

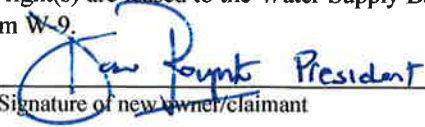
STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES

## Notice of Change in Water Right Ownership

1. List the numbers of all water rights and/or adjudication claim records to be changed. If you only acquired a portion of the water right or adjudication claim, check "Yes" in the "Split?" column. If the water right is leased to the Water Supply Bank, check "Yes". If you are not sure if the water right is leased to the Water Supply Bank, see #6 of the instructions.

| Water Right/Claim No. | Split?                       | Leased to Water Supply Bank? | Water Right/Claim No. | Split?                       | Leased to Water Supply Bank? |
|-----------------------|------------------------------|------------------------------|-----------------------|------------------------------|------------------------------|
| 94-2064               | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
|                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
|                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
|                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |
|                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |                       | Yes <input type="checkbox"/> | Yes <input type="checkbox"/> |

2. Previous Owner's Name: SNOWSHOE MINING COMPANY  
Name of current water right holder/claimant
3. New Owner(s)/Claimant(s): DAYCON MINERALS INC.  
New owner(s) as listed on the conveyance document      Name connector      ☐ and      ☐ or      ☐ and/or
- 2608 - 59 ANNIE CRAIG DRIVE      TORONTO      ONT      CANADA M8V 0C4  
Mailing address      City      State      ZIP
- 416-568-8599      dpoynton@dayconminerals.com  
Telephone      Email
4. If the water rights and/or adjudication claims were split, how did the division occur?  
☐ The water rights or claims were divided as specifically identified in a deed, contract, or other conveyance document.  
☐ The water rights or claims were divided proportionately based on the portion of their place(s) of use acquired by the new owner.
5. Date you acquired the water rights and/or claims listed above: 26/10/2019
6. If the water right is leased to the Water Supply Bank changing ownership of a water right will reassign to the new owner any Water Supply Bank leases associated with the water right. Payment of revenue generated from any rental of a leased water right requires a completed IRS Form W-9 for payment to be issued to an owner. A new owner for a water right under lease shall supply a W-9. Water rights with multiple owners must specify a designated lessor, using a completed Lessor Designation form. Beginning in the calendar year following an acknowledged change in water right ownership, compensation for any rental will go to the new owner(s).
7. This form must be signed and submitted with the following **REQUIRED** items:  
☒ A copy of the conveyance document – warranty deed, quitclaim deed, court decree, contract of sale, etc. The conveyance document must include a legal description of the property or description of the water right(s) if no land is conveyed.  
☒ Plat map, survey map or aerial photograph which clearly shows the place of use and point of diversion for each water right and/or claim listed above (if necessary to clarify division of water rights or complex property descriptions).  
☒ Filing fee (see instructions for further explanation):  
     o \$25 per *undivided* water right.  
     o \$100 per *split* water right.  
     o No fee is required for pending adjudication claims.  
☐ If water right(s) are leased to the Water Supply Bank AND there are multiple owners, a Lessor Designation form is required.  
☐ If water right(s) are leased to the Water Supply Bank, the individual owner or designated lessor must complete, sign and submit an IRS Form W-9.

8. Signature:       DAVID POYNTON, PRESIDENT      26/10/2019  
Signature of new owner/claimant      Title, if applicable      Date

Signature: \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_  
Signature of new owner/claimant      Title, if applicable      Date

**For IDWR Office Use Only:**

Received by NS      Date 11-20-19      Receipt No. N035767      Receipt Amt. \$25.00  
 Active in the Water Supply Bank? Yes ☐ No ☐      If yes, forward to the State Office for processing      W-9 received? Yes ☐ No ☐  
 Name on W-9 \_\_\_\_\_      Approved by \_\_\_\_\_      Processed by NS      Date 11-26-19

RECORDING REQUESTED BY &  
RETURN TO:

Donald G. Beehner

Instrument # 501672

WALLACE, SHOSHONE COUNTY, IDAHO

11-14-2019 03:17:35 PM No. of Pages: 4

Recorded for : DON BEEHNER

TAMIE EBERHARD

Fee: 15.00

Ex-Officio Recorder Deputy

Index to: QUITCLAIM DEED

### QUITCLAIM DEED AND ASSIGNMENT

This Deed and Assignment is made effective as of the 26<sup>th</sup> day of October, 2019, by and between:

**SNOWSHOE MINING COMPANY**, an Idaho corporation ("**Snowshoe**") with its principal place of business at 504 Bank Street, Wallace, Idaho, USA, 83873

-and-

**DAYCON MINERALS INC.**, a Delaware corporation ("**Daycon USA**") with its office at 2608-59 Annie Craig Drive, Toronto, Ontario CANADA M8V 0C4

Snowshoe and Daycon USA may be referenced jointly in this Deed and Assignment as the "**Parties**".

