

OPTION AGREEMENT KERRS GOLD

This Option Agreement is dated the 18 day of April, 2024

BETWEEN:

First Class Metals PLC.,
Suite 16, Freckleton Business Centre, Freckleton Street,
Blackburn, Lancashire, BB2 2AL, United Kingdom
(herein the “**Optionee**”)

AND

Gravel Ridge Resources Ltd.,
289 Sanders St. East,
Exeter, Ontario, N0M 1S1Canada

(“**Gravel Ridge**”)

AND

1544230 Ontario Inc.
on behalf of PERRY ENGLISH
608-3400 McDonald Ave
Brandon, Manitoba R7B 0B9

(“**1544230**”)

(together 1544230 and Gravel Ridge being the “**Optionors**”)

WHEREAS the Optionors are the recorded and beneficial holder of ten (10) unpatented mining claims which are filed with the Ministry of Mines (the “**MM**”); situated in the Province of Ontario, and more particularly described in Schedule “A” attached hereto and forming a part of this Option Agreement (the “**Agreement**”);

AND WHEREAS the Optionors have agreed to grant an option to the Optionee to acquire a one hundred percent (100%) undivided interest in and to the unpatented mining claims associated with the Property (as defined herein) (the “**Option**”), subject to the Production Royalty (as defined herein) and upon the terms and conditions set forth herein.

NOW THEREFORE THIS AGREEMENT WITNESSETH that, in consideration of the mutual covenants expressed herein, the payment of funds and the issuance of shares set forth herein, the parties hereto agree as follows:

1. *Interpretation*

- (a) **Definitions.** The following terms, wherever used in this Agreement, shall have the meanings set forth below:
- (i) “**Effective Date**” means the date first written above;
 - (ii) “**Environmental Standards**” means all laws, orders, rules and regulations of whatever authority, as they may apply to and affect environmental and pollution control standards in effect, whether federal, provincial or municipal;
 - (iii) “**Minerals**” shall mean the end products recovered, produced or derived from operating the Property as a mine;
 - (iv) “**Mining Act**” means the *Mining Act* (Ontario), together with any amendments thereto and all the regulations promulgated thereunder;
 - (v) “**Mining Operations**” means every kind of work done on or in respect of the Property or any product derived from the Property while the Option is in effect by or under the direction of the Optionee including, without limiting the generality of the foregoing, the work of assessment, geophysical, geochemical and geological surveys, studies and mapping, investigating, drilling, designing, examining, equipping, improving, surveying, shaft-sinking, raising, cross-cutting, searching for, drifting, trucking, sampling, working and procuring minerals, ores and metals, surveying and bringing any mining claims to lease or patent, and all other work usually considered to be prospecting, exploration, development and mining work; in paying wages and salaries of workers engaged in the work and in supplying food, lodging, transportation and other reasonable needs of the workers; in paying assessments or premiums for workers’ compensation insurance, contributions for unemployment insurance or other pay allowances or benefits customarily paid in the district to those workers; in paying rentals, licence renewal fees, taxes and other governmental charges required to keep the Property in good standing; in purchasing or renting plant, buildings, machinery, tools, appliances, equipment or supplies and in installing, erecting, detaching and removing them; mining, milling, concentrating, rehabilitation, reclamation, and environmental protections and in the management of any work which may be done on the Property or in any other respect necessary for the due carrying out of the prospecting, exploration and development work;
 - (vi) “**Mining Rights**” includes mineral rights and the right to conduct Mining Operations on the Property and further includes the meanings and rights attributed to Mining Rights under the Mining Act;
 - (vii) “**Net Smelter Returns**” has the meaning set out in Schedule “B”;

- (viii) “**Property**” means all of the unpatented mining claims or other mineral tenure as more particularly described in Schedule “A” including all Mining Rights thereunder; and
- (ix) “**Production Royalty**” means a 2% Net Smelter Returns royalty payable to the Optionors, to be split among the Optionors equally, subject to reduction to 1.0%, pursuant to section 12.
- (b) **Headings.** The headings of this Agreement and the schedules are solely for convenience of reference and do not affect the interpretation of it or define, limit or construe the contents of any provision of this Agreement.
- (c) **Number and gender.** Words importing the singular number shall include the plural and vice versa, words importing the neuter gender shall include the masculine and feminine genders, and words importing persons shall include firms and corporations and vice versa.
- (d) **Governing law.** This Agreement and the rights and obligations and relations of the parties shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein (but without giving effect to any conflict of law rules). The parties agree that the courts of Ontario shall have jurisdiction over any action or other legal proceedings based on any provisions of this Agreement. Each party attorns to the jurisdiction of the courts of the Province of Ontario.
- (e) **Currency.** All references to currency in this Agreement are references to Canadian currency.
- (f) **Further Assurances.** Each party hereto agrees from time to time, subsequent to the date hereof, to execute and deliver or cause to be executed and delivered to the others of them such instruments or further assurances as may, in the reasonable opinion of either of them, be necessary or desirable to give effect to the provisions of this Agreement or as may be reasonably required for registering or recording changes in ownership interests in the Property.
- (g) **Schedules.** The following are schedules attached and incorporated in this Agreement by reference and are deemed to be a part hereof:
 - Schedule “A” – Property
 - Schedule “B” – Net Smelter Returns
- (h) **References.** Unless otherwise stated, a reference to a numbered or lettered paragraph refers to the paragraph bearing that number or letter in this Agreement. A reference to this Agreement or in this Agreement means this Agreement including the schedules, together with any amendments.

