

Assessor's Parcel No. – n/a
Unpatented mining claims

Recorded at the request of
and when recorded return to:

Thomas P. Erwin
Erwin & Thompson LLP
241 Ridge Street, Suite 210
Reno, Nevada 89501

DOC# 231096

04/13/2016

04:05PM

Official Record

Requested By
THOMAS P. ERWIN P.C.

Eureka County - NV

Sara Simmons - Recorder

Page: 1 of 10 Fee: \$48.00
Recorded By LH RPTT: \$0.00
Book- 0590 Page- 0008



0231096

The undersigned affirms that this document does not contain the personal information of any person.

**FIRST AMENDMENT OF FEE AND LEASEHOLD DEED OF TRUST,
ASSIGNMENT OF LEASES AND RENTS
AND SECURITY AGREEMENT
Hot Springs, Eureka County**

THIS FIRST AMENDMENT OF FEE AND LEASEHOLD DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT ("First Amendment") is made among Klondex Gold & Silver Mining Company, a Nevada corporation ("Trustor") and Franco-Nevada GLW Holdings Corp., as Collateral Agent ("Beneficiary").

RECITALS

A. Pursuant to the terms of a Gold Purchase Agreement dated February 11, 2014 between Klondex Mines Ltd., as seller ("Seller"), and Franco-Nevada GLW Holdings Corp., as buyer (in such capacity, "Buyer") (as amended, restated, renewed, extended, supplemented or otherwise modified from time to time, the "Purchase Agreement"), Seller agreed to sell and deliver to Buyer gold in the aggregate value of \$33,763,640. Trustor has guaranteed the Delivery Obligations (as defined in the Purchase Agreement, and other obligations of Seller under the Purchase Agreement (collectively, the "Purchase Agreement Obligations") pursuant to the terms of a guarantee dated February 11, 2014 (the "Purchase Agreement Guarantee").

B. Pursuant to the Senior Secured Facility Agreement dated February 11, 2014 between Seller, as borrower, the loan parties thereto, Royal Capital Management Corp., as security agent ("RCM") and the lenders party thereto, as lenders (as amended, restated, renewed, extended, supplemented or otherwise modified from time to time, the "Facility Agreement"), the Lenders (as defined in the Facility Agreement) agreed to provide certain credit facilities to Seller in the aggregate amount of C\$25,000,000. Trustor guaranteed the Obligations, as defined in the Facility Agreement and other

obligations of Seller under the Facility Agreement (collectively, the "Facility Agreement Obligations") pursuant to the terms of a guarantee dated February 11, 2014 (the "Facility Agreement Guarantee").

C. The Purchase Agreement Guarantee and the Facility Agreement Guarantee are secured by the Fee and Leasehold Deed of Trust, Assignment of Leases and Rents and Security Agreement dated February 10, 2014 (the "Deed of Trust") which was recorded in the Office of the Eureka County Recorder on February 10, 2014, Document 226972.

D. Seller has paid and performed in full the Facility Agreement Obligations and RCM has discharged and released Trustor from its obligations under the Facility Agreement Guarantee.

E. The Purchase Agreement, the Purchase Agreement Guarantee, the other documents and instruments contemplated by the foregoing, and the Purchase Agreement Obligations remain outstanding and remain in full force and effect, and the foregoing remain subject to and secured by the Deed of Trust.

In consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows.

1. RCM acknowledges that: (a) Seller and Trustor have paid and performed the Facility Agreement Obligations in full and that Trustor has paid and performed its obligations under the Facility Agreement Guarantee in full, and (b) it discharged and released Trustor from its obligations under the Facility Agreement Guarantee.

2. The parties hereto agree that the Deed of Trust, as it relates to the Facility Agreement Obligations and the Facility Agreement Guarantee (but only so far as it relates to the Facility Agreement Obligations and the Facility Agreement Guarantee), is hereby discharged and released, and the lien and security interest granted under the Deed of Trust for the benefit of RCM in connection with the Facility Agreement Obligations is hereby discharged and released. From and after the date hereof, RCM shall have no further rights pursuant to the Deed of Trust.

3. The discharge and release in Section 2 of this First Amendment applies only to the Facility Agreement Obligations and Trustor's obligations under the Facility Agreement Guarantee and to no other obligations of Seller and Trustor. In particular, notwithstanding the provisions of Section 2, this First Amendment does not alter, diminish, discharge, release, waive or otherwise affect Trustor's Purchase Agreement Obligations or Trustor's obligations under the Purchase Agreement Guarantee and the Deed of Trust.

4. Trustor represents and warrants that each of the Recitals set forth above is true and correct. The parties acknowledge that the Recitals are a material part of this First Amendment.