**WHEREAS** Snowshoe is the owner of Water Right 94-2064 (the "**Water Right**") in Idaho as decreed by the Water Adjudication Court (a copy of which is attached hereto as Schedule "A") upon recommendation of the Idaho Department of Water Resources with place of use located in Mineral Survey 2224, which Water Right allows diversion at T48N R06E S19 within Shoshone County of 1.00 cfs from Gentle Annie Gulch Creek.

In consideration of the mutual promises, covenants and conditions set forth herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Snowshoe hereby quitclaims and assigns to Daycon USA Snowshoe's entire interest in the Water Right. **TO HAVE AND TO HOLD** all and singular the Water Right together with the tenements, hereditaments and appurtenances belonging thereto, or in any way appertaining, and the rents issues and profits of such property all to Daycon USA, and Daycon USA's successors and assigns forever.

2. Snowshoe represents and warrants to Daycon USA as follows:

(a) It is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated. It has all requisite power and authority to carry on its business as presently conducted, to enter into this Agreement, and to perform its obligations under this Agreement. Consummation of the transactions contemplated by this Agreement will not (i) violate, or be in conflict with, any provision of its articles of incorporation, bylaws or other governing documents, (ii) result in the breach of any term or condition of, or constitute a default or cause the acceleration of any obligations under any agreement or instrument to which it is a party or is bound, or (iii) violate any judgment, decree, order, statute, rule or regulation applicable to it.

501672

(b) The execution, delivery and performance of this Agreement and the transactions contemplated hereby have been duly and validly authorized by all requisite action on its part. This Agreement and all documents executed by it in connection with this Agreement shall constitute its legal, valid and binding obligations, enforceable against it in accordance with their terms, subject only to the effects of bankruptcy, insolvency, reorganization, moratorium and similar laws from time to time in effect, as well as general principles of equity.

(c) It is the legal and beneficial owner of the Water Right without any claim by any other person, firm or corporation;

(d) it will execute such further and other documentation as Daycon USA may request for purposes of more fully documentation and registering the within Deed and Assignment with any authority deemed necessary by Daycon USA.

**IN WITNESS WHEREOF**, the Parties have executed this Deed and Assignment to be effective on the day and date first written above.

**SNOWSHOE MINING COMPANY**, an Idaho corporation

by:

Don G. Beehner, President & CEO

**DAYCON MINERALS INC.**, a Delaware corporation

by:

David Poynton, President & CEO

19

501672

2019 OCT 25 PM 02:00  
DISTRICT COURT - CSRB  
TWIN FALLS CO., IDAHO  
FILED

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF THE  
STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

IN RE CSRB  
Case No. 49576

PARTIAL DECREE PURSUANT TO  
I.R.C.P. 54(b) FOR

Water Right 94-02064

"A"

NAME AND ADDRESS: SNOWSHOE MINING CO  
504 BANK ST  
WALLACE, ID 83873

SOURCE: GENTLE ANNIE GULCH CREEK TRIBUTARY: SOUTH FORK COEUR D'ALENE RIVER

QUANTITY: 1.00 CFS

PRIORITY DATE: 01/30/1911

POINT OF DIVERSION: T48N R06E S19 SESW Within Shoshone County

This right does not grant any right-of-way or easement across  
the land of another.

