

**THIS NON-EXCLUSIVE AMENDED AND RESTATED ACCESS LICENSE AGREEMENT** (this “**Agreement**”) is made effective this 12<sup>th</sup> day of December, 2024 (“**Effective Date**”) by and between **GRANT LAKE FOREST RESOURCES LTD. and JOSEPHINE FOREST RESOURCES LTD.** (“**Grantors**”) being the registered and beneficial owners of the lands legally described in **Exhibit “A”** attached hereto (the “**Property**”), and **BATCHEWANA FIRST NATION OF OJIBWAYS** (“**Grantee**”).

**WHEREAS** the Grantors and the Grantee entered into a non-exclusive access license agreement (the “**Original Agreement**”) dated April 1, 2023 (the “**Original Effective Date**”).

**AND WHEREAS** the Grantors and the Grantee desire to amend and restate the Original Agreement pursuant to the terms hereof.

**NOW THEREFORE, FOR AND IN CONSIDERATION** of the mutual covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantors do hereby grant to Grantee, its officers, employees, agents, contractors, subcontractors, workmen, invitees and permittees (the “**Grantee Parties**”) a non-exclusive license (the “**License**”) for the Term stated herein in, on, over, across and along that portion of the Property in the general area of the route shown in heavy green line and noted as the “Proposed 115 kV Right of Way” on the diagrams attached as **Exhibit “B”** (the “**License Area**”), for:

1. pedestrian and vehicular access over the License Area to facilitate the performance by the Grantee Parties of environmental impact studies, other early stage surveying or studies excavation of test pits and the drilling of bore holes for geotechnical assessments, and initial on-the-ground detailed route assessment (collectively the “**Studies**”);
2. pedestrian and vehicular access over the License Area, together with all necessary supplies, machinery, materials and equipment, for the purpose of clearing trees within the License Area and any other work necessarily incidental thereto (collectively, the “**Tree Clearing Work**”); and
3. pedestrian and vehicular access over the License Area, together with all necessary supplies, machinery, materials and equipment, for the purpose of the construction, installation, replacement, repair, maintenance, removal, reconstruction, expansion and operation of bridges and other crossings within the License Area and any other work necessarily incidental thereto (collectively, the “**Crossing Work**”),

in each case for the possible installation of a private utility line from an area commencing in proximity to the Hollingsworth Dam northward to Argonaut Gold Inc. and Alamos Gold Inc. (all of the foregoing, collectively, the “**Works**”).

The License granted herein is for access to the License Area solely for the purpose of facilitating the performance of the Works and shall include the right to remove crops, vegetation and timber, as necessary (subject to the provisions of Paragraph 3 below), and to move soil, gravels, aggregates, ore, sand or rock flour (subject to the provisions of Paragraph 4 below) and no uses or activities shall be carried out by Grantee anywhere on the Property, including the License Area, except as contemplated in this Agreement without the prior, written consent of Grantors, which consent may be withheld in Grantors’ sole discretion. Grantee shall not use or permit the License Area contrary to the provisions of this Agreement or for any illegal or unlawful purpose or any dangerous, noxious or offensive trade or business.

This Agreement is not an interest in land and is only a contractual license, but is made subject to the reservations, limitations, provisos and conditions expressed in the original grant from the Crown, including but not limited to profit a prendre respecting fauna rights, and to the provisions of any laws, legislation and regulations of any governing authority having jurisdiction or application during the

currency hereof, all of the foregoing to the extent applicable with respect to the Property. For clarity, other than as contemplated for the purpose of completing the Works governed by this Agreement, the rights granted herein do not entitle the Grantee to remove vegetation and timber, soil, aggregate or mineral rights within the License Area or elsewhere on the Property, but shall not prevent the removal of crops, timber, vegetation and soil (subject to the provisions of Paragraph 3 below), and the movement of ores, gravel, sand, aggregates, soil or rock flour (subject to the provisions of Paragraph 4 below) for the purpose of completing the Works, including without limitation, for the purpose of test pit excavation or the drilling of bore holes to a maximum depth of 20 meters below grade (unless required to drill deeper solely for the purpose of reaching bedrock below grade, as required to complete the Works) provided that the Grantee complies with the provisions of paragraphs 3 and 4 herein.

## 1. **Authority and Ownership**

Grantors hereby represent and warrant to Grantee that they are fully authorized and empowered to grant the License granted to Grantee in this Agreement.

## 2. **Term**

The term of this Agreement shall commence on the Original Effective Date (the "**Commencement Date**") and continue for a period of four (4) years (the "**Term**"). Notwithstanding the foregoing, this Agreement shall expire upon completion of the four (4) year term. During the Term, Grantee covenants and agrees to pay, from and after the Commencement Date, the following amounts (the "**License Fee**") in lawful money of Canada:

- i. For the first year of the Term, (Year 1) the amount of TWELVE THOUSAND and 00/100 Dollars (\$12,000.00) plus applicable harmonized sales tax ("**HST**"), which the Grantor acknowledges has already been paid;
- ii. For the second year of the Term (Year 2), the amount of TWELVE THOUSAND AND SIX HUNDRED AND 00/100 DOLLARS (\$12,600.00) plus applicable harmonized sales tax ("**HST**"), which the Grantor acknowledges has already been paid;
- iii. For the third year of the Term (Year 3), the amount of SEVENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$75,000.00) plus applicable HST, on or before the date of execution of this Agreement by the Grantors and Grantee; and
- iv. For the fourth year of the Term (Year 4), the amount of SEVENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$75,000.00) plus applicable HST, on or before the first day of the fourth year of the Term.