2. **Optionors’ Representations and Warranties.** The Optionors hereby represent and warrant, on a joint and several basis, to the Optionee on the date hereof that:

- (a) the Optionors are the beneficial and registered or recorded owner of a one hundred percent (100%) interest in and to the Property;
- (b) the Property is in good standing, free and clear of all encumbrances;
- (c) the Property has been duly and validly located and recorded pursuant to the applicable legislation of the Province of Ontario constituting valid and subsisting Mining Rights and that the Property is in good standing with respect to property or mineral tax requirements;
- (d) the Optionors have the full and undisputed right to deal with the Property as provided for in this Agreement;
- (e) the Property is not subject to any pending or threatened claims by any third party or any governmental agency;
- (f) the claims comprising the Property are accurately described in Schedule "A";
- (g) no person has any right, agreement, option, understanding, commitment or privilege capable of becoming an agreement to acquire or purchase the Property or any interest in or portion thereof and the Optionors have the exclusive right to receive 100% of the proceeds from the sale of Minerals removed from the Property, and no person is entitled to any royalty or other payment in the nature of rent or royalty on Minerals removed from the Property or is entitled to take Minerals from the Property in kind, other than mineral taxes payable to a governmental authority pursuant to applicable laws;
- (h) during the period that the Optionors have been the beneficial owner of the claims comprising the Property, the Property has been operated substantially in accordance with all applicable laws and Environmental Standards and there are no environmental conditions existing in and to the Property to which any material remedial action is required or any material liability has or may be imposed under applicable Environmental Standards;
- (i) there has been no known spill, discharge, deposit, leak, emission or other release of any contaminant, pollutant, dangerous or toxic substance, or hazardous waste on, into, under or affecting the Property by the Optionors and to the Optionors' knowledge no such contaminant, pollutant, dangerous or toxic substance, or hazardous waste is stored in any type of container on, in or under the Property;
- (j) the Optionors have not received from any governmental authority any notice of or communication relating to any actual or alleged claims relating to a violation of Environmental Standards, and there are no outstanding work orders or actions required to be taken relating to environmental matters respecting the Property or any operations carried out on the Property;
- (k) to the best of the Optionors knowledge, no reclamation, rehabilitation, restoration or abandonment obligations exist with respect to the Property;

- (l) no consent is required to be obtained by the Optionors from any Person, including under applicable Law, in connection with the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement;
- (m) all taxes which are due and payable, local improvements, assessment rates, utilities and any and all other payments to or assessments of any governmental authority having jurisdiction over each of the Property have been made by the Optionors;
- (n) the Property has not been taken or expropriated by any governmental authority nor has any notice or proceeding in respect thereof been given or commenced nor, to the knowledge of the Optionors, is there any intent or proposal to give any such notice or to commence any such proceeding;
- (o) each Optionor that is a corporation, is a corporation duly incorporated and organized and validly subsisting under the laws of its jurisdiction of incorporation and has all necessary power and capacity and is duly qualified to own its property and to enter into this Agreement and each of the agreements, documents and instruments to be entered into by it in connection with this Agreement and to perform its obligations hereunder and thereunder and is duly qualified to do business in the jurisdiction in which the Properties makes such qualification necessary; and
- (p) this Agreement and each of the agreements, documents and instruments contemplated hereby shall have been duly authorized, executed and delivered by it and shall constitute a legal, valid and binding obligation enforceable against it in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except for equitable recourses which may be granted only in the discretion of a court of competent jurisdiction and no other corporate proceedings or approvals shall be necessary to authorize this Agreement and each of the agreements, documents and instruments contemplated hereby.

