a timely manner of all covenants in this Agreement. Waiver of any provision shall not be deemed to waive the same provision thereafter, or any other provision of this Agreements, at any time.

5.12 Notices

- (a) Any notice or other communication that is required or permitted to be given hereunder shall be in writing and shall be validly given if delivered in person (including by courier service) or transmitted by fax or electronic transmission to such party, as follows:
- (i) to the Company:

Continental Gold Inc.
2920 – 155 Wellington St W.
Toronto, ON M5V 3H1

Attention: Chief Financial Officer
Fax: [redacted]
Email: [redacted]
 - (ii) to the Investor:

Newmont Mining Corporation
6363 South Fiddlers Green Circle
Greenwood Village, CO 80111

Attention: General Counsel
Fax: [redacted]
Email: [redacted]
- (b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. at the place of receipt, then on the next following Business Day).

- (c) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 5.12.

5.13 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby are not affected in any manner materially adverse to any Party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

5.14 Governing Law and Jurisdiction for Disputes

This Agreement shall be governed by and construed in accordance with the Laws of the Province of Ontario and the federal Laws of Canada applicable therein and shall be treated, in all respects, as an Ontario contract. Each of the Parties irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario over any action or proceeding arising out of or relating to this Agreement.

5.15 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts (whether by facsimile, email, or other electronic means), with the same effect as if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement.

[Signature page follows]

IN WITNESS WHEREOF this Agreement has been executed by the Parties.

CONTINENTAL GOLD INC.

Per: “Paul Begin”
Authorized Signatory

NEWMONT MINING CORPORATION

Per: “Blake Rhodes”
Authorized Signatory

**SCHEDULE A
EXPLORATION PROPERTIES**

See attached maps.

[Maps redacted.]

SCHEDULE B TECHNICAL COMMITTEE CHARTER

All capitalized terms used but not otherwise defined in this Technical Committee Charter shall have the meanings ascribed thereto in the Investment Agreement to which this Schedule B is attached.

1. Formation and Composition

The Parties shall form the Technical Committee (the “TC”) within 30 days of the Closing. The TC shall be comprised of seven members (four representatives appointed by the Company and three representatives appointed by the Investor). Each Party may replace its representatives to the TC with other executive officers, in the case of the Company, and representatives, in the case of the Investor by written notice to the other Party. Each party shall be entitled to invite observers and ad-hoc presenters to attend TC meetings. The Parties will maintain the TC until one year after commercial production at the Buriticá project.

2. General Responsibility and Duties

The responsibilities and duties of the TC will include:

- (a) acting as the primary forum for the exchange of information between the Company and the Investor regarding the Buriticá project and its development;
- (b) reviewing and assessing the progress of development of the Buriticá project and advancement to commercial production;
- (c) evaluating, assessing, and reviewing technical, engineering, geological, and progress reports, data, and any documentation relating to the Buriticá project;
- (d) providing reports and recommendations to the Board with respect to the advancement and development of the Buriticá project;
- (e) reviewing and making recommendations with respect to capital expenditures for the Buriticá project;
- (f) reviewing and making recommendations with respect to procurement programs for key equipment and other material capital expenditures for the Buriticá project;
- (g) reviewing and making recommendations with respect to expenditures for the exploration programs
- (h) reviewing and making recommendations with respect to construction and mining activities, and to contractors and Company personnel managing the Buriticá project; and
- (i) reviewing all material documentation prepared or received by the Company or its affiliates with respect to the foregoing matters.

3. Frequency of Meetings

The TC will meet at least quarterly either on dates fixed at an earlier meeting or as called by the TC Chairman (as defined below). If any event requiring a TC meeting occurs between quarterly TC meetings and deferring discussion of the matter to the next TC meeting is not reasonable in the circumstances, any representative of a Party appointed to the TC may request the TC Chairman to call a meeting and the TC Chairman, within three (3) Business Days of being notified of the request, will call a meeting. Notwithstanding the foregoing, the requirement for notice for any meeting may be dispensed with by consent of all the representatives of each Party appointed to the TC.