If Grantee fails to pay the License Fee or any other amount payable hereunder when the same is due and payable, such unpaid amount shall bear interest at the rate of 20% per annum, calculated monthly, and such interest shall be calculated (i) in respect of the License Fee, from the time the License Fee becomes due until paid by Grantee and (ii) for any other amount payable hereunder, starting from ten (10) business days following the date that written demand for such payment is received by the Grantee until paid by Grantee.

### **3. Crop and Timber Compensation**

Grantee shall pay to Grantors crop damages arising from Grantee's use of the License Area, according to the established yield per acre as documented in crop insurance documentation for the Property and using the price provided by the local grain elevator or other qualified appraiser. Grantee shall also pay to Grantors all damages resulting from the removal of merchantable timber (i) arising from the Tree Clearing Work approved by the Grantor in accordance with Section 5(a) or (ii) as otherwise agreed upon, which damages shall be the established prevailing market rates for harvested timber in the area of the Property for the Grantors including any valuation of harvested timber on a firewood basis and the market value of the carbon offset valuation of such timber, said damages to be determined exclusively by the Grantors using prevailing industry practices and acting reasonably. Grantee shall be responsible to pay to Grantors for the foregoing damages within a reasonable time after the removal of crops, merchantable timber or non-merchantable timber has occurred. For purposes of this Agreement, merchantable timber shall be deemed to include trees, vegetation or foliage and timber that would be included for the purpose of calculating potential carbon credits. The Grantee shall stack all harvested timber on the License Area in areas adjacent to or near the Grantors' access roads, where feasible. The Grantee shall in all cases ensure that all harvested timber, slash, branches, limbs vegetation and foliage and non-merchantable timber be properly disposed using best forest management practices, excluding burning. If any additional removal of merchantable timber or removal of timber occurs within the License Area that is not approved by the Grantors in accordance with this Agreement or upon anywhere else on the Property, the Grantee shall pay to the Grantors all damages resulting from such unapproved removal at a rate of three (3) times the rate above. To the extent practicable, all harvested merchantable timber should not be mulched.

### **4. Compensation for Soils and Aggregates Illegally Removed**

Grantee shall have the right to move or remove ores, gravel, sand, aggregates, soil, rock flour or quarries for the limited purpose of completing the Works. Grantee shall have no right to use such ores, gravel, sand, aggregates, soil, rock flour or quarries or to move, remove or access such items for any other purpose. In the event that Grantee moves, removes or uses any ores, gravel, sand, aggregates, soil, rock flour or quarries in or from the License Area or elsewhere on the Property (as the case may be) in contravention of the foregoing provision, then Grantee shall pay to Grantors a sum equivalent to the greater of the Grantors' rate or three times the then prevailing market rates for the ores, gravel, sand, aggregates, soil, rock flour or quarries removed as may be determined by Grantors acting reasonably. Grantee shall also be liable for the cost of the restoration and remediation of the quarries or other areas from which such ores, gravel, sand, aggregates, soil or rock flour were removed in contravention of the foregoing provision. For greater certainty, the use of a grader to grade the roadway shall not be considered as movement or accessing of ores, gravel, sand, aggregates, soil, rock flour or quarries (as applicable) provided that sand, soil or aggregate placed on the roadway is not removed or moved from other areas of the Property or License Area.

### **5. Grantor Approval**

#### **(a) Tree Clearing Work.**

- (i) Prior to the commencement of the Tree Clearing Work, the Grantee shall submit notice in writing to the Grantors, which notice shall describe the proposed Tree Clearing Work and the contractor(s) and subcontractor(s) the Grantee intends to employ to complete such Tree Clearing Work (the "**Tree Clearing Work Notice**"). A Tree Clearing Work Notice may be submitted

separately for approval of the proposed contractor(s) and subcontractor(s) in advance of the approval of the scope of work. The Tree Clearing Work Notice shall describe the scope of the proposed Tree Clearing Work with sufficient detail to enable the Grantors to make a decision with respect thereto in accordance Section 5(a)(ii), including, without limitation, with respect to the areas to be cleared, clearing methods, scheduling and proposed method of disposal of all harvested merchantable timber.

- (ii) On or prior to the date that is five (5) business days following delivery of the Tree Clearing Work Notice, the Grantors shall deliver notice in writing to the Grantee either approving or rejecting the proposed Tree Clearing Work and/or the contractor(s) and subcontractors the Grantee intends to employ to complete such Tree Clearing Work. The Grantors shall act reasonably in deciding whether to grant their approval to the proposed Tree Clearing Work and/or the contractor(s) and subcontractors the Grantee intends to employ to complete such Tree Clearing Work. For greater certainty, the Grantors shall be entitled to approve the proposed Tree Clearing Work set out in a Tree Clearing Work Notice, but not the proposed contractor(s) and subcontractors the Grantee intends to employ to complete such Tree Clearing Work, and vice versa.
- (iii) In approving any proposed Tree Clearing Work, the Grantors may impose such further requirements, parameters, conditions, reporting obligations or other criteria as the Grantors deem necessary, acting reasonably.
- (iv) The Grantee shall use commercially reasonable efforts to clear contiguous areas of trees so as not to leave stranded or fragmented strips or isolated vegetated areas, consistent with prevailing industry practices. In approving any Tree Clearing Work, the Grantors may, acting reasonably, specify what constitutes an undesirable stranded strip of vegetation.

