

AGREEMENT (3rd Party Resource Road Maintenance)

BETWEEN:

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR
as represented by the Minister of Fisheries, Forestry and Agriculture

(hereinafter the "Minister")

AND:

LABRADOR GOLD CORP.

(hereinafter the "Proponent")

WHEREAS:

1. The Forest Engineering and Industry Service Division (FEIS) of the Department of Fisheries, Forestry and Agricultural (FFA) are responsible for Crown managed Resource Roads and related infrastructure (e.g. bridges, culverts) in Newfoundland and Labrador;
2. The Proponent uses one or more of the FFA managed Resource Roads throughout Newfoundland and Labrador as a part of their road network; and
3. The Proponent has requested to complete maintenance, repairs and upgrading on the Resource Road(s) and the Minister has agreed.

NOW THEREFORE THIS AGREEMENT WITNESSES that in respect of the covenants, agreements and provisions herein contained and for mutual consideration exchanged, (the sufficiency of which is hereby acknowledged and agreed), the Minister and the Proponent agree together as follows:

1. DEFINITIONS

"**Resource Road**" is a road managed by the Department of Fisheries, Forestry and Agriculture. The Resource Road(s) specific to this Agreement is described in Schedule "A";

"**Parties**" means the Minister and the Proponent, collectively, and "Party" means any one of them;

"**Province**" means the Province of Newfoundland and Labrador, and includes where appropriate the Government of Newfoundland and Labrador and the Minister;

2. USE OF RESOURCE ROADS

- 2.1. The Minister agrees to allow the Proponent to complete maintenance, repairs and upgrading ("Work") on the Resource Road(s) described in Schedule "A" on written request and approval of FEIS subject to the terms and conditions herein.

3. CONDITIONS

- 3.1. The Proponent agrees to complete all approved Work in accordance with the Environmental Protection Guidelines as attached in Schedule "B".
- 3.2. Any cost incurred by the Proponent in relation to this Agreement is the responsibility of the Proponent and the Minister will not be held responsible for any Work completed, now or in the future.
- 3.3. This Agreement does not convey to the Proponent the right to extract any minerals including, limestone, granite, slate, marble, gypsum, marl, clay, sand, gravel, peat, coal, natural gas, petroleum or salt from or under the Resource Road(s).
- 3.4. This Agreement does not convey exclusive use and the Proponent may not restrict or prevent public use of the Resource Road(s).
- 3.5. The Proponent agrees to use the Resource Road(s) in a manner that ensures the safety of all users.
- 3.6. The Proponent agrees to take all responsibility to ensure the safety of users of the Resource Road while Work is being completed and ensure installation of appropriate signage (e.g. bridge approaches, Work in progress, general maintenance signage with contact information).
- 3.7. The Proponent shall notify FEIS of all safety concerns in a timely manner.
- 3.8. The Proponent shall comply with all applicable legislation federal, provincial, municipal or otherwise and obtain all required permits, licenses and approvals (e.g. water resources permits, cutting permits, operating permits, etc.).
- 3.9. Except as otherwise agreed in writing by the Minister, at the expiry of this Agreement, all erections, buildings or structures, trade fixtures and improvements made on the Resource Roads shall become the Minister's property, without compensation to the Proponent. Alternatively, the Minister may require that the Proponent remove its erections, buildings or structures, trade fixtures and improvements (or any portion of either) at its sole cost, such removal to be completed on or before the expiry of this Agreement.
- 3.10. The Proponent shall indemnify and save harmless the Minister, their agents and employees against all risks and liabilities of every character, and against all suits, claims and demands whatsoever, brought against them on account of, or by reason of, any injury or damage, or alleged injury or damage, to any person or property, resulting from the operation or operations of the Proponent or any of their respective agents or employees, in the performance of the work, or from any failure, neglect or omission on the part of the Proponent or any of their respective agents or employees, to perform any and all acts required to be done under this Agreement, or from any faulty or improper material or equipment used in the prosecution of the work.

For this purpose the Proponent shall secure and maintain general liability insurance acceptable to the Minister. Such insurance shall cover premises and operations liability, Proponent's contingent liability with respect to the operations of subcontractors, complete operations liability and contractual liability. The following minimum limits shall apply:

- (a) Comprehensive Minimum General Liability - \$5,000,000 for ALL contracts.
- (b) Standard Automobile Policy Liability - \$5,000,000 for ALL contracts.
- (c) Environmental Impairment Liability - \$2,000,000 for ALL contracts.
- (d) Forest Fire Fighting Expense Insurance - \$1,000,000 for ALL contracts.

Prior to the commencement of work, the Proponent shall file with the Resource Roads Section a copy of each insurance policy. All such insurance shall be maintained throughout the term of this Agreement.