4. Notice of and Place of Meetings

The TC Chairman will give notice, specifying the time and place of each meeting of the TC, to all members of the TC at least ten (10) Business Days before the time appointed for the meeting. Notice of a meeting will not be required if a representative of each of the Parties is present, waives notice and agrees upon the agenda. The TC will meet at a mutually agreeable place, and failing agreement, at the Company's head office in Toronto, Ontario. Members of the TC may also participate in such meetings by teleconference.

At least four (4) Business Days prior to each TC meeting, the TC Chairman will circulate a draft agenda to each member of the TC. A member of the TC will be entitled to have items added to the agenda upon delivering notice to the TC Chairman within two (2) Business Days of receiving the draft agenda. Otherwise, following the calling of a meeting of the TC, no item will be added to the agenda nor dealt with at the meeting, except for emergency items where as much advance notice has been given as reasonably possible or where a representative from each Party appointed to the TC is present and agrees to the addition.

5. Quorum

A quorum for any TC meeting will consist of a majority of the members of the TC, including at least one representative of each Party, present in person or by telephone. The TC shall be authorized to make decisions or take actions at any meeting at which a quorum is present, or by the unanimous written consent of all of the TC members. The TC shall maintain copies of minutes of each meeting of the TC, and each written consent to action taken without a meeting, reflecting the decisions and actions so authorized or taken by the TC. A copy of the minutes of each meeting and all consents shall be maintained by the Company and made available to TC members upon request.

6. Adjournment for Lack of Quorum

No business will be transacted at any meeting of the TC unless a quorum is present. If a quorum is not present within fifteen minutes from the time appointed for a meeting, the meeting will be adjourned to the same place but on a date and at a time to be fixed by the TC Chairman before the adjournment of the meeting, which will be not less than three (3) Business Days following the date for which the meeting was called. Notice of the adjourned meeting will be given to the representatives of the Parties forthwith after the adjournment of the meeting. If a quorum is not present at the adjourned meeting within fifteen minutes from the time appointed, the members of

the TC present and entitled to attend and vote at the meeting, will constitute a quorum, provided that at least one representative of each Party is present in person or by telephone.

7. Chairman

The Company shall designate one of its nominees as the Chairman of the TC (the “**TC Chairman**”).

8. Voting

The TC will approve proposals submitted to it by a vote with each member of the TC being entitled to cast one vote. The TC will make decisions by majority approval from the TC members who attend the meetings.

9. Decision by Written Consent

The TC may make decisions by obtaining the consent in writing of all of the members of the TC. Any decision so made will be as valid as a decision made at a duly called and held meeting of the TC.

10. Reports to the Board

At each quarterly meeting of the Board, the TC will provide a written report that is approved by the TC to the Board setting out the TC’s recommendations adopted in respect of the matters set forth in clause 2 of this TC Charter and such other matters as the TC determines advisable. The TC Chairman shall circulate a draft of the report to the Board with the TC meeting agenda for the last TC meeting preceding the scheduled date of each quarterly Board meeting and approval of the report shall be included on the agenda for such TC meeting. If the report is approved at such TC meeting, the report (together with any amendments approved by the TC at such meeting) shall be provided to the Board at its next quarterly meeting. If unanimous agreement is not reached on a particular matter or recommendation in the report, other viewpoints on the matter or recommendation shall be included in the report. If requested by the Board, the TC Chairman and a TC member who is a representative of the Investor shall attend a Board meeting to discuss the TC report or its recommendations.

11. Decisions Not Binding on the Board or the Parties

TC recommendations are not binding upon the Board or either Party.

12. Representatives’ Expenses

Each Party will bear the expenses incurred by its representatives attending meetings of the TC, provided that the Company will bear the administrative expenses directly related to the meetings, including, conference room bookings, printing costs, and other similar expenses.

13. Power to Amend or Expand Mandate / TC Charter

The TC may, by unanimous agreement of all members, amend or expand the mandate/charter of the TC to establish such additional procedures, not inconsistent with the Investment Agreement, as the TC deems fit. The TC may not, however, amend clause 11 of this TC Charter.

SCHEDULE C S&ER COMMITTEE CHARTER

All capitalized terms used but not otherwise defined in this S&ER Committee Charter shall have the meanings ascribed thereto in the Investment Agreement to which this Schedule C is attached.