**(b) Crossing Work.**

- (i) Prior to the commencement of the Crossing Work, the Grantee shall submit notice in writing to the Grantors, which notice shall describe the proposed Crossing Work and the contractor(s) and subcontractor(s) the Grantee intends to employ to complete such Crossing Work (a “**Crossing Work Notice**”). A Crossing Work Notice may be submitted separately for approval of the proposed contractor(s) and subcontractor(s) in advance of the approval of the scope of work. For certainty, the Tree Clearing Work Notice and the Crossing Work Notice may together be one notice from time to time and at any time. The Crossing Work Notice shall describe the scope of the proposed Crossing Work with sufficient detail to enable the Grantors to make a decision with respect thereto in accordance Section 5(b)(ii), including, without limitation, the location of the crossing(s) and the construction of all bridges and other crossings.
- (ii) On or prior to the date that is five (5) business days following delivery of the Crossing Work Notice, the Grantors shall deliver notice in writing to the Grantee either approving or rejecting the proposed Crossing Work and/or the contractor(s) and subcontractors the Grantee intends to employ to complete such Crossing Work. The Grantors shall act reasonably in deciding whether to grant their approval to the proposed Crossing Work and/or the

contractor(s) and subcontractors the Grantee intends to employ to complete such Crossing Work. For greater certainty, the Grantors shall be entitled to approve the proposed Crossing Work set out in a Crossing Work Notice, but not the proposed contractor(s) and subcontractors the Grantee intends to employ to complete such Crossing Work, and vice versa.

- (iii) The Grantee shall seek approval from the Grantors with respect to all Crossing Work on a crossing-by-crossing basis, but any Crossing Work Notice may include multiple crossings for approval.
- (iv) In approving any proposed Crossing Work, the Grantors may impose such further requirements, parameters, conditions, reporting obligations or other criteria as the Grantors deem necessary, acting reasonably.

## **6. Emergencies**

The Grantee shall give the Grantors written notice promptly following any Grantee Party observing any emergency conditions within the License Area, including without limitation, any fires. The Grantee shall give the Grantors written notice promptly following any Grantee Party observing any jobsite incident, injury or damage within the License Area and shall immediately furnish a copy of all notices received by the Grantee with respect to any claims for bodily injury anywhere within the License Area. Without limiting the generality of the foregoing, the Grantee shall give the Grantors prompt notice of any jobsite incident, injury or damage sustained by any of the Grantee Parties while exercising their rights pursuant to this Agreement.

## **7. Taxes**

Grantee shall pay to Grantors any and all taxes and fees of every nature and kind whatsoever as may be levied by any governmental authority as a result of Grantee's use of the License Area, including but not limited to Provincial Land Tax, harmonized sales taxes ("**HST**") on the License Fee and any and all additional present or future taxes or fees levied pursuant to all applicable laws and regulations. Provided that in the event that there is no separate levy of taxes and fees for the License Area then the Grantors, acting reasonably, shall be entitled to bill the Grantee such taxes and fees on a pro-rata basis to the Grantee on an annual basis. The Grantee represents that it is exempt or relieved from the obligation to register for the purposes of the *Excise Tax Act* (Canada). Notwithstanding anything else herein to the contrary, if the Grantee is exempt or relieved from the obligation to pay HST or any other applicable excise taxes (including, without limitation, goods and services tax pursuant to the *Excise Tax Act* (Canada)) and delivers any applicable required evidence of such exemption or relief to the Grantors, the Grantee shall be relieved of the obligation to pay any such taxes to the Grantors but solely to the extent permitted by such exemption.

## **8. Repair**

- (a) Grantee accepts the License Area in its "as is" condition.
- (b) Unless explicitly required by law, no exterior signs shall be erected on the License Area or elsewhere on the Property without the written consent of Grantors, which consent may be withheld in Grantors' sole discretion. The erection and maintenance of any and all such signs shall be in conformity with the requirements of all applicable laws and regulations.

(c) Grantors do not warrant continuation, adequacy, maintenance or safety of any new or existing access to the License Area and access thereto shall be at the sole risk and expense of the Grantee Parties. If it is necessary to traverse other lands owned by Grantors for ingress to or egress from the License Area, prior to such usage Grantee shall obtain approval in writing from Grantors for such access and Grantee shall repair any damage caused to such lands by the Grantee Parties as a consequence of Grantee exercising such access over Grantors' lands.

**9. Drainage Tile/Culverts**

If any drainage tiles/culverts on or under the License Area have been damaged as a result of Grantee's activities, Grantee shall, at Grantee's sole option and expense, either cause the repair or replacement of such damaged drainage tiles/culverts or pay to Grantors the cost to repair or replace such damaged drainage tiles/culverts.

**10. Fencing/Gating**

Grantee shall not fence or gate the License Area, or any part thereof, without the express written consent of Grantors, which consent may be unreasonably withheld, unless such fence or gate is required for construction safety or pursuant to applicable laws, in which case such consent may not be unreasonably withheld.

**11. No Interference**

Grantors covenant and agree that they shall not construct, install, or permit to be constructed or installed, any improvements, fences, structures, buildings, foliage or vegetation, or improvements of any type whatsoever upon the License Area which would inhibit or impair any of Grantee's rights or benefits as set forth in this Agreement, except to the extent same is approved by the Grantors related to any Works. Grantee covenants and agrees that it shall take all commercially reasonable efforts to conduct its activities, including the Works, in a manner to minimize any interference with the use of the License Area by Grantors or any other person entitled to use the License Area.