PURPOSE AND

PERIOD OF USE:

| PURPOSE OF USE | PERIOD OF USE  | QUANTITY |
|----------------|----------------|----------|
| Mining         | 01-01 TO 12-31 | 1.00 CFS |

Water was used under this right for mining at the Snowshoe  
Mining Co. mine site. This right is recommended pursuant to  
Section 42-223(11), Idaho Code.

| PLACE OF USE: | Mining | Within Shoshone County |
|---------------|--------|------------------------|
| T48N R06E S19 | SENE   | NESW                   |
|               | SESW   | NESE                   |
|               | NWSE   | SWSE                   |
|               | SESE   |                        |
| S30           | NENE   | NWNE                   |

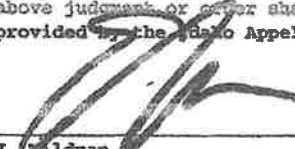
Place of use is located in Mineral Survey No. 2224.

OTHER PROVISIONS NECESSARY FOR DEFINITION OR ADMINISTRATION OF THIS WATER RIGHT:

THIS PARTIAL DECREE IS SUBJECT TO SUCH GENERAL PROVISIONS  
NECESSARY FOR THE DEFINITION OF THE RIGHTS OR FOR THE EFFICIENT  
ADMINISTRATION OF THE WATER RIGHTS AS MAY BE ULTIMATELY  
DETERMINED BY THE COURT AT A POINT IN TIME NO LATER THAN THE  
ENTRY OF A FINAL UNIFIED DECREE. I.C. SECTION 42-1412(6).

RULE 54(b) CERTIFICATE

With respect to the issues determined by the above judgment or order, it is hereby CERTIFIED, in accordance  
with Rule 54(b), I.R.C.P., that the court has determined that there is no just reason for delay of the entry of a  
final judgment and that the court has and does hereby direct that the above judgment or order shall be a final  
judgment upon which execution may issue and an appeal may be taken as provided by the Idaho Appellate Rules.

  
Eric J. Aldman  
Presiding Judge of the  
Coeur d'Alene-Spokane River Adjudication

501672

STATE OF IDAHO )

) SS  
)

On this 14th day of November, 2019, personally appeared before me  
Don Beehner, the President of  
Snowshoe Mining Company, an Idaho corporation, and signer of the above Quitclaim Deed, who  
duly acknowledged to me that he executed the same on behalf of the company.

WITNESS my hand and official seal.

My Commission Does Not Expire:

12-21-22

  
Notary Public  
CINDIE SAWYER  
COMM. No. 131505  
NOTARY PUBLIC  
STATE OF IDAHO  
MY COMMISSION EXPIRES \_\_\_\_\_

PROVINCE OF NOVA SCOTIA )

) SS  
)

On this 29 day of October, 2019, personally appeared before me  
David Poynton, the President of **Daycon**  
**Minerals Inc.**, a Delaware corporation, and signer of the above Quitclaim Deed, who duly  
acknowledged to me that he executed the same on behalf of the company.

WITNESS my hand and official seal.

My Commission Does Not Expire:

  
Notary Public  
**JEFF AUCOIN**  
A Barrister of the Supreme  
Court of Nova Scotia

