

nation of the option. Provided however that if, at any time it becomes necessary or desirable for OPTIONEE to have title to the Mining Claims in order to finance production, and if the royalties to be generated by such production would, in the opinion of OPTIONEE's independent financial and engineering consultants, be sufficient to pay the balance of the purchase price in full, OPTIONORS shall thereupon instruct the Escrow Agent to deliver the said Deed to OPTIONEE forthwith, and title shall pass subject only to a charge in favour of OPTIONORS securing payment of the aforesaid royalties until the purchase price is paid in full. OPTIONEE shall pay all charges which may be made by the Escrow Agent for said escrow, except charges made by the Escrow Agent for distributing funds to or at the direction of the OPTIONORS.

4. Since no title insurance company will prepare an Abstract of Title for the Mining Claims, OPTIONEE may, at its sole expense, prepare the aforementioned Abstract. In the preparation of this Abstract, OPTIONORS will aid OPTIONEE in every way possible. In the event that OPTIONEE deems the title unacceptable, OPTIONEE may require OPTIONORS, at OPTIONORS expense, to cure the objections of OPTIONEE to the title, which objections OPTIONEE deems in its sole judgment to be defects in the title. If within a reasonable time following notice of such title defects, OPTIONORS have not removed or cured the defects, or upon OPTIONORS' notice to OPTIONEE of their inability or unwillingness to do so, then OPTIONEE may either terminate this option agreement or may itself attempt to remove or cure any remaining defects to which it objects. In the latter event, OPTIONORS shall execute any documents and do such other things as are reasonable and necessary to assist OPTIONEE in its effort to remove and cure such defects