**12. Subcontractors**

Grantee shall identify each subcontractor to be employed in completing the Works and the extent and schedule of work each is to perform. Grantee shall ensure that each such subcontractor agrees to be bound by the terms of this Agreement, as applicable to the relevant portion of its obligations under any subcontract agreement, and Grantee will ensure that no arrangement or agreement with any subcontractor is inconsistent with this Agreement or the License granted herein, or adversely affects Grantors' exercise of their rights hereunder. Grantee agrees that it is fully responsible to Grantors for the acts and omissions of its subcontractors and of persons directly or indirectly employed by them. Nothing contained herein shall create any contractual relations between Grantors and any subcontractor or alter such subcontractor's status as an independent contractor.

**13. Indemnification and Insurance**

(a) Insurance

Without restricting the application of subsection (b) herein, Grantee shall provide, maintain in force throughout the term of this Agreement and any renewal thereof a commercial general insurance policy against claims for personal injury, death or damage to property arising out of the occupation and use of the lands described herein or arising out of the

operations of Grantee as set forth herein or arising out of the acts or omissions of Grantee. The insurance shall be placed with a company licensed to conduct business in the Province of Ontario and shall name Grantors, its agents and assigns as additional insureds, said insurance to have limits of not less than the greater of (i) \$5,000,000.00; and (ii) the amount that is commercially reasonable to insure risk for property utilized for access purposes in accordance with the then current practices of the insurance industry prevailing in the province of Ontario; inclusive per occurrence, for bodily injury, death and damage to property including the loss of use thereof. The limits may be evidenced utilizing primary and excess insurance. The form and wording of the insurance policy shall be in accordance with the standards then prevailing in the insurance industry in the Province of Ontario. The insurance policy shall contain a waiver of subrogation in favour of Grantors, its agents and assigns and shall not only require that Grantee be obliged to defend Grantors and its agents and assigns but also provide an indemnity to Grantors, its agents and assigns in all cases whether or not Grantors, and its agents and assigns are partially or wholly responsible for any such claim that may be advanced or made against the policy of insurance. Grantee shall provide Grantors with the Certificate of Insurance upon each renewal period of its insurance coverage. Additionally, Grantee shall ensure that there is insurance coverage for a period ending three years after the end of the Term of this Agreement in respect to all acts or omissions even though such acts or omissions may occur and may come to light subsequent to the abandonment or vacating of the lands referenced herein and prior to the expiry of such three year period; and

Public Liability and Property Damage Insurance in respect of vehicles owned or leased and operated by the Grantee with limits of at least \$2,000,000 for each accident in respect to bodily injuries or death of one or more persons or in respect to damage to property of other and not subject to aggregate; and

Public Liability and Property Damage Insurance (Non-Owned Automobile Liability) in respect to vehicles owned by others and operated by Grantee or by any sub-contractor, agent or employee of Grantee, with limits of at least \$2,000,000 for each accident in respect to bodily injuries or death of persons, or in respect to damage to property of others and in the aggregate.

Grantee hereby represents and warrants that, as of the date of this Agreement, it has paid all assessments due and payable under the relevant workers' compensation insurance and further covenants and agrees to remain in compliance with such requirements as amended or any successor legislation thereto throughout the term of this Agreement. The Grantee shall provide a clearance certificate from the Workers' Safety Insurance Board upon request of the Grantors.

(b) Indemnity

Grantee shall defend, indemnify, protect and hold Grantors completely harmless from and against any and all liabilities, costs, expenses, obligations, losses, damages, claims, (collectively "**Claims**") resulting from the negligence, willful misconduct, or breach of the terms of this Agreement by the Grantee Parties.

(c) Environmental

- i. Grantors Covenants Regarding Hazardous Materials. Grantors represent and warrant that, to the best of Grantors' knowledge, the License Area is not and has not been in violation of any federal, provincial or local environmental health or safety laws, statute, ordinance, rule, regulation or requirement including, without limitation, legislation governing the natural or human environment including land, surface

water, ground water, real, personal, movable and immovable property, public or occupational health and safety, wildlife, fish, aquatic habitat and wildlife habitat including, without limitation, the Environmental Protection Act, the Ontario Water Resources Act, the Species at Risk Act, and similar legislation and any successor legislation thereto ("**Environmental Laws**"), and Grantors has not received any notice or other communication from any governmental authorities alleging that the License Area is in violation of any Environmental Laws. "**Hazardous Materials**" shall mean any asbestos containing materials, petroleum, explosives, toxic materials, or substances regulated as hazardous wastes, hazardous materials, hazardous substances, or toxic substances under any federal, provincial, or local law or regulation. Grantors warrants that Grantors has done nothing to contaminate the License Area with Hazardous Materials or wastes.

- ii. Grantee's Covenants Regarding Hazardous Materials. Grantee shall, at Grantee's sole cost and expense, promptly take removal or remedial action **as the Grantors may reasonably require** with regard to any violation of any Environmental Laws or with regard to any Hazardous Materials brought onto the Property by any Grantee Parties or by the contamination of the License Area with Hazardous Materials by the Grantee Parties. Grantors shall cooperate with Grantee with regard to any scheduling or access to the Property in connection with any action required hereunder. Grantee shall immediately notify Grantors in the event of a violation of any Environmental Laws or the contamination of the License Area by the Grantee Parties.
- iii. Grantee's Indemnity Regarding Hazardous Materials. Grantee shall fully indemnify, defend, protect and hold Grantors harmless from any liability based on: (i) the release of Hazardous Materials in, on, under or about the License Area or Property caused by any Grantee Parties, (ii) the violation by any Grantee Parties of any Environmental Laws; or (iii) the violation by any Grantee Parties of any obligations pursuant to any applicable laws related to the handling, use, reuse, recycling, transportation, garbage disposal, elimination or treatment of Hazardous Materials, or other substance. The indemnity obligations set forth herein shall survive termination of this Agreement.

