

**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER**

**Release of Lands
True North Millsite Lease (ADL 416509)**

This Release of Interests in Lands under the True North Millsite Lease (ADL 416509) (“Release”), is entered into this 16th day of September 2020, 2020, by Fairbanks Gold Mining, Inc. (“FGMI”) (“Lessee”), who holds 100% interest and whose address is #1 For Knox Road, P.O. Box 73726, Fairbanks, Alaska 99707-3726, and the State of Alaska (“State”), acting through the Commissioner of the Department of Natural Resources (“Commissioner”), whose address is 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501.

RECITALS

Effective January 20, 2001, the State and the Lessees entered into the TRUE NORTH MINE PROJECT MILLSITE LEASE ADL 416509 (“Lease”). The Lease encompasses lands located within the following State lands within the Fairbanks Meridian Township 3 North, Range 1 East, Sections 21, 28, 29, 32, and 33, in the Fairbanks Recording District. The State lands subject to the Lease are described in Exhibit A of the Lease, which provides a map of the Millsite boundaries, aggregates to 2,103 acres, more or less, that is subject to the executed and effective Lease.

PERTINENT RIGHTS, INTERESTS, AND WARRANTIES

A. Indemnification: Lessee assumes all responsibility, risk, and liability for all Millsite

Operations and other activities conducted by Lessees in connection with the project described in the Project Description, including but not limited to construction, reclamation, and environmental and Hazardous Substance risks and liabilities, whether accruing during or after the term of the Lease. Lessee shall defend, indemnify, and hold harmless the State and its employees from and against any and all suits, claims, actions, losses, costs, penalties, and damages of whatever kind or nature, including all attorney's fees and litigation costs, arising out of, in connection with, or incident to any act or omission by or on behalf of Lessee on the Millsite Area, including acts or omissions of independent contractors, unless the sole proximate cause the injury or damage is the negligence or willful misconduct of the State or anyone acting on the State's behalf. This indemnification shall survive the termination of the Lease.

- B. Warranties: Lessees represent and warrants that it is the sole owner and holder of the right or interest described therein and that such right or interest is free of liens, equities, or claims of any kind requiring or that may require the consent of a third party claiming in whole or in part, by, through, or under Lessees, for the valid release or extinguishment thereof, except for such that are owned or claimed by third parties that have joined in the execution of the Release.
- C. Lessees represents and warrants to the State that to the best of its knowledge, all activities carried out in, on, over, or upon the lands released through this Release ("Released Lands") by Lessees or Lessees' employees, contractors, or agents, during the construction, operation, reclamation, and closure were conducted in compliance with the terms of the Lease and with all applicable federal, state, and local laws, regulations, and ordinances and all applicable permits and other authorizations.

RELEASE OF INTERESTS

NOW THEREFORE, Lessees hereby releases and re-conveys to the State, all interests Lessees have or may have pursuant to and under the Lease.

The State accepts Lessees' release and reconveyance of the True North Millsite Lease ADL 416509.

STATE

Signature:



Printed Name

MARTIN K. PARSONS

Title

DIRECTOR

Requested Actions:

1. Review the Release of Interests ("Release") documents.
2. Changes to the Release must be requested and approved by the DNR Mining Section Chief.
3. Do not fill in the date on Page 1; this date will be determined once the Release is executed.
4. Sign, notarize, and return three originals of this Release documents.
5. Attach a current secretarial certificate, resolution, power of attorney, etc. that authorizes the officer to execute the Release on behalf of FGMI.

Next Steps:

1. DNR will perform and finalize an Analysis and Recommendation.
2. The Commissioner, or the delegated authority, will sign the Analysis and execute the Release.
3. DNR will send copies of the Analysis, and the Release to FGMI.
4. FGMI will Record in the Recorder's Office the executed Release.