3. *Grant of Option to Earn Interest*

- (a) The Optionors hereby grant to the Optionee the sole, exclusive, irrevocable and immediate right to acquire a one hundred percent (100%) interest in and to the Property from the Optionors (subject to the Production Royalty) by making the payments and share issuances described in section 4 hereof and by complying with the other terms and conditions of this Agreement.
- (b) Upon the full amount of the cash payments and share issuances set forth in section 4 having been paid and issued to the Optionors, the Optionors shall deliver to the Optionee a signed transfer in proper registerable form (the “**Transfer**”) conveying all of the Optionors’ right, title and interest in and to the Property (other than the Production Royalty) to the Optionee. The Transfer shall be prepared by and at the expense of the Optionee.
- (c) Upon execution of this Agreement, the Optionee may register this Agreement or notice of this Agreement against title to the Property.

4. **Exercise of Option.** In order to exercise the Option to acquire a 100% interest in and to the Property (subject to the Production Royalty), the Optionee must pay the Optionors a total of \$150,000 CAD dollars over four years and issue the Optionors \$150,000(CAD) in common share value (“**Shares**”) in accordance with the following schedule:

Due Date	Common Share Payments	Cash Payment (CAD)
Upon signing the Agreement	-	\$6,000 (\$10,000 less \$4,000 deposit)
Six months after effective date	Nil	\$10,000
Within four (4) months of the Effective Date or the publication of a prospectus by the Optionee, whichever is sooner.	\$20,000 in share value	Nil
On the 1 st anniversary of the Effective Date	\$30,000 in share value	\$30,000
On the 2 nd anniversary of the Effective Date	\$40,000 in share value	\$40,000
On the 3 rd anniversary of the Effective Date	\$60,000 in share value	\$60,000
Total	\$150,000 in share value	\$150,000

For greater certainty, if any of the cash payments as set out in this section 4 are not carried out on the dates as set out herein, the Optionors will have the right to terminate the Agreement in accordance with section 7 hereof. In the event that the Optionee is unable to issue the Shares within the stipulated time set out above due to constraints imposed by law, the Optionee may pay the same as cash to the Optionors.

Each cash payment and share issuance under this section 4 shall, unless otherwise instructed by the Optionors in writing, be distributed among the Optionors as follows: 50% as to Gravel Ridge, and 50% as to 1544230. On signing of this Agreement, Gravel Ridge and 1544230 shall provide registration and delivery instructions to the Optionee for the issuance of the Shares.

The Shares will be subject to a four month hold period pursuant to applicable securities laws. The certificates representing the Shares shall bear the legends required by applicable laws and stock exchange rules.

In the event of a subdivision, consolidation or reclassification of outstanding Shares or other capital adjustment, the number of Shares issuable under this Agreement shall be increased or reduced proportionately and such other adjustments shall be made as may be deemed necessary or equitable by the board of directors of the Optionee in its sole discretion and such adjustment shall be binding and final.

In the event of reclassification of the Shares or a capital reorganization of the Optionee (other than as described above) or a consolidation, amalgamation, arrangement, take-over bid, or merger of the Corporation with or into any other body corporate, trust, partnership or other entity resulting in (i) the change or exchange of the outstanding Shares into other securities, cash or other property or (ii) any reclassification of the outstanding Shares in other Shares or property or any other reorganization of the Optionee or a sale or conveyance of the property and assets of the Optionee as an entirety or substantially as an entirety to any other body corporate, trust, partnership or other entity, the Optionors shall, in lieu of the Shares required to be issued to it hereunder, be entitled to receive and shall accept, in lieu of the number of Shares of the Optionee, that the Optionors would have been entitled to receive, the number of Shares or other securities or property of the Optionee or of the body corporate, trust, partnership or other entity resulting from such event, that such Optionors would have been entitled to receive on such event, if, on the effective date thereof, as the case may be, the Optionors had been the registered holder of the number of Shares which prior to such effective date it was entitled to be issued hereunder.

5. **Notice of Regulatory Approval.** Upon the Optionee receiving regulatory approval of the terms of this Agreement, the Optionee shall forthwith provide written notice thereof to the Optionors.
6. **Registration of Transfer.** Upon the full amount of the cash payments and Shares set forth in section 4 having been paid and issued to the Optionors, the Optionee shall be entitled, without further notice, to register the Transfer, vesting one hundred percent (100%) interest in and to the Property to the Optionee. The Parties agree that the Property constitutes a right to explore for or exploit mineral deposits for purposes of section 162 of Part IX of the *Excise Tax Act* (Canada).