#### **14. Compliance with Laws**

Grantee shall, at its own expense, comply with all applicable laws, by-laws, ordinances and directives relating to Grantee's use of the Property including, without limitation, the Ministry of Northern Development and Mines, Ministry of Natural Resources and Forestry, Ministry of the Environment, Conservation and Parks, and all public authorities having jurisdiction over the Grantee's use and occupation of the License Area for the purposes of the Works.

#### **15. Assignment by Grantors**

With respect to any transfer or conveyance of the whole or any part of the License Area by Grantors during the Term, Grantors shall use commercially reasonable efforts to cause such transferee or purchaser to execute an assumption agreement ("**Assumption Agreement**") with respect to this Agreement agreeing to be bound by the terms hereof to the same extent as if it had been an original party hereto. The Assumption Agreement shall include an obligation of the purchaser to extract a similar covenant from any future purchaser of any portion of the Property. The failure of Grantors, or its successors and/or assigns, to obtain such agreement shall not invalidate this Agreement.

**16. Termination**

Grantee shall have the right to terminate this Agreement at any time upon delivering at least ninety (90) days prior written notice to Grantors. In the event of termination, Grantee has no right to recover any amounts previously paid to Grantors as consideration for this Agreement. Grantee agrees that acceptance of License Fee in advance or otherwise shall not in any way estop the Grantors from terminating this Agreement or suspending or withholding the Grantors' rights and privileges herein, whichever, under the provisions hereof.

**17. Restoration**

Upon the termination, expiration or surrender of this Agreement, the Grantee shall: (a) remove any fencing or gates installed by the Grantee in accordance with Paragraph 10; (b) move all surplus sub-soil and debris caused by any Grantee Parties from the License Area onto another part of the Property, as designated by the Grantors, or disperse all such surplus sub-soil and debris within the License Area; and (c) restore the lands, to their former state that existed prior to entry by any Grantee Parties on the Property, excluding any approved Tree Clearing Work or Crossing Work, so far as is reasonably practicable. The Grantee shall leave the License Area vacant, safe, neat, clean, free and clear of all abandoned or waste material, debris, rubbish, all to the former state that existed prior to entry by any Grantee Parties on the Property, excluding any approved Tree Clearing Work or Crossing Work, all such removal and clean-up work to be done to the satisfaction of the Grantors and any governmental or regulatory authority having jurisdiction in that regard and the Grantee shall make good all damages caused to any property of the Grantors by such removal and clean-up work. If all such work has not been completed by the Grantee within the said period of thirty (30) days (or, if such work cannot by any reasonable estimation be performed in thirty (30) days, then in such longer period as may be necessary in the circumstances, provided Grantee commences the work in such thirty (30) day period, and thereafter proceeds diligently with such work until completion), then Grantors may carry out such work as agent of and at the expense of Grantee and Grantee shall pay to Grantors all costs and expenses incurred in so doing. All obligations and responsibilities of Grantee under this Section shall survive the expiration or sooner termination of this Agreement. In the event Grantee has removed any vegetation, foliage or timber from the License Area, the Grantee shall be deemed to have satisfied its obligations hereunder if the Grantee has paid the amounts set forth in Section 3 of this Agreement.

**18. Subordination and Non-Disturbance**

The License granted herein and the rights of the Grantee thereunder are and shall at all times and at the option of Grantors be either: (1) subject and subordinate to any and all security granted by Grantors now or hereinafter in force against the Property; or (ii) be in priority to any such security. Upon the request of Grantors, Grantee shall promptly subordinate this Agreement and all its rights hereunder or shall accept a subordination of any security in favour of this Agreement, in such form or forms as Grantors may require, to or from (as the case may be) any such security holder and to all advances made or hereinafter to be made upon the security thereof, and will, if required, attorn to the holder thereof. No subordination by Grantee shall have the effect of permitting a security holder to disturb Grantee's exercise of its rights under the License granted herein, provided that Grantee performs all of its covenants, agreements and conditions contained herein and, if required by any such security holder, executes a document of attornment and non-disturbance.

## 19. **Default**

An "**Event of Default**" will be considered to have occurred when any one or more of the following happens:

- (a) Grantee fails to pay any monetary payment when it is due, and the failure continues for ten (10) business days after written notice from the Grantors to Grantee specifying the nature of the failure.
- (b) Grantee fails to materially observe or perform any other of the terms, covenants, conditions or agreements contained in this Agreement and Grantee fails to diligently commence to remedy the failure or default within 30 business days after written notice from Grantors to Grantee specifying the nature of the failure.
- (c) Grantee becomes insolvent or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary dissolution, winding up or liquidation proceedings or if a receiver is appointed for all or part of the business, property, affairs or revenues of Grantee, or if Grantee makes a proposal, arrangement or compromise with creditors which is not set aside or stayed within 30 business days of such event occurring.
- (e) Grantee effects an assignment that is not permitted by this Agreement.

