

RECORDED AT THE REQUEST OF AND
AFTER RECORDING PLEASE RETURN TO:
Cordilleran Exploration Company, LLC
Attn: Andy Wallace
573 E. 2nd Street
Reno, NV 89502

EUREKA COUNTY, NV **2018-236263**
Rec:\$35.00
Total:\$35.00 **10/22/2018 08:52 AM**
CORDILLERAN EXPLORATION CO Pgs=10
LLC



LISA HOEHNE, RECORDER

E08

APN: N/A (royalty only, unpatented mining claims)

*The undersigned affirm that this document does not
contain the personal information of any person*

ROYALTY DEED

(North Brown (BCN) Property)

This Royalty Deed ("Deed") is made effective as of September 21, 2018 (the "Effective Date") by and between ALLEGIANT GOLD (U.S.) LTD., a Nevada corporation formerly known as Columbus Gold (U.S.) Corporation ("Allegiant"), and CORDILLERAN EXPLORATION COMPANY, LLC, a Nevada limited liability company whose address is Attn: Andy Wallace, 573 E. 2nd Street, Reno, Nevada 89502 ("Cordex"). Allegiant and Cordex are collectively referred to herein as the "Parties" and individually as a "Party."

Recitals

A. Allegiant and Cordex are parties to that certain 2017-2018 Cordex Services Agreement dated as of December 1, 2017 (the "Agreement").

B. Pursuant to the terms of the Agreement, Cordex is entitled to receive a production royalty conveyance as set forth in this Deed.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, incorporating the Recitals set forth above, agree as follows:

1. Grant of Production Royalty. Allegiant does hereby grant and convey to Cordex a perpetual net smelter returns production royalty (the "Royalty") on any mineral production from the mining claims described in **Exhibit 1** attached hereto and by reference made a part hereof (the "Property"), which Royalty shall be calculated and paid in accordance with the provisions of **Exhibit 2** attached hereto and by reference made a part hereof. The Royalty shall run with the land (including any and all of said mining claims that are amended, relocated or replaced, or modified or converted in any way to retain tenure to federal lands in connection with any future changes in the United States mining laws), shall be binding upon Allegiant and any and all successors to Allegiant, and shall be payable to Cordex and its successors regardless of whether the Property is held in the name of Allegiant or any other person or entity. The amount of the Royalty shall be two percent (2.0%).

2. Representations and Warranties by Allegiant. Allegiant makes no representations or warranties to Cordex regarding title to the Property or the Royalty except that as of the Effective Date the Property is free and clear of any lien or encumbrance arising by, through or under Allegiant, and that the Royalty is created and granted free and clear of any lien or encumbrance arising by, through or under Allegiant.

3. Survival of Agreement Obligations. This Deed is given pursuant to the Agreement, the terms and conditions of which shall survive the execution and delivery of this Deed, including without limitation Cordex's right to receive title to the Property (and related information) prior to its abandonment as provided in Section 7 of the Agreement, Cordex's right to receive minimum advance royalty payments for the Property as provided in Section 8 of the Agreement, and the area of interest provisions in Section 10 of the Agreement.

4. Binding Effect. This Deed shall inure to the benefit of and be binding upon the parties and their respective successors. As set forth in the Agreement, any sale, option, lease, joint venture or transfer of the Property by Allegiant or its successors shall be subject to the Transfer Obligations (as defined in the Agreement).

5. Further Assurances. Each Party agrees to execute and deliver, from time to time, such additional documents and to take such further actions as may be necessary to fully implement the transactions contemplated by this Deed.

6. Governing Law. This Deed, and any causes of action arising out of or based upon this Deed or the negotiation, execution or performance hereof, shall be governed by, and construed, interpreted and enforced in accordance with, the laws of Nevada, without regard to choice or conflict of law principles that would result in the application of the laws of any other jurisdiction. Each Party irrevocably consents, on behalf of itself and its successors, to the exclusive jurisdiction of the courts of the State of Nevada or the federal district court for the District of Nevada, as may be applicable, in respect of any disputes arising hereunder, with venue to be in Washoe County, Nevada.

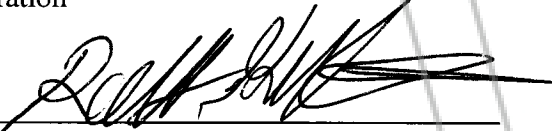
7. Execution. This Deed may be executed in counterparts, which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Deed to be executed by their duly authorized representatives on the dates indicated in the acknowledgements below, but effective as of the Effective Date.