In further of this section 6, the Optionors shall following receipt of the full amount of cash payments and Shares in respect of the applicable mineral claim or right execute such agreements, documents and instruments, and do such things as may be reasonably required in order to convey all right, title and interest in and to the Property, free and clear of all encumbrances (other than the Production Royalty), to the Optionee including, but not limited to, consents, assignments and any transfer forms required for filing with any applicable governmental authority, and take such further action as may be reasonably required to more effectively complete the transactions contemplated herein.

7. **Termination of Option.** Except for the initial cash payment of \$10,000 and the Share issuance due within 4 months of the Effective Date, the Optionee does not, and will not at any time hereafter, have any obligation to incur any additional Share issuances or cash payments pursuant to section 4 or to exercise the Option and nothing in this Agreement shall be construed as creating any such obligation. The Optionors will retain all Share issuances and cash payments that have been made to it under section 4, the Option and this Agreement will terminate and the Optionee will not retain interest in and to the Property if the Optionee has not complied with its obligations under this Agreement.

The Optionee may, subject to sections 12(e) and 12(f) of this Agreement, at any time terminate this Option by giving notice of termination to the Optionor and will thereupon be relieved of any further obligations.

If at any time the Optionee does not make any cash payment or issue the Shares in the amounts and within the time periods provided by section 4 and fails to cure such breach within 30 days after notice of such breach by the Optionors, then the Option shall be entitled to terminate this Agreement by way of written notice to the Optionee.

8. **Acceleration.** The Optionee at its sole discretion may make any of the payments and issuance of Shares described in section 4 on dates that are earlier in time from the dates specified in section 4.
9. **Mutual Indemnity.** Each Party shall indemnify, defend and hold the other Party harmless from all liabilities, costs and expenses (including, without limitation, attorney fees) that such Party may suffer, sustain or become subject to as a result any misrepresentation or breach of warranty, covenant or agreement of the indemnifying Party contained herein or the indemnifying Party's gross negligence or willful misconduct in performance of its obligations under this Agreement
10. **Working Rights, Obligations of Optionors.** During the currency of the Option, the Optionee shall have the sole and exclusive right to enter on and conduct the Mining Operations on the Property as the Optionee in its sole discretion may decide. The Optionee shall have quiet and exclusive possession of the Property from the date of this Agreement and thereafter while the Option remains in good standing, with full power and authority to the Optionee, its servants, agents, workers or contractors, to carry on Mining Operations in searching for Minerals in such manner as the Optionee in its discretion may determine, including the right to erect, bring and install on the Property all buildings, plant, machinery, equipment, tools, appliances or supplies as the Optionee shall deem necessary and proper and the right to remove therefrom reasonable quantities of rocks, ores and Minerals and to transport them for the purposes of sampling, metallurgical testing and assaying. All Mining Operations conducted by the Optionee shall be in accordance with good exploration, development and mining practice, and in compliance with all applicable legislation, including without limitation, the Mining Act, and health safety standards. The Optionee shall maintain adequate insurance coverage in respect of the Property at all times.

For greater certainty, the Optionors acknowledge and agree that during the currency of the Option, they shall (i) hold bare legal title to the Property for the benefit of the Optionee in accordance with the terms of this Agreement; (ii) deal with the Property only as specifically directed by the Optionee and shall take no action in respect of the Property without the express authorization and direction in writing of the Optionee; (iii) shall not encumber or permit any encumbrance to attach to the Property (other than the Production Royalty); (iv) execute and deliver all such documents and instruments relating to the Property as shall be required from time to time by the Optionee, including, without limitation, applications for governmental approvals and agreements with governmental authorities, for greater certainty this clause shall not require the Optionors to prepare or file any applications; (v) not do any act or thing which would or might in any way adversely affect the rights of the Optionee hereunder to earn an undivided 100% legal and beneficial interest in and to the Property free and clear of all any liens, charges and encumbrances (other than the Production Royalty); (vi) not relinquish or abandon all or any part of its interest in and to the Property; (vii) not mortgage, pledge or encumber the Property after the Effective Date without the Optionee's prior written consent, acting in its sole discretion; and (ix) promptly make available to the Optionee and its

representatives, during normal business hours, all reports, records, data, maps, information, accounts and files in the possession of the Optionors relating to the Property, and permit the Optionee and its representatives to take abstracts therefrom and make copies thereof at their own expense.

11. ***Indemnity.*** The Optionee shall indemnify and save the Optionors harmless from and against all losses, liabilities, claims, demands, damages, expenses, suits, injury or death in any way referable to Mining Operations conducted on the Property or any other actions of the Optionee made in connection with this Agreement, provided that, the Optionors shall not be indemnified for any loss, liability, claim, demand, damage, expense, injury or death resulting from the negligence or willful misconduct of the Optionors or their respective employees, agents or contractors.