Upon an occurrence of an Event of Default the Grantors shall have the right to terminate this Agreement and to pursue any other remedies available at law or in equity.

## 20. **Legal Fees**

Grantee shall reimburse Grantors for any and all costs, legal fees and expenses which Grantors reasonably incur in the negotiation and preparation of this Agreement up to a maximum of \$11,500 plus applicable HST upon the delivery of a detailed invoice. In addition, in the event of any controversy, claim or dispute arising out of or relating to this Agreement or the enforcement of breach thereof, the prevailing party shall be entitled to recover from the losing party, the prevailing party's reasonable costs, expenses and legal fees including disbursements and HST.

The Grantors acknowledge and agree that payment of the reimbursement set out above was satisfied upon the execution of the Original Agreement.

## 21. **Notices**

- (a) Where this Agreement requires or permits notice to be delivered by one party to the other, such notice shall be given in writing and delivered either personally, via overnight delivery, by pre-paid registered post or by facsimile or other electronic delivery by the party wishing to give such notice, or by the solicitor acting for such party, to the other party or to the solicitor acting for the other party at the addresses noted below:

### **To Grantors:**

c/o Facts Ltd.  
1-683 Great Northern Rd  
Sault Ste. Marie, ON P6B 6A1

Attn: Ian Frazier / Kellie Frazier

Fax: (705) 450-7748  
Email: ian.frazier@factsltd.com / kellie.frazier@factsltd.com

With a copy to the Grantors' solicitor:

Wishart Law Firm LLP  
390 Bay Street  
Suite 500  
Sault Ste. Marie, ON P6A 1X2

Attn: Orlando M. Rosa  
Fax: (705) 949-2465  
Email: orosa@wishartlaw.com

**To Grantee:**

Batchewana First Nation of Ojibways  
Rankin Reserve 15D  
236 Frontenac Street  
Batchewana First Nation, ON P6A 6Z1

Attention: Chief  
Fax: (705) 759-9171

With a copy to:  
Attention: Amanda Harten  
Email: amanda.harten@batchewana.ca

With a copy to the Grantee's solicitor:

McMillan LLP  
Brookfield Place  
181 Bay Street  
Suite 4400  
Toronto, ON M6J 2T3

Attn: Sean Coughlin  
Fax: (416) 865-7048  
Email: sean.coughlin@mcmillan.ca

Such notice shall be deemed to have been given, in the case of personal delivery, on the date of delivery, and, where given by registered post, on the third business day following the posting thereof, where given by overnight mail, on the next business day following the posting thereof and if sent by facsimile or electronic mail, the date of delivery shall be deemed to be the date of transmission if transmission occurs prior to 4:00 p.m. (Toronto time) on a business day and on the business day next following the date of transmission in any other case. It is understood that in the event of a threatened or actual postal disruption in the postal service in the postal area through which such notice must be sent, notice must be given personally as aforesaid or by facsimile or electronic mail, in which case notice shall be deemed to have been given as set out above. Notwithstanding any other provision, a failure to serve Grantors' solicitor shall not be deemed to be a failure to satisfy Grantee's notice obligations.

(b) Where this Agreement requires payment to be delivered by one party to the other, such payment shall be delivered in the manner and to the addresses set forth in Section 21(a).

**22. Waiver**

No waiver by any party hereto of any breach by the other party hereto of any of its covenants, agreements or obligations contained in this Agreement shall be or be deemed to be a waiver of any subsequent breach thereof or the breach of any other covenants, agreements or obligations, nor shall any forbearance by any party hereto to seek a remedy for any breach by any other party be a waiver by the party so forbearing of its rights and remedies with respect to such breach or any subsequent breach. The subsequent acceptance of the License Fee by Grantors shall not be deemed to be a waiver of any preceding breach by Grantee of any term, covenant or condition regardless of Grantors' knowledge of such preceding breach at the time of the acceptance of such fee. All fees and other charges payable by Grantee to Grantors hereunder shall be paid without any deduction, set off or abatement whatsoever, and Grantee hereby waives the benefit of any statutory or other right in respect of abatement or set off in its favour at the time hereof or at any future time.

**23. Overholding**

If at the expiration of the Term, there shall be no tacit renewal of the License herein granted or of this Agreement, and Grantee's use of the License Area shall be from month-to-month only, and may be terminated by either party hereto on one (1) month's notice, and a monthly License Fee shall be payable in advance on the first day of each month equal to the sum of one hundred and fifty percent (150%) of the monthly installment of the License Fee payable during the last year of the Term, and all terms and conditions of this Agreement shall continue in full force and effect for the period that the Grantee uses the License Area for the purpose of the Works.

**24. Force Majeure**

Notwithstanding any other provision contained herein, in the event that either the Grantors or the Grantee should be delayed, hindered or prevented from the performance of any act required hereunder by reason of any unavoidable delay, including strikes, lockouts, unavailability of materials, inclement weather, acts of God or any other cause beyond its reasonable care and control, but not including insolvency or lack of funds, then the Term and/or the performance of such act, as applicable, shall be postponed for a period of time equivalent to the time lost by reason of such delay. The provisions of this Section shall not under any circumstances operate to excuse Grantee from prompt payment of fees and/or any other charges payable under this Agreement.

**25. Registration**

The Grantee will not register this Agreement in this form or a short form thereof or a notice of this Agreement against the title to the Property and will not deposit or file a copy of this Agreement or a short form or a notice hereof in any Registry Office, Land Titles Office or with the Registrar General of Canada.