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5. Subject to the terms and conditions of this First Amendment, the Deed of Trust is hereby amended to the extent necessary to give effect to the provisions of this First Amendment and to incorporate the provisions of this First Amendment into the Deed of Trust. The Deed of Trust, together with this First Amendment, are to be read together and have effect so far as practicable as though the provisions of the Deed of Trust and the relevant provisions of this First Amendment are contained in one document.

6. Trustor hereby ratifies, approves, confirms, and continues the Deed of Trust and acknowledges and confirms that the Deed of Trust remains in full force and effect continually from and as of its effective date. All Liens (including any liens and security interests) created, extended, or renewed by the Deed of Trust are hereby confirmed, ratified, extended and continued by this First Amendment.

7. This First Amendment amends, ratifies, confirms and continues the Deed of Trust. Nothing contained in this First Amendment shall be deemed or construed to (a) be a repayment, satisfaction, discharge, or novation of the Purchase Agreement Obligations or any part thereof or (b) release, waive, terminate, reconvey, discharge, novate, or in any way limit or impair any lien, security interest, encumbrance, or other Lien granted or given under the Deed of Trust or otherwise to secure the Purchase Agreement Obligations.

8. This First Amendment shall be governed by the laws of Nevada.

9. All references to the Deed of Trust in this First Amendment or elsewhere are deemed to refer to the Deed of Trust as amended, confirmed, ratified and continued by this First Amendment.

10. As and when requested to do so by Beneficiary from time-to-time, Trustor shall promptly deliver to Beneficiary all filings, confirmations, ratifications, amendments, and other documents and certificates reasonably requested by Beneficiary for the purpose of confirming, maintaining, continuing, protecting, or perfecting the Deed of Trust, the Liens (including the liens and security interests) granted in the Deed of Trust, and the rights and remedies of the Beneficiary under the Deed of Trust.

11. The execution, delivery and effectiveness of this First Amendment shall not operate as a waiver, or be deemed to operate as a waiver, of any rights, powers or remedies of Beneficiary or Trustee under the Deed of Trust or constitute a waiver of any provision of the Deed of Trust, nor shall this First Amendment operate as or constitute consent to, or waiver of, any prior or existing default, event of default (including any Event of Default), or breach of any provision of any instrument, or otherwise limit, diminish, prejudice, or waive any right or remedy that Trustee or Beneficiary may have with respect hereto and thereto.

12. The Beneficiary hereby reserves all of its rights, powers, and remedies under the Deed of Trust, the Purchase Agreement, and all other instruments executed in conjunction with the Purchase Agreement.



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13. Any provision of this First Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

14. This First Amendment shall bind and inure to the benefit of the parties and their respective successors and assigns.

15. This First Amendment may be executed in any number of counterparts, each of which will for all purposes be deemed to be an original.

Dated effective September 30, 2015.

[signatures on next page]



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Klondex Gold & Silver Mining Company