12. ***Covenants of the Optionee.***

During the term of this Agreement the Optionee shall:

- (a) comply with all applicable laws, regulations, by-laws, rules, orders and ordinances whether federal, provincial or municipal, with respect to its Mining Operations hereunder, including discharging the duty to consult with or provide notice to all applicable Aboriginal communities;
- (b) comply with the provisions of the Mining Act, including without limitation, any duty or requirement to consult with or provide notice to Aboriginal communities as set out in the Mining Act, particularly during the early exploration stage of the mining process and the requirements to submit to the MM an exploration plan and obtain from the MM an exploration permit prior to carrying out certain early exploration activities in respect of the Property;
- (c) keep a detailed record of any and all efforts taken by the Optionee to notify and/or consult with Aboriginal communities, and to provide such records to the MM upon request;
- (d) conduct all Mining Operations in accordance with Environmental Standards;
- (e) conduct all Mining Operations and supervise the operation of all contractors and or sub-contractors in, on and under the Property in a careful manner and in accordance with good mining practice and in compliance with all applicable laws and, without limiting the generality of the foregoing, the Optionee shall on the completion of its work or at the end of the term of this Agreement leave the Property in a safe condition with any and all openings safeguarded in accordance with the provisions of all applicable legislation, regulations and other laws affecting them;
- (f) subject to the other provisions of this Agreement, the Optionee shall have complete discretion and control with respect to all Mining Operations carried out on the Property provided, however, that all Mining Operations on the Property shall be conducted in a manner which will cause the least damage and defacement practicable under the circumstances. All access roads shall be set out in consultation with the Optionors and

both parties will make their best efforts to co-operate so as to enable the Optionee to conduct its operations in a reasonable manner while minimizing the damage and interference to the Property and to any timber resources thereon. Upon completion of its work or at the end of the term of this Agreement the Optionee shall restore and remediate the Property in accordance with good mining practices so as to minimize permanent damage or interference with the Property;

- (g) pay or cause to be paid all workmen's wages and for all materials, supplies and services delivered to or performed on or in respect of the Property, so as to avoid any woodsman, builders, or construction liens from arising;
- (h) pay all timber dues or other assessments or charges which may be levied or imposed under any statutory provision or otherwise arising, as a consequence of the harvesting of any timber resources from the Property;
- (i) maintain the Property in good standing by doing all assessment work, recording all exploration and development work done on the Property in accordance with the requirements of the Mining Act, paying all exploration licenses fees and by doing all other acts and things that may be necessary in that regard until the termination or expiration of the Agreement or the abandonment of rights and options granted hereunder;
- (j) abide by all directions of the relevant Minister or any other governmental authority having jurisdiction over its operations hereunder; and
- (k) maintain adequate liability and other insurance and if requested by Optionors, to provide evidence of same.

13. ***Net Smelter Returns.***

- (a) ***Production Royalties.*** Upon the exercise of the Option, the Optionee will grant the Royalty to the Optionors, which grant shall be on the terms in Schedule B. The Optionors will retain a **2.0%** Royalty.
- (b) ***Royalty Repurchase.*** The Optionee or its assigns shall have the right at any time to purchase from the Optionors one-point zero percent (1.0%) Net Smelter Returns Production Royalty by way of a one-time payment to the Optionors of the sum of **\$1,000,000.00** in Canadian funds, the payment under this section shall, unless otherwise instructed by the Optionors in writing, be distributed among the Optionors as follows: 50% as to Gravel Ridge, and 50% as to 1544230. Upon such purchase and payment being made, the Production Royalties shall thereafter be calculated as being reduced to one point zero percent (**1.0%**) of Optionors' Net Smelter Returns. The Optionee will have a right of first refusal on the remaining one-point zero percent (**1.0%**) Net Smelter Returns Production Royalty.

14. ***Abandonment.*** Subject to section 15, the Optionee may at any time, prior to exercise of the Option, abandon any one or more of the claims which comprise the Property, and such claims shall upon notice to the Optionors be deemed to be thereafter excluded from the Property.

After the Option is exercised and the Property is transferred into the name of the Optionee, the Optionee shall, subject to section 14, have the unfettered right at any time to surrender all or any of the mineral claims comprising the Property (the “**Surrendered Property**”) by delivering a notice in writing of its intention to do so to the Optionors at least forty-five (45) days prior to the proposed surrender, such notice to list the proposed Surrendered Property.