**26. Severability**

If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be determined by judicial order or decision to be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision

to persons or circumstances other than those as to which it is held to be invalid, shall be enforceable to the fullest extent permitted by law.

**27. Entire Agreement**

There are no covenants, representations, warranties, agreements or other conditions, express or implied, collateral or otherwise, forming part of or in any way affecting or relating to this Agreement, save as expressly set out or incorporated by reference herein, and this Agreement constitutes the entire agreement duly executed by the parties hereto, and no amendment, variation or change to this Agreement shall be binding unless the same shall be in writing and signed by the parties hereto.

**28. Binding Effect; Governing Law**

This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated in all respect as an Ontario agreement.

**29. Instruments/Certificates**

That the Grantee shall execute promptly such instruments or provide certificates to give effect to Sections 13 and 18 herein as the Grantors may request at any time or from time to time, and if the Grantee has not executed such instruments or provided such certificates within twenty (20) days after receipt of a written request by the Grantors to do so, the Grantors shall have the right to terminate this Agreement forthwith without incurring any liability on account thereof, and the term is expressly limited accordingly.

**30. Further Assurances**

Grantors and Grantee shall execute such instruments and agreements and shall do such further acts and things as will give effect to the matters contemplated in this Agreement.

**31. Counterparts**

This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by electronic delivery in portable document format (.pdf) or tagged image format (.tiff) shall be equally effective as delivery of a manually executed counterpart thereof.

**32. Original Agreement**

The Grantors and the Grantee acknowledge and agree that this Agreement supersedes and replaces the Original Agreement from and after the Effective Date.

*[Remainder of page intentionally left blank; signature page follows]*

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement on the date first above written.

**Grantors:**

**GRANT LAKE FOREST RESOURCES LTD.**

Per:

Name: \_\_\_\_\_

Title:

I have authority to bind the corporation.

**JOSEPHINE FOREST RESOURCES LTD.**

Per:

Name: \_\_\_\_\_

Title:

I have authority to bind the corporation.

**Grantee:**

**BATCHEWANA FIRST NATION OF OJIBWAYS**

Per:

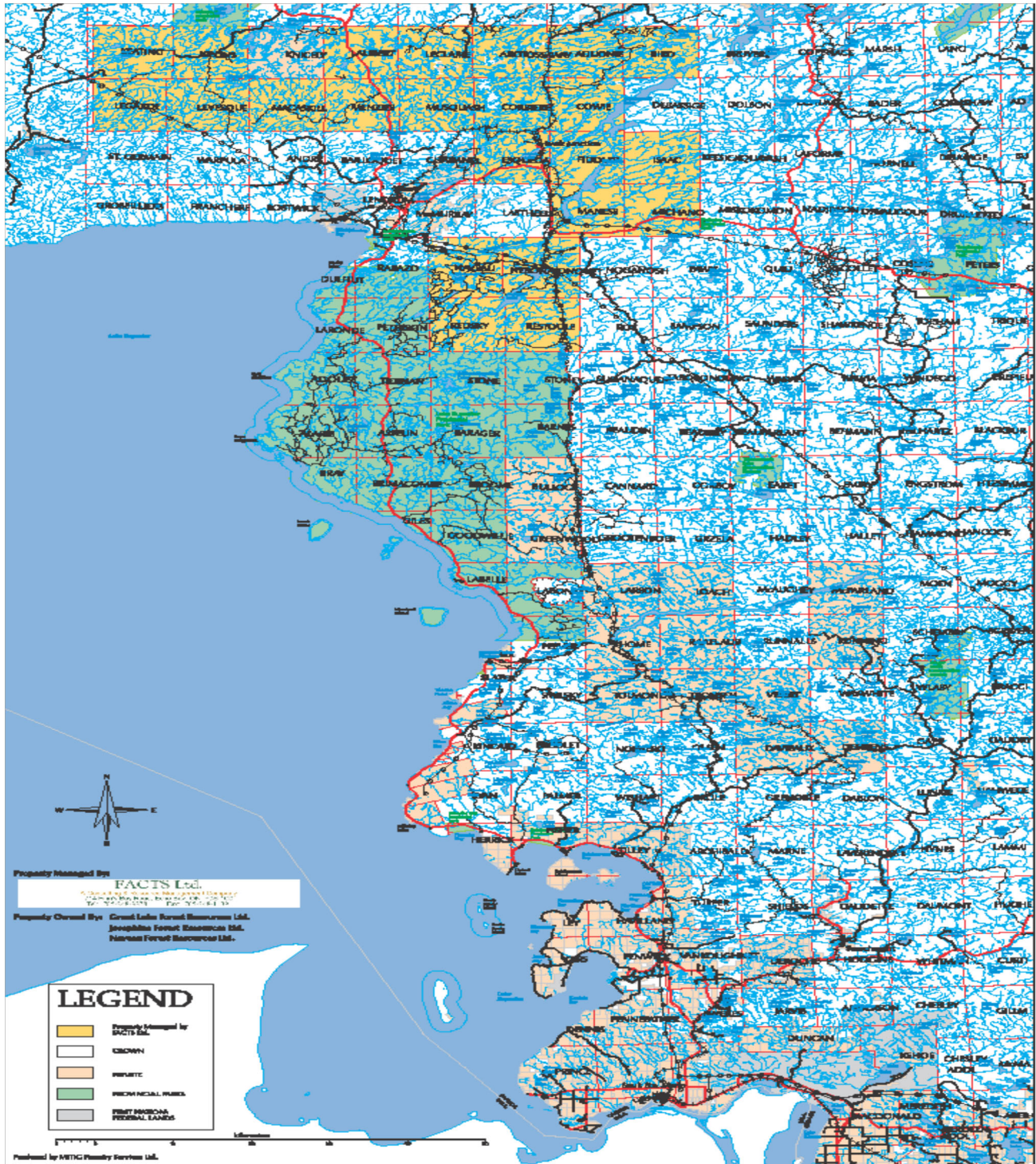
Name: \_\_\_\_\_

Title:

I have authority to bind the band.