1. Formation and Composition

The Parties shall form the S&ER Committee (the “**SERC**”) within 30 days of the Closing. The SERC shall be comprised of seven members (four representatives appointed by the Company and three representatives appointed by the Investor). Each Party may replace its representatives to the SERC with other executive officers, in the case of the Company, and representatives, in the case of the Investor by written notice to the other Party. Each party shall be entitled to invite observers and ad-hoc presenters to attend SERC meetings. The Parties will maintain the SERC until one year after commercial production at the Buriticá project.

2. General Responsibility and Duties

The responsibilities and duties of the SERC will include:

- (a) reviewing the Company’s strategies with respect to corporate social responsibility;
- (b) reviewing and assessing the Company’s policies, procedures, and practices relating to communities, health, safety, environment, and compliance, including reporting to governmental authorities;
- (c) reviewing and assessing pending legal action by or against the Company related to corporate social responsibility;
- (d) reviewing reports, if and when required, regarding significant health, safety and environmental incidents, emerging issues, summaries of inspections or audits, and corrective or remedial actions taken in response to any deficiencies;
- (e) reviewing and assessing social development and community relations programs and related expenditures;
- (f) reviewing and assessing security arrangements, including with the police and military, to safeguard the Company’s Buriticá property and Exploration Properties;
- (g) reviewing and assessing political issues and risks;
- (h) reviewing and assessing legal and regulatory requirements, including but not limited to mining concessions and land rights;
- (i) reviewing and assessing the formation and composition of S&ER management teams;
- (j) reviewing and assessing training programs relating to health, safety and environment and compliance ;

- (k) reviewing and assessing S&ER risk assessments and public reporting on S&ER matters, including with respect to health and safety, environmental, sustainability, community relations, safety, and other risks related to corporate social responsibility matters; and
- (l) reviewing all material documentation prepared or received by the Company or its affiliates with respect to the foregoing matters.

3. Frequency of Meetings

The SERC will meet at least quarterly either on dates fixed at an earlier meeting or as called by the SERC Chairman (as defined below). If any event requiring a SERC meeting occurs between quarterly SERC meetings and deferring discussion of the matter to the next SERC meeting is not reasonable in the circumstances, any representative of a Party appointed to the SERC may request the SERC Chairman to call a meeting and the SERC Chairman, within three (3) Business Days of being notified of the request, will call a meeting. Notwithstanding the foregoing, the requirement for notice for any meeting may be dispensed with by consent of all the representatives of each Party appointed to the SERC.

4. Notice of and Place of Meetings

The SERC Chairman will give notice, specifying the time and place of each meeting of the SERC, to all members of the SERC at least ten (10) Business Days before the time appointed for the meeting. Notice of a meeting will not be required if a representative of each of the Parties is present, waives notice and agrees upon the agenda. The SERC will meet at a mutually agreeable place, and failing agreement, at the Company's head office in Toronto, Ontario. Members of the SERC may also participate in such meetings by teleconference.

At least four (4) Business Days prior to each SERC meeting, the SERC Chairman will circulate a draft agenda to each member of the SERC. A member of the SERC will be entitled to have items added to the agenda upon delivering notice to the SERC Chairman within two (2) Business Days of receiving the draft agenda. Otherwise, following the calling of a meeting of the SERC, no item will be added to the agenda nor dealt with at the meeting, except for emergency items where as much advance notice has been given as reasonably possible or where a representative from each Party appointed to the SERC is present and agrees to the addition.

5. Quorum

A quorum for any SERC meeting will consist of a majority of the members of the SERC, including at least one representative of each Party, present in person or by telephone. The SERC shall be authorized to make decisions or take actions at any meeting at which a quorum is present, or by the unanimous written consent of all of the SERC members. The SERC shall maintain copies of minutes of each meeting of the SERC, and each written consent to action taken without a meeting, reflecting the decisions and actions so authorized or taken by the SERC. A copy of the minutes of each meeting and all consents shall be maintained by the Company and made available to SERC members upon request.

6. Adjournment for Lack of Quorum

No business will be transacted at any meeting of the SERC unless a quorum is present. If a quorum is not present within fifteen minutes from the time appointed for a meeting, the meeting will be adjourned to the same place but on a date and at a time to be fixed by the SERC Chairman before the adjournment of the meeting, which will be not less than three (3) Business Days following the date for which the meeting was called. Notice of the adjourned meeting will be given to the representatives of the Parties forthwith after the adjournment of the meeting. If a quorum is not present at the adjourned meeting within fifteen minutes from the time appointed, the members of the SERC present and entitled to attend and vote at the meeting, will constitute a quorum, provided that at least one representative of each Party is precedent in person or by telephone.