15. **Property in Good Standing.** If the Optionee, at any time prior to exercise of the Option, wishes to abandon any one or more of the claims which comprise the Property in accordance with section 14, the Optionee shall have performed sufficient assessment work on such claims, recorded all exploration and development work done on such claims in accordance with the requirements of the Mining Act, paid all necessary fees and done all other acts and things necessary to maintain such claims in good standing for a period of at least one (1) year after the date of abandonment.
16. **Assignment.** While this Agreement remains in effect either party may sell, assign, or otherwise transfer all or part of its rights and obligations under this Agreement and the Property including any interest in and to the Property (“**Assignment**”) to a purchaser, assignee or transferee (“**Assignee**”) that is not a party to this Agreement without the written consent of either the optionor or optionee. A notification of assignment is required by the assigning party.

The assigning party shall thereupon be relieved from all obligations in respect of such part of its assigned interest which thereafter accrue under this Agreement.

17. **Buildings and Equipment:** In the event that the Optionee abandons the working right and Option granted to it herein, all buildings, plant, equipment, machinery, tools, appliances and supplies which the Optionee may have brought onto the Property, either before or during the period of the working right and option, may be removed by the Optionee at any time not later than nine (9) months after the abandonment of the working right and option. Any buildings, plant, equipment, machinery, tools, appliances and supplies left on the Property during the nine (9) month period shall be at the Optionee’s sole risk and, if not removed after the nine (9) month period, shall become the Property of the Optionors. During the currency of the option, the Optionors shall not remove from the Property any of the Optionee’s buildings, plant, equipment, machinery, tools, appliances and/or supplies. Any environmental liabilities created by the optionee’s during the course of the agreement will be the responsibility of the optionee’s upon termination.
18. **Information.** If the Optionee abandons the Option, the Optionee shall, on request, provide to the Optionors with a copy of all non-interpreted reports, maps, plans, drill logs and surveys of all work pertaining to the Property provided that the Optionee does not warrant the accuracy of such reports, maps, plans, drill logs and surveys and shall not be liable for any inaccuracies contained in them. The Optionee agrees that the Optionors may disclose the details of this Agreement to their respective advisors and to governmental, regulatory or Aboriginal communities.
19. **Press Releases.** The Optionee shall provide any press release that refers to this Agreement or the subject matter of this Agreement to the Optionors prior to its release by sending emails to:

Mike Frymire: gravelridge.resources@gmail.com

Perry English: penglish@mymts.net

and for clarity, shall not issue any press release that refers to this Agreement or the subject matter of this Agreement, or the Optionors in general, without prior written approval of the Optionors. The Optionors will take all reasonable efforts to send comments that it may have regarding any press release received from the Optionee to the Optionee by email within forty eight (48) hours of receipt of such press release.

All Confidential Information exchanged between the Parties in connection with matters contemplated in this Option Agreement or developed in the course of dealings between the Parties, including the existence and terms of this Option Agreement, shall be received and held by the recipient thereof as confidential information. Neither Party hereto shall make any disclosure of Confidential Information received from the other Party to third parties or issue any press or other publicity release pertaining to this Option Agreement or the subject matter contained herein, use such Confidential Information for its private commercial advantage, or otherwise disclose Confidential Information to third parties without the prior written consent of the other Party, unless required by law, by any court of competent jurisdiction, or by any government agency or other regulatory or taxation authority of competent jurisdiction lawfully requesting such disclosure, such consent shall not be unreasonably withheld. Provided, however, that the Parties agree that Confidential Information does not mean such portions of the Confidential Information which:

- (a) whether prior to or after the time of disclosure or utilization, is generally available to the public, other than as a result of an unauthorized disclosure in breach of this Option Agreement; or
- (b) whether prior to or after the time of disclosure or utilization, is known or available to the receiving Party or its representatives from a source other than the disclosing Party provided such other source is not, to the knowledge of the receiving Party, under an obligation of confidentiality to the disclosing Party; or
- (c) is independently developed by the receiving Party without use of, or recourse to, Confidential Information.

"Confidential Information" means any and all data, records, reports, drill hole logs, calculations, opinions, maps, charts, documents, financial budgets and projections, and other information, whether written or oral, pertaining to the Property provided by a Party to the other, and including any copies thereof and any summaries, extracts, notes, memoranda, studies or analyses derived therefrom or based thereon.