# Exhibit "A" To License

## Legal Description of Property



Part of the Township of Maness as in LT23891 all of which is shown in Index PL ACR22 & ACR 23 amended by LT58721 & LT58726 except Part 1, 1R-5240, Part 1, 1R8954, Part 1, 1R9509; SRO as in LT55138, LT52650 amended by LT53212, LT52651, LT52652, LT34118 amended by LT41842, Parts 2, 4, 6, 8, 9, 10 & 11 1R11192; S/T LT68364; S/T easement in gross over Parts 5 1R11192 as in AL14215; S/T easement over Part 1 1R11105 in favour of part Township Maness being Parts 1, 2, 3, 4, 6, 7, 8, 9, 10 & 11 1R11192 as in AL17773; District of Algoma; Subject to an easement over Part 7 1R12346 in favour of 21403-0082 as in AL19356; subject to an easement in gross as in A:214079

Being the whole of PIN NO. 31167-0016 (LT) (Grant Lake)

Part of the Township of Esquega as in LT23854 & LT25598 all of which is shown on Index PL ACR 18 & 20 amended by LT58724 except Part 1 1R11072, LT26938, Part 1 1R8956, Part 1 1R9508, Parts 1 & 2 1R9511, Part 1 1R9512, Part 1 1R10582, Parts 1 & 2 1R11545, SRO in LT44774, LT52980, LT54139, LT60172, Part 1 AR215, LT53985 amended by LT60207; LT51922 amended by LT52133; Parts 10-15 1R11585, Parts 1, 3 & 5 1R12158, S/T LT68364; S/T LT52649; S/T Easement over Parts 1, 3 & 4 1R11584 in favour of Parts 1-15 1R11585 as in A:37242; District of Algoma

Being the whole of PIN NO. 31159-239 (LT) (Josephine)

PCL 413 SEC ACRL; Part Township of Esquega Part 1 & 2, 1R9511; S/T LT68364; S/T LT52649; District of Algoma

Being the whole of PIN NO. 31159-0119 (LT) (Grant Lake)

PCL 418 SEC ACRL; Part of Township of Esquega Part 1, 1R9508; S/T LT68364; District of Algoma

Being the whole of PIN NO. 31159-0121 (LT) (Grant Lake)

Part of Township of Esquega designated as Part 1, 1R-9512; save and except Part 1, 1R-13148; S/T LT68364; District of Algoma

Being the whole of PIN NO. 31159-0244 (LT) (Grant Lake)

PCL 2011 SEC AWS; ...S/T Interest in LT18920; District of Algoma

Being the whole of PIN NO. 31159-0194 (LT) (Grant Lake) – Access only

PCL1799 SEC AWS; Part Township of Esquega as in LT18920 except PL M71; S/T right in LT18920; District of Algoma

Being the whole PIN NO. 31159-0198 (LT) (Grant Lake) – Access only

PCL 40 SEC ACRL; Part of Township of Corbiere as in LT23856 (Secondly) as shown in Index Plan ACR 15 & 17; S/T LT68364; District of Algoma

Being the whole of PIN NO. 31148-0002 (LT) (Grant Lake)

Part of Township of Corbiere as in LT23856 (Firstly) as shown in Index Plan ACR 15 & 17 except Parts 1, 2, 3 & 8 1R11585 and Parts 1, 2 & 3 1R11257; S/T LT68364; District of Algoma

Being the whole of PIN NO. 31148-0027 (LT) (Josephine)

PCL 39 SEC ACRL; Part of Township of Cowie as in LT23855 (Secondly) all of which is shown on Index Plan ACR 16 & 17 amended by LT58723; S/T LT68364; District of Algoma

Being the whole of PIN NO. 31147-0003 (LT) (Josephine)

PCL 14 SEC ACRL; Part of Township of Cowie as in LT23855 (Firstly) all of which is shown in Index PL ACR 16 & ACR 17 amended by LT58721 & LT58723 except Part 1, 1R10564; S/T LT68364; District of Algoma

Being the whole PIN NO. 31147-0001 (LT) (Grant Lake)

PCL 9476 SEC AWS: ... District of Algoma

Being the whole PIN NO. 31147-0005 (LT) (Grant Lake) – Access only

PCL 16 SEC ACRL; Part of Township of Aguonie as in LT23857 (Firstly) all of which is shown on Index Plan ACR 7 and ACR 8; S/T LT68364; District of Algoma

Being the whole of PIN NO. 31140-0003 (LT) (Grant Lake)

PCL17 SEC ACRL; Township of Bird except water power location J.C. 448 all of which is shown on Index Plan ACR 9 amended by LT58721 & LT58722; S/T LT68364; District of Algoma

Being the whole of PIN NO. 31141-0001 (LT) (Grant Lake) – Access only

**Exhibit "B"**  
**To License**

**Diagram Showing the License Area**