4. TERM

- 4.1. Once the Agreement is executed by both Parties, the term of this Agreement shall be from **September 26, 2022** to **XXXXXX** unless otherwise terminated in accordance with the provisions of this Agreement. The Minister shall have the absolute discretion to extend the dates referred to in this Section.

5. TERMINATION

- 5.1. This Agreement may be terminated in whole or in part at any time by the Minister by 10 days written notice.

6. REPRESENTATIONS AND WARRANTIES

- 6.1. The Minister in no way represents and warrants to the Proponent that the Resource Road(s) are fit for the Proponent's intended use and purpose.

7. CONTACT INFORMATION

For the Minister: Dan Myles, PEng, RPF
 Supervisor, Forest Engineering
 Forest Engineering and Industry Services Division
 Forest Service of Newfoundland and Labrador
 Department of Fisheries, Forestry and Agriculture
 Government of Newfoundland and Labrador
 (709)637-2991
ResourceRoads@gov.nl.ca

For the Recipient: Roger Moss, Ph.D, P.Geo
 President and CEO
 Labrador Gold Corp.
 (416) 704-8291
rmoss@labradorgold.com

8. AMENDMENTS AND WAIVER

- 8.1. No provision in this Agreement may be amended in any respect except in writing and signed by authorized representatives of the Parties.
- 8.2. Waiver by a Party of any right under this Agreement in a given instance or failure to enforce any provision in a given instance shall not operate thereafter as a waiver of that right or that provision or of any other right or provision in this Agreement. Unless a waiver is executed in writing, that Party will be entitled to seek any remedy that it may have under this Agreement or at law generally.

9. EXECUTION IN COUNTERPARTS

- 9.1. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, even though all Parties do not sign the same counterparts. Original signatures are not required. Any signature submitted by facsimile or through email of a PDF shall be deemed an original.

10. IMPOSSIBILITY OF PERFORMANCE AND INTERRUPTIONS

- 10.1. No Party shall be held liable or deemed to be in default under this Agreement if the performance or observance of its obligations is prevented or delayed by any circumstances beyond its reasonable control including, but not limited to, an act of God, warlike operations, riot, other industrial or trade dispute, fire, flood, tempest, failure of telecommunications facilities, unavoidable accident or act of government, courts or regulatory authorities, or any delay in governmental approvals required in respect of the subject matter of this Agreement.

11. NECESSARY AUTHORIZATION

- 11.1. The Parties hereby represent that they have respectively obtained all necessary authorizations to conclude the transactions contemplated by this Agreement and that the Agreement has been executed by their duly authorized representatives.

12. NO AGENCY

- 12.1. No provision of this Agreement and no action by the Parties will establish or be deemed to establish a partnership, joint venture, principal-agent relationship, or employer-employee relationship in any way or for any purpose whatsoever between the Minister and GFSC or among the Minister, the Proponent and a third party.

13. NO AUTHORITY TO REPRESENT

- 13.1. Nothing in this Agreement is to be construed as authorizing any third party to contract for, or to incur any obligation on behalf of, a Party or to act as agent for a Party.

14. TIME OF THE ESSENCE

- 14.1. Time shall be and shall continue to be of the essence of this Agreement.

15. ENTIRE AGREEMENT

- 15.1. This Agreement constitutes the entire agreement between the Parties with regard to the subject matter hereof and rescind any prior agreements, representations, discussions or commitments, whether verbal or in writing, agreed upon by the Parties.

16. ASSIGNMENT

- 16.1. The Proponent may not assign this Agreement or any part thereof without the written consent of the Minister.

17. INDEMNITY

- 17.1. Notwithstanding the termination of this Agreement, the Proponent shall indemnify and save harmless the Minister, its employees and agents from and against all claims, demands, losses, costs, damages, actions, suits or other proceedings by whomsoever made, brought or prosecuted in any manner based upon, occasioned by or attributable to the execution of this Agreement or any action taken or thing done or maintained by virtue hereof; the exercise in any manner of rights arising hereunder; the negligence or want of care of the Proponent, its officers, servants, agents, or employees under this Agreement.

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HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR
as represented by the Minister of Fisheries, Forestry and Agriculture

AND:

**HER MAJESTY IN RIGHT OF
NEWFOUNDLAND AND LABRADOR**
as represented by the Minister of Fisheries, Forestry and Agrifoods

Authorized official: Dan Myles, PEng, RPF
Supervisor, Forest Engineering

Date: **XXXXXX**

LABRADOR GOLD CORP.



Authorized official: **Roger Moss, Ph.D., P.Geo**
President and CEO

Date: **September 26,2022**

SCHEDULE "A"

Resource Road(s) Description and Map

SCHEDULE "B"

Environmental Protection Guidelines