20. **Notices.** All payments and communications which may be or are required to be given by either party to the other shall (in the absence of any specific provision to the contrary) be in writing and delivered, emailed or sent by courier or prepaid registered mail to the parties, at their following respective addresses and email addresses:

Optionee: First Class Metals PLC.
Email: Marcs@firstclassmetalsplc.com and
Jamesk@firstclassmetalsplc.com

Optionors: Gravel Ridge Resources Ltd.
289 Sanders St East Exeter, Ontario, N0M 1S1
Email: gravelridge.resources@gmail.com

Mr. Perry English, for and on behalf of
1544230 Ontario Inc.
608-3400 McDonald Ave, Brandon, Manitoba R7B 0B9
E-mail : penglish@mymts.net

And if any payment or communication is sent by courier or prepaid registered mail, it shall, be conclusively deemed to have been received on the third (3rd) business day following the mailing of it and, if delivered, emailed or telecopied, it shall be conclusively deemed to have been received at the time of delivery or transmission. Notwithstanding the foregoing provisions with respect to mailing, in the event that it may be reasonably anticipated that, due to any strike, lock-out or similar event involving an interruption in postal service, any payment or communication will not be received by the addressee by no later than the third business day following the mailing of it, then the mailing of any payment or communication must then be sent by an alternative means of transportation which it may reasonably be anticipated will cause the payment or communication to be received reasonably expeditiously by the addressee. Either party may from time to time change its address by notice to the other in accordance with this paragraph.

21. **Further Assurances and Covenants.** Each party shall execute such deeds, documents and give such other further assurances as are necessary or appropriate in connection with the performance of its obligations under this Agreement and to facilitate the acquisition of any and all necessary regulatory approvals.
22. **Time of the Essence.** Time shall be the essence in the performance of this Agreement.
23. **Benefit of Successors.** This Agreement shall enure to the benefit of and be binding on the parties and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the parties have signed and sealed this Agreement.

Optionee:

First Class Metals Inc.
Suite 16, Freckleton Business
Centre, Freckleton Street,
Blackburn, Lancashire, BB2 2AL,

Optionors:

Gravel Ridge Resources Ltd.
289 Sanders St. East
Exeter, Ontario N0M 1S1

Signature

Michael Frymire

Signature

Print Name

Michael Frymire

Print Name

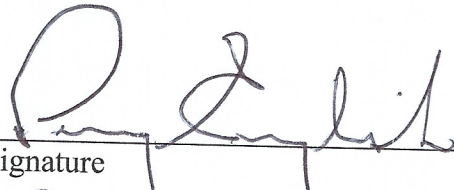
Date

2024-04-18

Date

Optionors:

1544230 Ontario Inc.
on behalf of PERRY ENGLISH
608-3400 McDonald Ave
Brandon, Manitoba R7B 0B9



Signature

PERRY ENGLISH

Print Name

Date

APRIL 17 - 2024

SCHEDULE "A"

Claim #	Title Type	Status	Issue Date	Anniversary	Due Date	Holder	Units	Work Required
682534	Single Cell Mining Claim	Active	2021-10-27	2023-10-27	2024-10-27	(100) Gravel Ridge Resources Ltd.	1	400
682524	Multi-cell Mining Claim	Active	2021-10-26	2023-10-26	2024-10-26	(100) Gravel Ridge Resources Ltd.	14	5600
685847	Multi-cell Mining Claim	Active	2021-11-15	2023-11-15	2024-11-15	(100) Gravel Ridge Resources Ltd.	8	3200
857536	Multi-cell Mining Claim	Active	2023-09-10	2025-09-10	2025-09-10	(100) Gravel Ridge Resources Ltd.	6	2400
685848	Multi-cell Mining Claim	Active	2021-11-15	2023-11-15	2024-11-15	(100) PERRY VERN ENGLISH	5	2000
685849	Multi-cell Mining Claim	Active	2021-11-15	2023-11-15	2024-11-15	(100) PERRY VERN ENGLISH	2	800
702716	Multi-cell Mining Claim	Active	2022-01-25	2024-01-25	2025-01-25	(100) Gravel Ridge Resources Ltd.	8	3200
685850	Single Cell Mining Claim	Active	2021-11-15	2023-11-15	2024-11-15	(100) PERRY VERN ENGLISH	1	400
663520	Multi-cell Mining Claim	Active	2021-06-28	2023-06-28	2024-06-28	(100) Gravel Ridge Resources Ltd.	5	2000
881727	Multi-cell Mining Claim	Active	2024-02-28	2026-02-28	2026-02-28	(100) PERRY VERN ENGLISH	9	3600
							59	23600

SCHEDULE "B"

NET SMELTER RETURNS:

