

**ASSIGNMENT OF RENTS AND LEASES**

THIS AGREEMENT made this 13<sup>th</sup> day of April, 2017.

BETWEEN:

**CIELO WASTE SOLUTIONS CORP.**

of 101 - 1500 Howe Street, Vancouver, BC, V6Z 2N1  
(hereinafter called the "Assignor")

**OF THE FIRST PART**

- AND -

**XR RESOURCES INC.**

of PO Box 191, Nanton, Alberta T0L 1R0  
(hereinafter called the "Assignee")

**OF THE SECOND PART**

WHEREAS the Assignor is the registered owner, or entitled to become the registered owner, of the lands and premises described as follows:

**PLAN 9812255  
LOT 26  
EXCEPTING THEREOUT ALL MINES AND MINERALS**

(hereinafter called the "said lands");

WHEREAS by a Mortgage made between the Assignor herein as Mortgagor and the Assignee as Mortgagee, which Mortgage is dated the 13<sup>th</sup> day of April, 2017 and registered in the Southern Alberta Land Titles District on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ and registered as Instrument Number \_\_\_\_\_ (hereinafter called the "said Mortgage") the Assignor did grant and mortgage to the Assignee the said lands to secure the sum of \$1,500,000.00 with interest thereon at the rate of 12% per annum as therein mentioned;

WHEREAS the Assignor has leased or intends to lease the said lands or parts thereof; and,

WHEREAS the Assignor has agreed to assign the said leases and all rents payable by the tenant or tenants now in occupation or in future occupation of the said lands and all benefits and advantages to be derived from the said leases and each of them to the Assignee as further security for the payment of the principal sum and interest thereon secured by the said Mortgage and for the performance of the covenants in the said Mortgage contained.

NOW THEREFORE THIS AGREEMENT WITNESSETH:

THAT in consideration of the premises and other good and valuable consideration in the sum of ONE DOLLAR (\$1.00) now paid by the Assignee to the Assignor (the receipt whereof is hereby acknowledged by the Assignor) the Assignor does hereby assign, set over and transfer unto the Assignee, the said

leases and each of them and all rents payable under the said leases and each of them or any extension, renewal, or replacement thereof and the benefit of all covenants, stipulations and provisions contained in the said leases and each of them to hold and receive the same unto the Assignee.

PROVIDED that nothing herein contained shall be deemed to have the effect of making the Assignee responsible for the collection of the said rents or any part thereof or for the performance of any of the covenants, terms and conditions either by the Lessor or by the Lessee or either of them contained in the said leases or any of them and the Assignee shall not by virtue of this Agreement be deemed a Mortgagee in possession of the said lands or any part thereof.

AND PROVIDED FURTHER that the Assignee shall be liable to account only for such moneys as shall actually come into its hands by virtue of this Agreement and that such moneys when received by the Assignee shall be applied on account of the moneys from time to time due under the said Mortgage and any renewal thereof, or any agreement collateral thereto, and out of the surplus, if any, shall be paid taxes and assessments which are levied, assessed or charged against the said lands.

AND IT IS HEREBY DECLARED AND AGREED that the said leases, rents and other benefits hereby assigned to the Assignee are being taken as collateral security only for the due payment of any sum due under the said Mortgage and or any renewal thereof or of any mortgage taken in substitution therefor either wholly or in part and that none of the rights and remedies of the Assignee as Mortgagee under the said Mortgage shall be delayed or prejudiced by this Agreement.

AND IT IS FURTHER AGREED that notwithstanding any variation of the terms of the said Mortgage or any agreement or arrangement with the Assignor for any extension of time for payment or any release of part or parts of the said lands or of any collateral security, the said leases or any of them and the rents or any benefits hereby assigned shall continue as collateral security until the whole of the moneys secured by the said Mortgage has been fully paid and satisfied.

AND THE ASSIGNOR covenants and agrees from time to time and at all times hereafter upon the request of the Assignee to execute and deliver at the expense of the Assignor such further assurances for the better and more effectively assigning to the Assignee of the said leases and each of them and any renewal or renewals thereof and the rents payable thereunder in the manner aforesaid as the Assignee shall reasonably advise.

PROVIDED that until default shall have been made in payment of any instalment of principal and/or interest as provided in the said Mortgage or any renewal thereof or until the breach of any covenant contained in the said Mortgage, the Assignor shall be entitled to receive any rents payable under the said leases or any of them and shall not be liable to account therefor to the Assignee, but immediately upon default in payment of either principal or interest being made or upon a breach on the part of the Assignor of any of the covenants contained in the said Mortgage and as often as either may occur, the Assignee upon notice to the Lessees and each and any of them shall be entitled to all rents falling due subsequent to the service of such notice pursuant to the terms hereof.

AND THE ASSIGNOR hereby authorizes and directs the Lessees and each and any of them to pay to the Assignee all moneys due and owing by the Lessees and each and any of them, or accruing due by reason of the said leases and each and any of them or any tenancies of the said lands or any part or parts thereof.

PROVIDED FURTHER that nothing herein contained shall be deemed to be a consent on the part of the Assignee to the payment of rent in advance by the Lessees or any or each of them or to an alteration of the terms of the leases or any of them from the tenants of the said lands or any part or parts thereof without the consent of the Assignee whether default has occurred under the said Mortgage or not.

AND THE ASSIGNOR hereby covenants and agrees to and with the Assignee to perform and fulfill according to the true intent and meaning thereof all covenants and agreements contained in the said leases and each of them or any and all tenancies of the said lands or any part or parts thereof and to be performed by the Assignor as Lessor.

AND THE ASSIGNOR further covenants and agrees to and with the Assignee that notwithstanding any act of the Assignor each of the said leases is good, valid and subsisting and that the covenants and conditions therein have been fully observed and performed by the Assignor up to the date hereof and that notwithstanding any act of the Assignor, the Assignor now has good right, full power and absolute authority to assign to the Assignee the leases and each and any of them and the said rents and other benefits in the manner aforesaid according to the true intent and meaning of this Agreement.

AND THE ASSIGNEE may waive default or breach of any covenant and shall not be bound to serve any notice upon any Lessees or tenants or any or each of them upon the happening of any default or breach of covenant, but any such waiver shall not extend to any subsequent default or breach of covenant.

THIS AGREEMENT shall enure to the benefit of and be binding upon the respective successors and assigns of the parties hereto.

WHEREVER the singular or masculine are used throughout this Agreement, the same shall be construed as meaning the plural or feminine or neuter where the context or the parties hereto so require.

CIELO WASTE SOLUTIONS CORP.

Per: \_\_\_\_\_

CLAYTON DONALD ALLAN  
DIRECTOR/PRESIDENT