[Signature page follows]

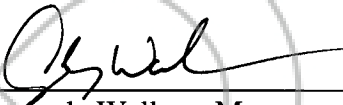
Allegiant:

ALLEGIANT GOLD (U.S.) LTD., a Nevada
corporation

By: 
Robert Giustra, President

Cordex:

CORDILLERAN EXPLORATION COMPANY,
LLC, a Nevada limited liability company

By: 
Andy Wallace, Manager

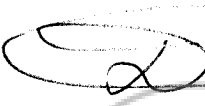
STATE/PROVINCE OF BC)

: ss.

COUNTY/MUNICIPALITY OF Vancouver)

On this 28 day of September, 2018, personally appeared before me, a Notary Public, Robert Giustra, the President of ALLEGIANT GOLD (U.S.) LTD., a Nevada corporation, who acknowledged that he executed the above instrument on behalf of said corporation.

[seal]



NOTARY PUBLIC, residing in

My commission expires:

N/A

David J. Cowan
Barrister and Solicitor
McMillan LLP
1500 - 1055 West Georgia Street
PO Box 11117
Vancouver, BC V6E 4N7
t 604.689.9111
f 604.689.7084

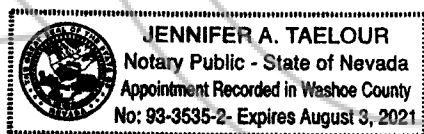
STATE OF NEVADA)

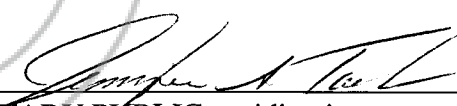
) ss.

COUNTY OF WASHOE)

On this 21st day of September, 2018, personally appeared before me, a Notary Public, Andy Wallace, a Manager of CORDILLERAN EXPLORATION COMPANY, LLC, a Nevada limited liability company, who acknowledged that he executed the above instrument on behalf of said entity.

[seal]




NOTARY PUBLIC, residing in
Reno, NV

My commission expires:

August 3, 2021

Exhibit 1

North Brown (BCN) Property

The Property consists of the following 52 unpatented lode mining claims located within projected Sections 12 and 13 of partially surveyed T18N, R51E, and projected Sections 7 and 8 of unsurveyed T18N, R52E, MDM, Eureka County, Nevada:

<u>Claim Name</u>	<u>BLM Serial No.</u>	<u>Recorded Document No.</u>	<u>Location Date</u>
BCN 26	NMC1163754	2018-234668	11/07/2017
BCN 27	NMC1163755	2018-234669	11/07/2017
BCN 28	NMC1163756	2018-234670	11/07/2017
BCN 29	NMC1163757	2018-234671	11/07/2017
BCN 30	NMC1163758	2018-234672	11/07/2017
BCN 31	NMC1163759	2018-234673	11/07/2017
BCN 32	NMC1163760	2018-234674	11/07/2017
BCN 33	NMC1163761	2018-234675	11/07/2017
BCN 34	NMC1163762	2018-234676	11/07/2017
BCN 35	NMC1163763	2018-234677	11/07/2017
BCN 36	NMC1163764	2018-234678	11/07/2017
BCN 37	NMC1163765	2018-234679	11/07/2017
BCN 38	NMC1163766	2018-234680	11/07/2017
BCN 39	NMC1163767	2018-234681	11/07/2017
BCN 40	NMC1163768	2018-234682	11/07/2017
BCN 41	NMC1163769	2018-234683	11/07/2017
BCN 42	NMC1163770	2018-234684	11/07/2017
BCN 43	NMC1163771	2018-234685	11/07/2017
BCN 44	NMC1163772	2018-234686	11/07/2017
BCN 45	NMC1163773	2018-234687	11/07/2017
BCN 46	NMC1163774	2018-234688	11/07/2017
BCN 47	NMC1163775	2018-234689	11/07/2017
BCN 48	NMC1163776	2018-234690	11/07/2017
BCN 49	NMC1163777	2018-234691	11/07/2017
BCN 50	NMC1163778	2018-234692	11/07/2017
BCN 51	NMC1163779	2018-234693	11/07/2017
BCN 52	NMC1163780	2018-234694	11/06/2017
BCN 53	NMC1163781	2018-234695	11/06/2017
BCN 54	NMC1163782	2018-234696	11/06/2017
BCN 55	NMC1163783	2018-234697	11/06/2017
BCN 56	NMC1163784	2018-234698	11/06/2017
BCN 57	NMC1163785	2018-234699	11/06/2017
BCN 58	NMC1163786	2018-234700	11/06/2017

