

FREE USE PERMIT MX-100000488

PURSUANT TO Sections 48(1)(e) and 49 of the *Forest Act* this Free Use Permit is issued to:

High Range Exploration Ltd.
PO Box 722
Smithers BC
V0J2N0
(the "Permittee")

1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Permit begins on *February 27*, 2025 and ends on the earliest of
 - (a) the day upon which the Permittee's Mines Act permit MX-100000488 expires, is surrendered, cancelled or otherwise terminated,
 - (b) February 27, 2030 or
 - (c) at the Permittee's request, the Permittor gives notice to the Permittee that all contractual and legislative obligations associated with the Permit have been completed.
- 1.02 The Permittee is authorized to cut and use Crown timber from the area shown on the attached Exhibit "A" maps ("Permit Area") that is necessary to cut to facilitate the mining operations approved under the Mines Permit.
- 1.03 The maximum volume of timber that may be cut under this Permit is 50 cubic metres.
- 1.04 Timber that is cut, but not used by the Permittee, must be dealt with in the manner specified in Schedule "A".
- 1.05 The Permittee's rights under this Permit are of no force or effect when the Right of Occupation is suspended.
- 1.06 Subject to the Permit, the Permittee may enter onto areas referred in paragraph 1.02 for the purpose of exercising the rights under this Permit.
- 1.07 This Permit does not grant the Permittee the exclusive right to harvest timber from the Permit Area, and the Permittor reserves the right to grant rights to other persons to harvest timber from the Permit Area.

2.00 TIMBER HARVEST LIMITATIONS

2.01 The Permittee must comply with the forestry legislation and the conditions and requirements set out in Schedule "A" to this Permit.

3.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 3.01 Notwithstanding any other provision of this Permit, if a court of competent jurisdiction:
 - determines that activities or operations under or associated with this Permit will unjustifiably infringe an aboriginal right and/or title, or treaty right;
 - (b) grants an injunction further to a determination referred to in subparagraph 3.01 (a); or
 - (c) grants an injunction pending a determination of whether activities or operations under or associated with this Permit will unjustifiably infringe an aboriginal right and/or title, or treaty right,

the Permittor in a notice given to the Permittee, may vary or suspend, this Permit in whole or in part, so as to be consistent with the court determination.

- 3.02 Subject to this Permit and the forestry legislation, if:
 - (a) under paragraph 3.01, the Permittor has varied the Permit issued to the Permittee;
 - (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
 - (c) it is practical to do so;

the Permittor, at the request of the Permittee, will vary the Permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Permit prior to the variation under paragraph 3.01.

- 3.03 Subject to this Permit and the forestry legislation, if:
 - (a) under paragraph 3.01, the Permittor has suspended the Permit;
 - (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
 - (c) it is practical to do so;

the Permittor, at the request of the Permittee, will reinstate the Permit for the remainder of its term.

4.00 LIABILITY & INDEMNITY

- 4.01 Subject to paragraph 5.01, the Permittee will indemnify the Government against, and save it harmless from, all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Government as a result, directly or indirectly, of any act or omission of:
 - (a) the Permittee; or
 - (b) an employee, contractor, invitee or agent of the Permittee,
- 4.02 The Government is not liable to the Permittee for injuries, losses, expenses, or costs incurred or suffered by the Permittee as a result, directly or indirectly, of an act or omission of a person who is not a party to this Permit, including but not restricted to an act or omission of a person disrupting, stopping or otherwise interfering with the Permittee's operations under this Permit by road blocks or other means.

5.00 WAIVER

5.01 No waiver by the Crown of any default or non-compliance by the Permittee in the strict and literal performance of or compliance with any provision of the Permit will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Permit or to be a waiver of, or in any manner release the Permittee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

6.00 NOTICE

- A notice given under this Permit must be in writing and given by one or more of the following methods:.
 - (a) delivered by hand;
 - (b) sent by mail; or
 - (c) sent by facsimile transmission;
 - (d) electronic mail;

to the address, facsimile or email address, as applicable, specified on the first page of this Permit, or to such other address, facsimile number or email address as is specified in a notice given in accordance with this part.

- 6.02 If a notice is sent by facsimile transmission, the party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed.
- 6.03 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes of this Permit, be considered to be the address of the party giving such notice.

7.00 MISCELLANEOUS

- 7.01 This Permit will enure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.
- 7.02 The laws of British Columbia will govern the interpretation of this Permit and the performance of the Permittee's obligations under this Permit.
- 7.03 Any non-statutory power conferred or duty imposed on the Permittor under this Permit may be exercised or fulfilled by any person authorized to do so by the Permittor.
- 7.04 Any Schedules, Exhibit "A" map(s) and attachments referenced in, or attached to, this Permit are an integral part of this Permit as if set out in the body of this agreement, and the Permittee will comply with all the terms in those Schedules, Exhibits and attachments.
- 7.05 If there is a conflict between the *Workers Compensation Act* or a regulation under that Act, and a provision of this Permit, the *Workers Compensation Act*, or the regulations made under that Act, prevails, and the Permittee must immediately notify the Permittor of the conflict and follow any direction given by the Permittor with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.

- 7.06 Nothing in this Permit authorizes the Permittee in any way to restrict the Government's right of access to the Permit Areas r the right of any other authorized entrant, user or occupier of these areas.
- 7.07 All previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Permit.
- 7.08 If any provision in this Permit is found to be invalid or unenforceable by a court of law, the remainder of this Permit is separately valid and enforceable to the fullest extent permitted by law.

8.00 INTERPRETATION & DEFINITIONS

8.01 This Permit is divided into parts, paragraphs, subparagraphs, clauses and subparagraphs, illustrated as follows:

```
1.00 part;
1.01 paragraph;
(a) subparagraph;
(i) clause;
(A) subparagraph;
```

and a reference to a subparagraph, clause or subparagraph is to be construed as a reference to a subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.

8.02 In this Permit, unless the context otherwise requires,

"forestry legislation" means the statutes and regulations, to which the Permit is subject including: the *Forest Act, Forest and Range Practices Act* and the *Wildfire Act*.

"merchantable timber" means as that term is defined in the Provincial Logging and Waste Measurements Procedures Manual as amended or replaced from time to time.

Graham Leroux, P.Geo

Senior Inspector of Mines

SCHEDULE A OTHER CONDITIONS AND REQUIREMENTS

1.01 The Permittee must dispose of Crown timber cut under the authority of this Permit in the following manner:

Bury all merchantable Crown timber.

Pile and burn all Crown timber.

✓ Buck into pieces to lengths that are no longer than 2.5 meters and lay flat on the ground.

Deck all timber at roadside.