By Barry Dahl
Barry Dahl, Treasurer

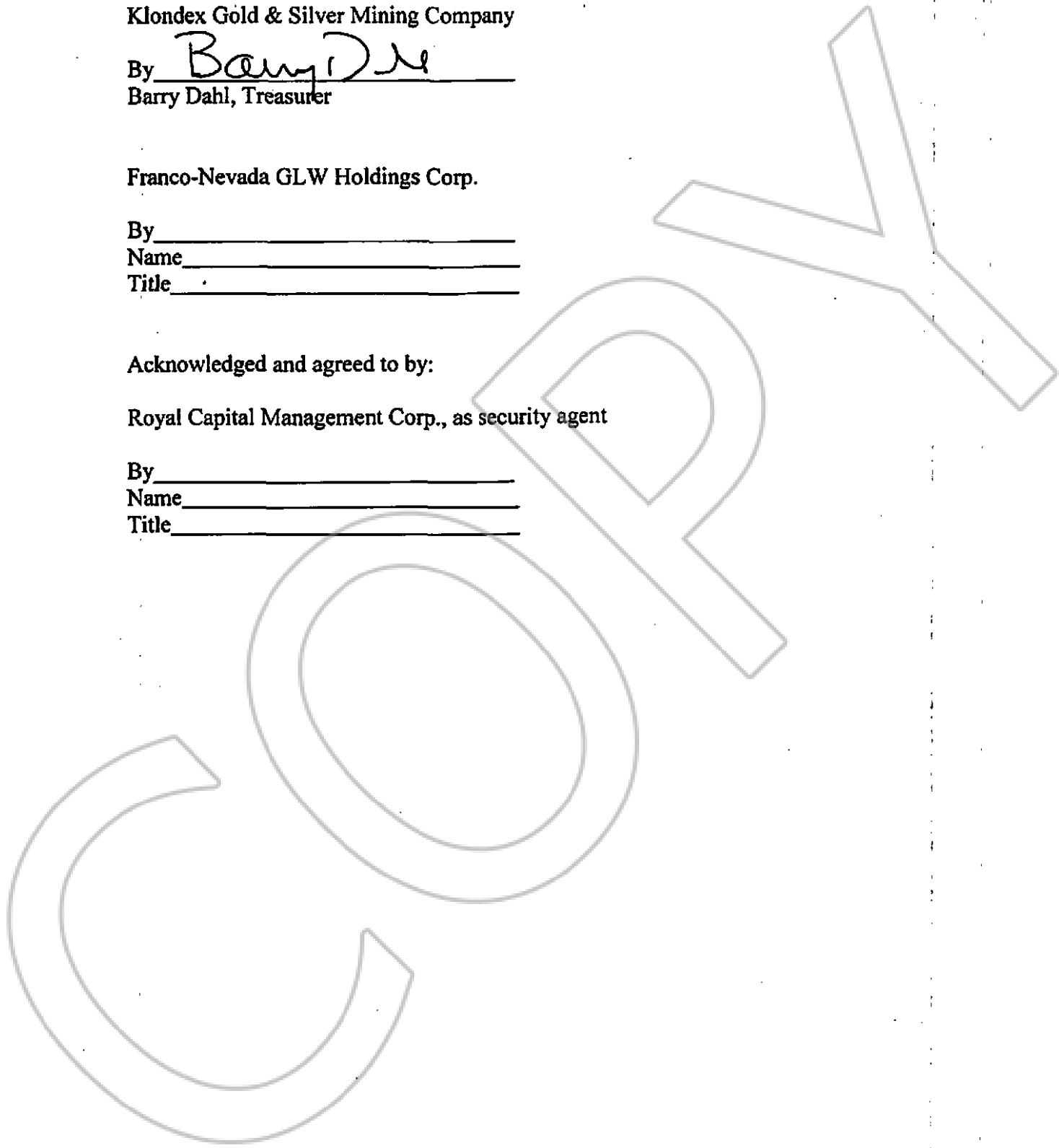
Franco-Nevada GLW Holdings Corp.

By _____
Name _____
Title _____

Acknowledged and agreed to by:

Royal Capital Management Corp., as security agent

By _____
Name _____
Title _____



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Klondex Gold & Silver Mining Company

By _____
Barry Dahl, Treasurer

Franco-Nevada GLW Holdings Corp.

By _____
Name SANDIP PRANA
Title CHIEF FINANCIAL OFFICER

Acknowledged and agreed to by:

Royal Capital Management Corp., as security agent

By _____
Name _____
Title _____



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Klondex Gold & Silver Mining Company