<u>Claim Name</u>	<u>BLM Serial No.</u>	<u>Recorded Document No.</u>	<u>Location Date</u>
BCN 59	NMC1163787	2018-234701	11/06/2017
BCN 60	NMC1163788	2018-234702	11/07/2017
BCN 61	NMC1163789	2018-234703	11/07/2017
BCN 62	NMC1163790	2018-234704	11/09/2017
BCN 63	NMC1163791	2018-234705	11/09/2017
BCN 64	NMC1163792	2018-234706	11/09/2017
BCN 65	NMC1163793	2018-234707	11/09/2017
BCN 66	NMC1163794	2018-234708	11/09/2017
BCN 67	NMC1163795	2018-234709	11/09/2017
BCN 68	NMC1163796	2018-234710	11/09/2017
BCN 69	NMC1163797	2018-234711	11/09/2017
BCN 70	NMC1163798	2018-234712	11/09/2017
BCN 71	NMC1163799	2018-234713	11/09/2017
BCN 72	NMC1163800	2018-234714	11/09/2017
BCN 73	NMC1163801	2018-234715	11/09/2017
BCN 74	NMC1163802	2018-234716	11/09/2017
BCN 75	NMC1163803	2018-234717	11/09/2017
BCN 76	NMC1163804	2018-234718	11/09/2017
BCN 77	NMC1163805	2018-234719	11/09/2017

[End]

Exhibit 2

1. Royalty. The Royalty shall be a net smelter returns production royalty payable on any mineral production from any part of the Property. For purposes of this Deed, net smelter returns shall mean gross revenues received by Allegiant or its successors from the sale of all ore, concentrate, doré, metal and mineral products of any kind derived from ore mined from the Property, including all sand, gravel and road grit ("Mineral Products"), after deduction of the following:

- (a) all smelting and refining costs including sampling, assaying, treatment charges and penalties, including but not limited to metal losses, incurred by the purchaser of Mineral Products;
- (b) costs of handling, transporting, securing and insuring Mineral Products from the Property or from a concentrator, whether situated on or off the Property, to a smelter, refinery or other purchaser of Mineral Products including, in the case of gold or silver concentrates, security costs;
- (c) ad valorem taxes and taxes based upon sales or production of Mineral Products, but not income taxes; and
- (d) marketing costs, including sales commissions, incurred in selling Mineral Products.

2. Non-Arm's Length Revenue. Where revenue otherwise to be included under this Deed is received by Allegiant in a transaction with a party with whom it is not dealing at arm's length, the revenue to be included shall be based on the fair market value under the circumstances and at the time of the transaction.

3. Non-Arm's Length Costs. Where a cost otherwise deductible under this Deed is incurred by Allegiant in a transaction with a party with whom it is not dealing at arm's length, the cost to be deducted shall be the fair market cost under the circumstances and at the time of the transaction.

4. Currency. The currency of the United States shall be used for the purposes of calculating the Royalty.

5. Hedging. Allegiant may, but shall not be under any duty to, engage in price protection (hedging) or speculative transactions such as futures contracts and commodity options in its sole discretion covering all or part of production from the Property and, except in the case where products are actually delivered and a sale is actually consummated under such price protection or speculative transactions, none of the revenues, costs, profits or losses from such transactions shall be taken into account in calculating the Royalty.

6. Commingling. If the Property is brought into commercial production, it may be operated as a single operation with other mining properties owned by third parties or in which Allegiant has an interest, in which event the parties agree that (notwithstanding separate ownership thereof) ores mined from the mining properties (including the Property) may be blended at the time

of mining or at any time thereafter; provided, however, that the respective mining properties shall bear and have allocated to them their proportionate part of costs described in paragraphs 1(a) to 1(d) above incurred relating to the single operation, and shall have allocated to each of them the proportionate part of the revenues earned relating to such single operation. In making any such allocation, effect shall be given to the tonnages and location of ore and other material mined and beneficiated and the characteristics of such material including the metal content and metal recoverability of ore removed from, and to any special charges relating particularly to ore, concentrates or other products or the treatment thereof derived from, any of such mining properties. Allegiant shall ensure that highest and best practices and procedures utilized in the precious metals mining industry are adopted and employed for weighing, determining moisture content, sampling and assaying and determining recovery factors. Notwithstanding the foregoing provisions of this paragraph 6, Allegiant shall, at least 60 days prior to any such commingling, deliver to Cordex a detailed written description of the proposed commingling plan and the methods and procedures by which Allegiant intends to determine the respective outturn of minerals from ores mined from the Property and the other property or properties, which plan shall be in accordance with best mining practices. Allegiant shall not commence commingling without Cordex's prior written consent to such plan, which consent shall not be unreasonably conditioned, delayed or withheld.

7. Payments. Payment of the Royalty shall be made to Cordex within 30 days after the end of each calendar quarter, and shall be based on revenue received from the sale of Mineral Products during that quarter. All payments shall be accompanied by pertinent information in sufficient detail to explain the calculation of the payment. All such payments shall be made in U.S. Dollars.

8. Calculations. After the year in which commercial production is commenced on the Property, Cordex shall be provided annually on or before April 1 with a copy of the calculation of the Royalty payments, determined in accordance with this Deed, for the preceding calendar year, certified correct by Allegiant.