7. Chairman

The Company shall designate one of its nominees as the Chairman of the SERC (the “**SERC Chairman**”).

8. Voting

The SERC will approve proposals submitted to it by a vote with each member of the SERC being entitled to cast one vote. The SERC will make decisions by majority approval from the SERC members who attend the meetings.

9. Decision by Written Consent

The SERC may make decisions by obtaining the consent in writing of all of the members of the SERC. Any decision so made will be as valid as a decision made at a duly called and held meeting of the SERC.

10. Reports to the Board

At each quarterly meeting of the Board, the SERC will provide a written report that is approved by the SERC to the Board setting out the SERC’s recommendations adopted in respect of the matters set forth in clause 2 of this SERC Charter and such other matters as the SERC determines advisable. The SERC Chairman shall circulate a draft of the report to the Board with the TC meeting agenda for the last SERC meeting preceding the scheduled date of each quarterly Board meeting and approval of the report shall be included on the agenda for such SERC meeting. If the report is approved at such SERC meeting, the report (together with any amendments approved by the SERC at such meeting) shall be provided to the Board at its next quarterly meeting. If unanimous agreement is not reached on a particular matter or recommendation in the report, other viewpoints on the matter or recommendation shall be included in the report. If requested by the Board, the SERC Chairman and a SERC member who is a representative of the Investor shall attend a Board meeting to discuss the SERC report or its recommendations.

11. Decisions Not Binding on the Board or the Parties

SERC recommendations are not binding upon the Board or either Party.

12. Representatives' Expenses

Each Party will bear the expenses incurred by its representatives attending meetings of the SERC, provided that the Company will bear the administrative expenses directly related to the meetings, including conference room bookings, printing costs and other similar expenses.

13. Power to Amend or Expand Mandate/SERC Charter

The SERC may, by unanimous agreement of all members, amend or expand the mandate/charter of the SERC to establish such additional procedures, not inconsistent with the Investment Agreement, as the SERC deems fit. The SERC may not, however, amend clause 11 of this SERC Charter.

SCHEDULE D EXPLORATION COMMITTEE CHARTER

All capitalized terms used but not otherwise defined in this Exploration Committee Charter shall have the meanings ascribed thereto in the Investment Agreement to which this Schedule D is attached.

1. Formation and Composition

The Parties shall form the Exploration Committee (the “EC”) within 30 days of the Closing. The EC shall be comprised of four members (two representatives appointed by the Company and two representatives appointed by the Investor). Each Party may replace its representatives to the EC with other executive officers, in the case of the Company, and representatives, in the case of the Investor by written notice to the other Party. Each party shall be entitled to invite observers and ad-hoc presenters to attend EC meetings. The Parties will maintain the EC until one year after commercial production at the Buriticá project.

2. General Responsibility and Duties

The responsibilities and duties of the EC will include:

- (a) acting as the primary forum for the exchange of information between the Company and the Investor regarding exploration on the Exploration Properties;
- (b) reviewing and assessing plans for and progress of the exploration on the Exploration Properties;
- (c) evaluating, assessing, and reviewing technical, engineering, geological, and progress reports, data, and any documentation relating to the Exploration Properties;
- (d) providing reports and recommendations to the Board with respect to exploration on the Exploration Properties, including risk assessment;
- (e) reviewing and making recommendations with respect to expenditures for the exploration programs;
- (f) reviewing and making recommendations with respect to exploration to be carried out on the Gran Buriticá Project (as set out in the Disclosure Letter) and the potential extensions of mineralization outside of the Yraguá and Vera Sur reserve envelopes; and
- (g) reviewing all material documentation prepared or received by the Company or its affiliates with respect to the foregoing matters.

3. Frequency of Meetings

The EC will meet at least quarterly either on dates fixed at an earlier meeting or as called by the EC Chairman (as defined below). If any event requiring a EC meeting occurs between quarterly EC meetings and deferring discussion of the matter to the next EC meeting is not reasonable in the circumstances, any representative of a Party appointed to the EC may request the EC

Chairman to call a meeting and the EC Chairman, within three (3) Business Days of being notified of the request, will call a meeting. Notwithstanding the foregoing, the requirement for notice for any meeting may be dispensed with by consent of all the representatives of each Party appointed to the EC.

