

Agreement of Permission to Occupy- Extension

BETWEEN: THE COMMISSIONER OF NUNAVUT
(hereinafter called the "**Grantor**")

and: NORTHQUEST LTD.
(hereinafter called the "**Grantee**")

WHEREAS the Grantee is requesting use of Commissioner's land outlined on the sketch annexed hereto and forming part of this agreement as **Exhibit "A"** for a diamond drilling/camp site outlined on the land use permit application dated May 16, 2011, submitted by Dwayne Car.

WHEREAS an Agreement of Permission To Occupy ("PTO") was executed in 2011 allowing use of certain lands administered by the **Grantor** outlined in the sketch hereto as **Exhibit "A"**, having an expiry date of September 1, 2013.

AND WHEREAS an extension PTO was granted in 2013 to the **Grantee** extending the expiry date to August 31, 2016.

AND WHEREAS another extension PTO was granted in 2016 to the **Grantee** extending the expiry date to August 31, 2019.

AND WHEREAS another extension PTO was granted in 2019 to the **Grantee** extending the expiry date to August 31, 2021.

AND WHEREAS the **Grantee** requests an extension PTO extending the expiry date to August 31, 2023 on certain lands which are located on the sketch annexed hereto as **Exhibit "A"**.

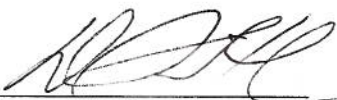
THEREFORE, IN CONSIDERATION OF THE SUM OF EIGHT THOUSAND (\$8,000.00) DOLLARS ANNUALLY PAYABLE TO THE MUNICIPAL CORPORATION OF THE HAMLET OF WHALE COVE BY THE GRANTEE, THIS AGREEMENT WITNESSETH THAT THE PARTIES HERETO COVENANT AND AGREE AS FOLLOWS:

1. The parties hereby confirm the accuracy of the above recitals.
2. The **Grantor** hereby grants to the **Grantee** the right, license and easement to proceed with the operations outlined in the aforementioned diamond drilling/camp site activities.
3. For the sake of greater clarity, this PTO does not provide any right of access, licence or easement to the **Grantee** for any lands other than the Subject Lands outlined in **Exhibit "A"**, unless approved in writing by the **Grantor**.
4. This PTO does not grant exclusive rights or claim to the **Grantee** for the Subject Lands.
5. The **Grantee** will not locate or construct any permanent structures on the Subject Lands;
6. At or before the termination of this PTO, at the **Grantor's** option, the **Grantee**, at its expense, shall:
 - (a) remove from the Subject Lands all improvements, property and equipment including, without limitation, the Accessories and all items related to the Accessories;
 - (b) repair and restore, as is consistent with first-class standards and to the reasonable satisfaction of the **Grantor**, any damage caused to any part of the Subject Lands by the installation or removal of such items. Any improvements or property that remain on the Subject Lands after the termination of this PTO may, at the option of the **Grantor**, be deemed to have been abandoned, and in such case, such items may be retained by the **Grantor** as its property or be disposed of by the **Grantor**, in the **Grantor's** sole and absolute discretion and without accountability, at **Grantee's** expense; and
 - (c) decommission and remediate the Subject Lands in accordance with all applicable environmental laws, regulations and requirements then in effect (collectively, the "**Environmental Laws**") and shall ensure that appropriate reports of environmental consultants confirming successful completion of such decommissioning and remediation program in accordance with Environmental Laws are provided to the Grantor to its satisfaction
7. This PTO shall be governed by the laws of Nunavut and the federal laws of Canada applicable therein. No party shall assign, transfer or otherwise permit any other party to benefit from the rights granted hereunder without the prior written consent of the other party. This Agreement


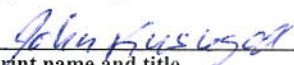
will be binding upon and endure to the benefit of the successors and permitted assigns of the parties. Neither party shall be bound by any waiver or release of any of its rights under this Agreement except to the extent such waiver or release is made in writing. Failure of the **Grantor** to assert its rights under this Agreement or to insist upon compliance with any term thereof shall not constitute a waiver of that right by the **Grantor** or excuse a similar subsequent failure in performance by the **Grantee**. Any term of this PTO which is unenforceable or not legal shall be severed from this PTO and shall not affect the enforceability of the remaining terms of this PTO. The parties agree to execute such further documents and do any and all such further things which may be necessary to implement the true intent of this PTO.

8. The term of this Agreement shall be for a period commencing on the **1st day of September, 2021** and ending on the **31st day of August, 2023**.
9. The **Grantee** shall not conduct this land use operation on any lands not designated in the accepted application, unless otherwise approved in writing by an authorized **Grantor**.
10. The **Grantee** shall not conduct any part of the land use operation within 100 metres of any privately owned land or structure unless otherwise approved in writing by an authorized **Grantor**.
11. The **Grantee** shall not conduct any part of the land use operation on any private or leased land without first having received permission from the owner or lessee.
12. The **Grantee** shall not construct earth approaches abutted to the roadbed on any public highway or road without prior written approval of the Director of the Department of Economic development and transportation.
13. The **Grantee** shall display a copy of this permit in a conspicuous place in each campsite established to carry out this land use operation.
14. The **Grantee** shall return the land to its original state after development has been completed.
15. The **Grantee** shall have a copy of this permit on the site of operation at all times.
16. The **Grantee** will comply with all the terms stated in the Nunavut Impact review board screening decision report dated June 8, 2011 and numbered 11EN027 as they apply to this PTO.
17. The **Grantee** shall comply with all terms and conditions imposed on the **Grantee** by the Nunavut Water Board under the type B water licence numbered 2BE-PBP1520.
18. The **Grantee** shall ensure that the land use area is kept clean and tidy at all times.
19. The **Grantee** shall not discharge or deposit any refuse substance or other waste materials in any body of water or on the banks thereof, which will impair the quality of the waters of the natural environment.
20. The **Grantee** shall ensure that any chemical fuels or wastes associated with the project do not spread to the surrounding lands or enter into any water body. Spills shall be cleaned up immediately.
21. The **Grantee** shall immediately report all spills of petroleum or hazardous chemicals to the 24 hour spill report line at 1-867-920-8130.

NORTHQUEST LTD.

Per: 
For Igor Klimanov-Chief executive officer
*I have authority to bind
the corporation*

THE COMMISSIONER OF NUNAVUT

Per: 
Signature

Print name and title