9. Audits. Allegiant shall cause any Royalty payments and the records relating thereto to be audited within the first quarter of each calendar year by a national firm of chartered accountants designated and paid by Allegiant (which may be the auditor of Allegiant) and:

- (a) copies of the audit reports shall be delivered to Cordex and Allegiant by the chartered accounting firm;
- (b) either party will have three months after receipt of any audit report to object thereto in writing to the other party, and failing such objection, such report shall be deemed correct except with respect to any instances of fraud or intentional misconduct; and
- (c) in the event of a reaudit, all costs relating to such reaudit shall be paid by Allegiant if the original audit is found to be in error by a margin of 10% or more, or by Cordex if the original audit is found to be correct and Cordex requested the reaudit.

10. Rights of Parties. The right to receive Royalty payments from Allegiant and its successors as and when due is and will be deemed to be a covenant which runs with the Property irrespective of any change in ownership or control thereof, and Cordex shall have the unfettered

right to record public notice of the Royalty on title and Allegiant shall cooperate and assist in such recordation. Cordex's right to receive Royalty payments from Allegiant as and when due shall not be deemed to constitute Cordex the partner, agent or legal representative of Allegiant or to create any fiduciary relationship between them for any purpose whatsoever.

11. Operations. Allegiant shall be entitled to:

- (a) make all operational decisions with respect to the methods and extent of mining and processing of Mineral Products (for example, without limitation, the decision to process by heap leaching rather than conventional milling);
- (b) make all decisions relating to sales of Mineral Products; provided, however, that payments are made in accordance with paragraph 7 above; and
- (c) make all decisions concerning temporary or long-term cessation of operations.

12. Re-acquisitions and Modifications. Notwithstanding the provisions of paragraph 11 above, if Allegiant relinquishes, drops, abandons or allows any portion of the Property to lapse and subsequently reacquires a direct or indirect beneficial interest with respect to such portion of the Property, then such portion of the Property shall once again be subject to the obligation to pay the Royalty. Likewise, the Royalty shall be payable both before and after any patenting of any unpatented mining claims within the Property, and shall be applicable to any amendments or relocations of unpatented mining claims or any conversions of unpatented mining claims into leases or other forms of tenure under the federal mining laws now or hereafter existing.

13. Inspections. Cordex may, at times reasonably convenient to Allegiant at reasonable intervals and at Cordex's expense, have a representative present at any stage when Mineral Products are mined, handled, stored, treated, weighed, sampled, assayed and the contained moisture determined, and shall upon request be furnished with a representative part of any sample taken.

14. Records. Allegiant shall keep accurate records of data necessary for the computation of the Royalty. Allegiant's records, books and accounts that are related to the computation and payment of the Royalty shall be open during normal business hours to the inspection of and copying by Cordex or its designated representatives upon not less than three days' notice to Allegiant. Cordex shall honor and comply with any reasonable confidentiality restrictions placed upon such information by Allegiant.

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State of Nevada Declaration of Value

1. Assessor Parcel Number(s):

- a) _____
b) _____
c) _____
d) _____

2. Type of Property:

- a) ☐ Vacant Land b) ☐ Single Fam. Res.
c) ☐ Condo/Twnhse d) ☐ 2-4 Plex
e) ☐ Apt. Bldg. f) ☐ Comm'l/Ind'l
g) ☐ Agricultural h) ☐ Mobile Home
i) ☒ Other – unpatented mining claims

3. Total Value/Sales Price of Property:

Deed in Lieu of Foreclosure Only (value of property) \$ _____
Transfer Tax Value: \$ _____
Real Property Transfer Tax Due: \$ 0

4. If Exemption Claimed:

- a) Transfer Tax Exemption, per NRS 375.090, Section: 8
b) Explain Reason for Exemption: Unpatented Mining Claims

5. Partial Interest: Percentage being transferred: 0 %.

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest of 1% per month.

Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature [Signature]
Signature _____

Capacity Managing Partner
Capacity _____

SELLER (GRANTOR) INFORMATION
(REQUIRED)

Print Name: Allegiant Gold (U.S.) Ltd
Address: 1040 Hamilton Street
City: Vancouver, BC
State: CANADA Zip: V6B 2R9

BUYER (GRANTEE) INFORMATION

CORDILLERAN EXPLORATION CO LLC
Print Name: dba Cordex Exploration Co
Address: 573 E. 2ND Street
City: Reno
State: NV Zip: 89502

COMPANY/PERSON REQUESTING RECORDING

(REQUIRED IF NOT THE SELLER OR BUYER)

Print Name: _____ Escrow#: _____
Address: _____
City: _____ State: _____ Zip: _____

(AS A PUBLIC RECORD THIS FORM MAY BE RECORDED)