4. Notice of and Place of Meetings

The EC Chairman will give notice, specifying the time and place of each meeting of the EC, to all members of the EC at least ten (10) Business Days before the time appointed for the meeting. Notice of a meeting will not be required if a representative of each of the Parties is present, waives notice and agrees upon the agenda. The EC will meet at a mutually agreeable place, and failing agreement, at the Company's head office in Toronto, Ontario. Members of the EC may also participate in such meetings by teleconference.

At least four (4) Business Days prior to each EC meeting, the EC Chairman will circulate a draft agenda to each member of the EC. A member of the EC will be entitled to have items added to the agenda upon delivering notice to the EC Chairman within two (2) Business Days of receiving the draft agenda. Otherwise, following the calling of a meeting of the EC, no item will be added to the agenda nor dealt with at the meeting, except for emergency items where as much advance notice has been given as reasonably possible or where a representative from each Party appointed to the EC is present and agrees to the addition.

5. Quorum

A quorum for any EC meeting will consist of a majority of the members of the EC, including at least one representative of each Party, present in person or by telephone. The EC shall be authorized to make decisions or take actions at any meeting at which a quorum is present, or by the unanimous written consent of all of the EC members. The EC shall maintain copies of minutes of each meeting of the EC, and each written consent to action taken without a meeting, reflecting the decisions and actions so authorized or taken by the EC. A copy of the minutes of each meeting and all consents shall be maintained by the Company and made available to EC members upon request.

6. Adjournment for Lack of Quorum

No business will be transacted at any meeting of the EC unless a quorum is present. If a quorum is not present within fifteen minutes from the time appointed for a meeting, the meeting will be adjourned to the same place but on a date and at a time to be fixed by the EC Chairman before the adjournment of the meeting, which will be not less than three (3) Business Days following the date for which the meeting was called. Notice of the adjourned meeting will be given to the representatives of the Parties forthwith after the adjournment of the meeting. If a quorum is not present at the adjourned meeting within fifteen minutes from the time appointed, the members of the EC present and entitled to attend and vote at the meeting, will constitute a quorum, provided that at least one representative of each Party is present in person or by telephone.

7. Chairman

The Company shall designate one of its nominees as the Chairman of the EC (the “**EC Chairman**”).

8. Voting

The EC will approve proposals submitted to it by a vote with each member of the EC being entitled to cast one vote. The EC will make decisions by majority approval from the EC members who attend the meetings.

9. Decision by Written Consent

The EC may make decisions by obtaining the consent in writing of all of the members of the EC. Any decision so made will be as valid as a decision made at a duly called and held meeting of the EC.

10. Reports to the Board

At each quarterly meeting of the Board, the EC will provide a written report that is approved by the EC to the Board setting out the EC’s recommendations adopted in respect of the matters set forth in clause 2 of this EC Charter and such other matters as the EC determines advisable. The EC Chairman shall circulate a draft of the report to the Board with the TC meeting agenda for the last EC meeting preceding the scheduled date of each quarterly Board meeting and approval of the report shall be included on the agenda for such EC meeting. If the report is approved at such EC meeting, the report (together with any amendments approved by the EC at such meeting) shall be provided to the Board at its next quarterly meeting. If unanimous agreement is not reached on a particular matter or recommendation in the report, other viewpoints on the matter or recommendation shall be included in the report. If requested by the Board, the EC Chairman and a EC member who is a representative of the Investor shall attend a Board meeting to discuss the EC report or its recommendations.

11. Decisions Not Binding on the Board or the Parties

EC recommendations are not binding upon the Board or either Party.

12. Representatives’ Expenses

Each Party will bear the expenses incurred by its representatives attending meetings of the EC, provided that the Company will bear the administrative expenses directly related to the meetings, including conference room bookings, printing costs and other similar expenses.

13. Power to Amend or Expand Mandate/EC Charter

The EC may, by unanimous agreement of all members, amend or expand the mandate/charter of the EC to establish such additional procedures, not inconsistent with the Investment Agreement, as the EC deems fit. The EC may not, however, amend clause 11 of this EC Charter.