By _____
Barry Dahl, Treasurer

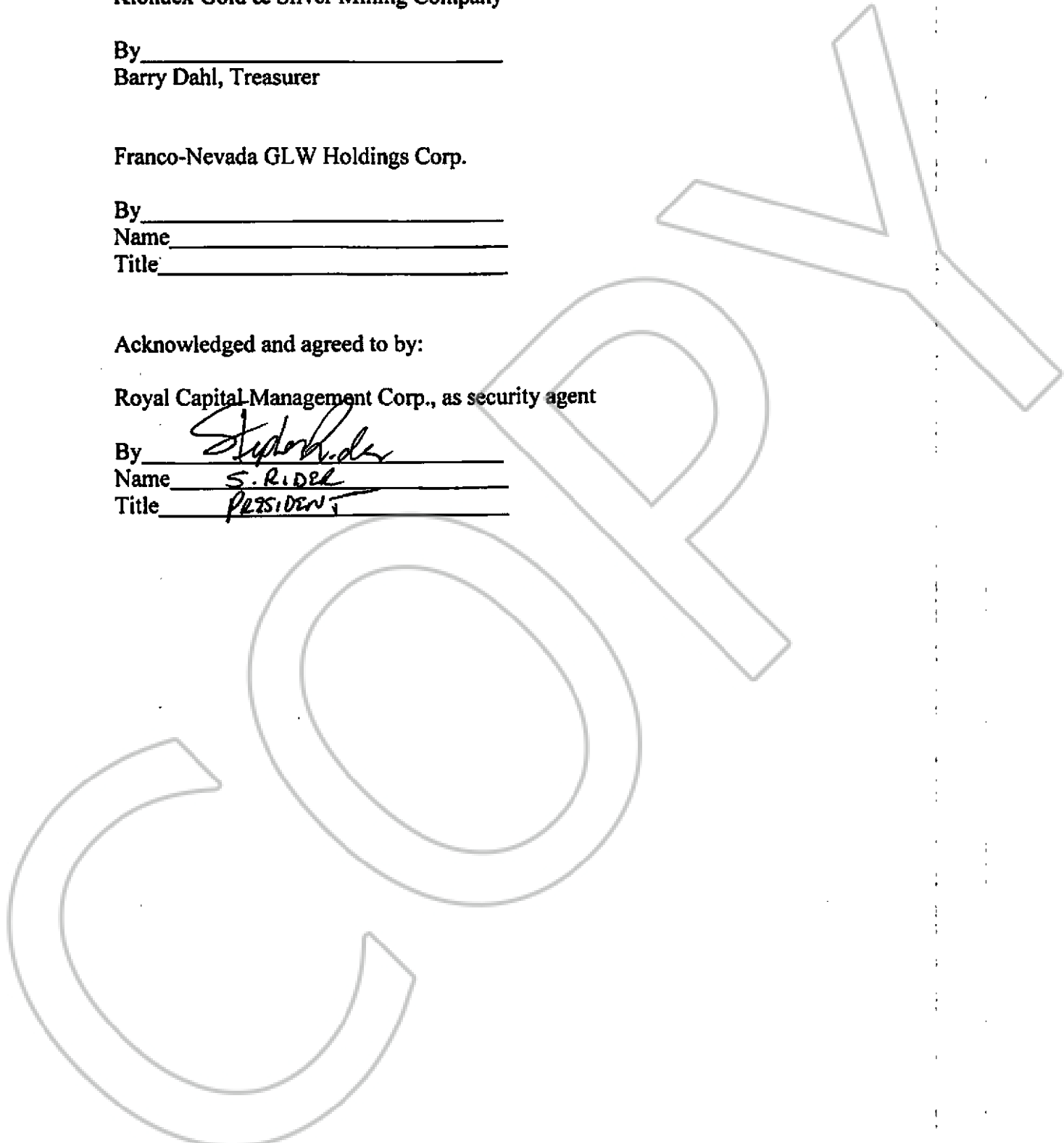
Franco-Nevada GLW Holdings Corp.

By _____
Name _____
Title _____

Acknowledged and agreed to by:

Royal Capital Management Corp., as security agent

By *S. Rider*
Name S. RIDER
Title PRESIDENT

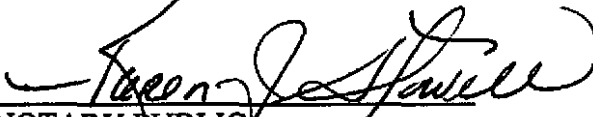


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STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on March 24, 2016 by Barry Dahl as Treasurer of Klondex Gold & Silver Mining Company.


NOTARY PUBLIC
My commission expires 4/29/2017



STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on March ____, 2016 by _____ as _____ of Franco-Nevada GLW Holdings Corp.

NOTARY PUBLIC
My commission expires _____

CITY OF TORONTO)
) ss.
PROVINCE OF ONTARIO)

This instrument was acknowledged before me on March ____, 2016 by _____ as _____ of Royal Capital Management Corp.

NOTARY PUBLIC
My commission does not expire.



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STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on March ____, 2016 by Barry Dahl as Treasurer of Klondex Gold & Silver Mining Company.

NOTARY PUBLIC
My commission expires _____

CITY _____
~~STATE OF~~ Toronto)
PROVINCE _____) ss.
COUNTY OF Ontario)

This instrument was acknowledged before me on March 23, 2016 by SANDIP RANA as CEO of Franco-Nevada GLW Holdings Corp.

[Signature]

NOTARY PUBLIC
My commission expires N/A.

CITY OF TORONTO)
) ss.
PROVINCE OF ONTARIO)

This instrument was acknowledged before me on March ____, 2016 by _____ as _____ of Royal Capital Management Corp.

NOTARY PUBLIC
My commission does not expire.



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STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on March ____, 2016 by Barry Dahl as Treasurer of Klondex Gold & Silver Mining Company.

NOTARY PUBLIC
My commission expires _____


STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on March ____, 2016 by _____ as _____ of Franco-Nevada GLW Holdings Corp.

NOTARY PUBLIC
My commission expires _____

CITY OF TORONTO)
) ss.
PROVINCE OF ONTARIO)

This instrument was acknowledged before me on March 21, 2016 by Stephen Rider as President of Royal Capital Management Corp.



NOTARY PUBLIC
My commission does not expire.

HARRIS, SHEAFFER LLP
BARRISTERS & SOLICITORS
SUITE 612, 4190 YONGE STREET
TORONTO, ONTARIO M2P 2E5



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