1. **"Net Smelter Returns"** ("NSR") shall mean all Gross Proceeds less Allowable Deductions.
- "Allowable Deductions"** means all costs, charges and expenses paid or incurred by the payor or its Affiliates for or with respect to processed Products, after such Products are shipped from the Property, including:
- (a) charges for treatment in the smelting and refining processes and other beneficiation processes or procedures (including handling, processing, costs of umpires, sampling, weighing, assaying and representation fees, penalties, and other deductions made by the smelter, refiner or other processor or imposed by law and specifically excluding mining and milling costs);
 - (b) actual costs of transportation (including loading, freight, insurance, security, transaction taxes, handling, port, demurrage, delay and forwarding expenses incurred by reason of or in the course of such transportation) of Products from the Property to the place of treatment or sale (if not sold at place of treatment);
 - (c) costs or charges of any nature for or in connection with marketing or insurance, storage, or representation at a smelter or refinery for Products; and
 - (d) sales, use, ad valorem, value added, severance, export, import, excise, net proceeds or mine, and any other tax on or measured by mineral production, including but not limited to any government royalties but excluding taxes based on the payor's or the royalty holders' net income,

provided that if Products are smelted, refined or otherwise beneficiated on or off the Property in a facility wholly or partially owned by the payor or by an affiliate of the payor, Allowable Deductions will not include any costs that are in excess of those which would be incurred on an Arm's Length Transaction, or which would not be Allowable Deductions if those Products were processed by a Third Party.

"Gross Proceeds" means:

- (a) For gold produced from the Property, Gross Proceeds shall be calculated by determining, without duplication, the number of ounces of fine gold delivered to or to the order of the Optionee, purchased by, or out turned to the Optionee pool account or accounts by, any mint or refinery and the number of ounces of gold otherwise sold to any purchase during any calendar quarter and multiplying such number of ounces by the average of the daily London Bullion Brokers PM Gold Fixing during such quarter.
- (b) For silver produced from the Property Gross Proceeds shall be calculated by determining, without duplication, the number of ounces of silver delivered to or to the order of the Optionee, purchased by, or out turned to the Optionee pool account or accounts by, any mint or refinery and the number of ounces of silver otherwise sold to any purchaser during any calendar quarter and multiplying such number of ounces by the average of the daily Handy & Harmon Noon Silver Quotation during such quarter.
- (c) For minerals other than gold and silver produced from the Property Gross Proceeds shall be calculated based on the amounts actually received during any calendar quarter

from any processing facility, mint, smelter, refinery, reduction works or other purchaser from the sale of ores, metals, concentrates or other mineral products.

For the purposes of subparagraph (a) and (b) above, the average price of gold or silver for any calendar quarter shall be determined by dividing the sum of all daily prices posted during the quarter that the prices were posted. The posted price shall be obtained from The Wall Street Journal, Reuters, E & MJ or another reliable source.

“Arm’s Length Transaction” means a transaction that is undertaken on substantially the same terms and conditions as a transaction that is entered into by unrelated parties, each acting in their own best interest.

“Person” includes an individual, general partnership, limited partnership, corporation, company, limited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, joint venture, governmental authority, trust, trustee, executor, administrator or other legal representative.

“Products” means all payable naturally occurring metallic minerals that are mined, produced, extracted or otherwise recovered ores, ore precipitates, concentrates, tailings or other intermediate products or by-products that are produced or extracted by or on behalf of the payor or its affiliates from the Property, whether in the form of ores, ore precipitates, concentrates, tailings or other intermediate products or by-products, including without limitation, gold, silver, copper, zinc, lead and nickel.

“Third Party” means a Person or other form of enterprise that is not a Party or an Affiliate of a Party to this Agreement.

2. The amount of the NSR calculated in respect of any calendar quarter shall be paid by the Optionee to the Optionors within sixty (60) days of the end of the quarter. Payments shall be made in Canadian dollars and amounts calculated in U.S. dollars shall be converted into Canadian dollars at the exchange rate prevailing on the day of payment. Payments of NSR shall be accompanied by detailed calculations and, upon request, supporting documentation showing the amounts payable.
3. Payments of the Production Royalty for a calendar year shall be subject to adjustment within six (6) months after the end of the calendar year based on an audit by a national firm of chartered professional accountants designated by the Optionee or its assignee(s) (which may be the auditor of the Optionee or its assignee(s)); and
 - (a) copies of the audited reports shall be delivered to the Optionee or its assignee(s) and the Optionors by the chartered professional accounting firm; and
 - (b) either party shall have three (1) months after receipt of any audited report to object thereto in writing to the other party, and failing such objection, such report shall be deemed correct; and
 - (c) in the event of a re-audit, all costs relating to such re-audit shall be paid by the Optionee or its assignee(s) unless the Optionors required the re-audit and the payments of the Production Royalty during the year were found to be inaccurate by at least 2%, in which case such costs shall be paid by the Optionors.

4. Payments of NSR shall, unless otherwise instructed in writing by the Optionors, be distributed among the Optionors as follows: 50% as to Gravel Ridge, and 50% as to 1544230.

End of Schedule B