

Bond # **962-018775**

Amount **\$34,650,000**

KNOW ALL PERSONS by these presents that Lupin Mines Incorporated (Ontario) (the “Principal”) whose place of business is at 76 Richmond Street East, Suite 300, Toronto, ON M5C 1P1 and Intact Insurance Company (the “Surety”) whose place of business is at 4 Robert Speck Parkway, Mississauga, ON L4Z 1S1 are held and firmly bound to Her Majesty the Queen in Right of Canada, as represented by the Minister of Indigenous and Northern Affairs Canada (the “Obligee”) whose place of business is at P.O. Box 100, Bldg. 918, Iqaluit, Nunavut, Canada, X0A 0H0 in the sum of \$34,650,000 lawful money of Canada for the payment of which we bind ourselves, our heirs, administrators and successors, and assigns firmly by these presents.

WHEREAS, the Principal will perform operations pertaining to the care and maintenance of a mine pursuant to the Territorial Lands Act and Nunavut Waters and Nunavut Surface Rights Tribunal Act located on Lupin Mine, Kitikmeot Region, Nunavut (locally known as Lupin Mine) in accordance with the Territorial Lands Act and Nunavut Waters and Nunavut Surface Rights Tribunal Act any regulations made under those statutes and the terms and conditions of mineral lease #2428, issued pursuant to the Territorial Lands Act, and in accordance with the terms and conditions of water license #2AM-LUP1520, issued pursuant to the Nunavut Waters and Surface Rights Tribunal Act (collectively the “Licenses”).

NOW, THEREFORE, the condition of this obligation is such that, if the Principal shall comply with the Territorial Lands Act and Nunavut Waters and Nunavut Surface Rights Tribunal Act and any regulations made under either statute and the terms and conditions of the Licenses, then this obligation shall be void; otherwise it shall remain in full force and effect, subject to the following conditions:

1. Whenever the Principal shall be in default and declared by the Obligee – without the Surety enquiring whether the Obligee has a right as between it and the Principal to make such a declaration and without recognizing any claim of the Principal - to be in default of the Territorial Lands Act and Nunavut Waters and Nunavut Surface Rights Tribunal Act and any regulations made under either the statute or the terms of the Licenses, the Obligee shall send a registered letter to both the Principal and Surety, stating in substantial detail the facts leading to the default.
2. The Surety’s obligation to the Obligee shall be to immediately pay such amounts demanded by the Obligee and this bond will be totally exonerated by remitting to the Obligee such amounts in default provided however, the total liability of the Surety shall in no event exceed the sum of the bond.
3. Provided that, if the Surety at any time gives at least ninety (90) days’ notice in writing to the Obligee and to the Principal of its intention to terminate this obligation, then this obligation shall be deemed to be terminated on the date stated in the notice, which date shall not be less than ninety (90) days after the date of the receipt of the notice by the Obligee or by the Principal, whichever is the later date of the receipt. Any suit or action on this bond against the Surety must be commenced by the Obligee within one-hundred-and-eighty (180) days from the date of notice of default mentioned in clause #1 above.

4. In the event the Surety becomes unable to fulfill its obligations under the bond for any reason, notice shall be given immediately, by registered mail, to the Principal and the Obligee.
5. The Surety is licensed to issue surety in Canada under the *Insurance Act* (Nunavut) (Canada).
6. This bond will be valid for the term of **[date bond sealed]** to **[date one year hence]** and shall be automatically renewed, without further documentation from year to year thereafter unless terminated as aforesaid, provided that the Surety may, if it wishes, issue certificates evidencing such renewal.

Sealed with the respective seals of the Principal and of the Surety **the 21st day of July, 2017.**

SEALED, SIGNED AND DELIVERED

Lupin Mines Incorporated (Ontario)

In the presence of

Name of Signatory (Please Print)

Intact Insurance Company

Signature

, Attorney-in-fact