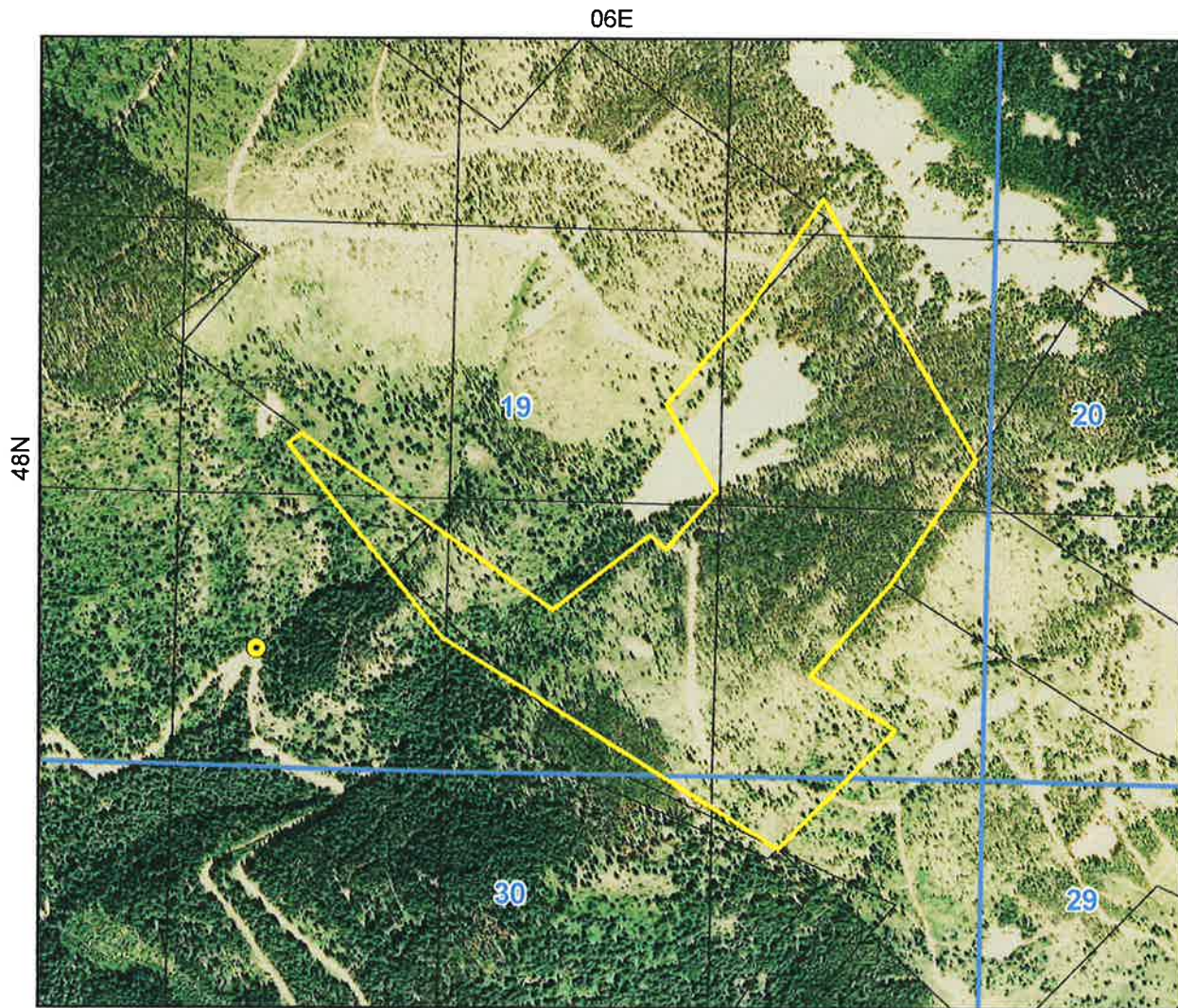


State of Idaho  
Department of Water Resources

# Adjudication Recommendation 94-2064

## MINING

The map depicts the place of use for the water use listed above and point(s) of diversion of this right as currently derived from interpretations of the paper records and is used solely for illustrative purposes. Discrepancies between the computer representation and the permanent document file will be resolved in favor of the actual water right documents in the water right file.



-  Point of Diversion
-  Place Of Use Boundary
-  Townships
-  PLS Sections
-  Quarter Quarters

0 0.1 0.2 0.4 Miles





State of Idaho

## DEPARTMENT OF WATER RESOURCES

Northern Region • 7600 N MINERAL DR STE 100 • COEUR D ALENE, ID 83815-7763

Phone: (208)762-2800 • Fax: (208)769-2819 • Website: [www.idwr.idaho.gov](http://www.idwr.idaho.gov)

Brad Little  
Governor

Gary Spackman  
Director

November 26, 2019

DAYCON MINERALS INC  
2608-59 ANNIE CRAIG DR  
TORONTO ON M8V 0C4

Re: Change in Ownership for Water Right No(s): 94-2064

Dear Water Right Holder(s):

The Department of Water Resources (Department) acknowledges the receipt of correspondence changing ownership of the above referenced water right(s) to you. The Department has modified its records and has enclosed a computer-generated report for you.

Updating the ownership record for a water right does not reconfirm the validity of the right. When processing a Notice of Change in Water Right Ownership, the Department does not review the history of water use to determine if the right has been forfeited or deliberately abandoned through five years or more of non-use. To read more about water right forfeiture, including how to protect a water right from forfeiture, please see Idaho Code §§ 42-222 and 42-223.

Please note, water right owners are required to report any change of water right ownership and any change of mailing address to the Department within 120 days of the change. Reporting forms are available from any office of the Department, or from the Department's website.

If you have any questions concerning the enclosed information, please contact me at (208) 762-2800.

Sincerely,

Natalie Steading  
Tech Records Specialist 1

Enclosure(s)