
Telephone Number

e-mail Address

If the Subscriber is subscribing as agent on behalf of certain principals (and not for its own account or accounts fully managed (as defined herein) by it), each such principal is described below:

<p>Name: _____</p> <p>Address: _____ Street Address</p> <p>_____</p> <p>City</p> <p>_____</p> <p>Province / State Postal / ZIP Code</p> <p>_____</p> <p>Country</p>	<p>Name: _____</p> <p>Address: _____ Street Address</p> <p>_____</p> <p>City</p> <p>_____</p> <p>Province / State Postal / ZIP Code</p> <p>_____</p> <p>Country</p>
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Other Shares owned: _____

Required by Exchange. If none, insert a zero.

Corporate name of any Finder or Broker responsible for this subscription: _____

Is the Subscriber a Portfolio Manager? Yes _____ No _____

If 'Yes', where does Subscriber carry on business: _____

A Portfolio Manager is an adviser who manages the investment portfolio of clients through discretionary authority.

Is the Subscriber a member of the Pro Group? Yes _____ No _____

The Pro Group consists of Members (brokerage firms) of the TSX Venture Exchange, an employee, partner, officer, director or an 'affiliate' (a company controlling or under common control) of a Member or an 'associate' (a spouse or child of such person, a relative of such person or their spouse living in the same home as such person, a company of which more than 10% of the voting shares are owned or controlled by such person, a partner of such person, or a trust or estate of which a substantial beneficial interest is owned or of which such person is a trustee) of any of the foregoing.

If the Subscriber is a corporation, partnership, trust or other legal entity has it filed a Corporate Placee Registration Form (Form 4C) with the TSX Venture Exchange and is the information in that Form still accurate? Yes _____ No _____

If 'No', a new Corporate Placee Registration Form in the form attached must be completed.

<p>Register Securities: <input type="checkbox"/> Same as Subscriber; or <input type="checkbox"/> As follows:</p> <p>Name: _____ _____ _____</p> <p>Address: _____ Street Address</p> <p>_____</p> <p>City</p> <p>_____</p> <p>Province / State Postal / ZIP Code</p> <p>_____</p> <p>Country</p>	<p>Deliver Securities: <input type="checkbox"/> Same as Subscriber; or <input type="checkbox"/> As follows:</p> <p>Name: _____</p> <p>Attn: _____</p> <p>Phone: _____</p> <p>Address: _____ Street Address</p> <p>_____</p> <p>City</p> <p>_____</p> <p>Province / State Postal / ZIP Code</p> <p>_____</p> <p>Country</p>
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IN WITNESS WHEREOF the Subscriber has executed, or caused its duly authorized representative to execute, this Agreement the _____ day of _____, 2011

Sign here if Subscriber is an **individual**:

Sign here if Subscriber is **not an individual**:

 Signature of Subscriber

 Name of Subscriber (corporation, LLC, LP, etc.)

 Name of Subscriber

Per: _____

 Signature of authorized representative

 Name & Title of Authorized Representative

The Subscriber must also complete and sign

- **Schedule I (Accredited Investor Confirmation – Canadian Subscribers & non-Canadian Portfolio Managers), if the Subscriber is an accredited investor resident in Canada or a non-Canadian portfolio manager, either of whom is subscribing for less than C\$ 150,000.**
- **Schedule II (Accredited Investor Confirmation – U.S. Subscribers), if the Subscriber is resident in the United States of America (“United States”, being the United States of America, its states, territories, possessions and the District of Columbia) or is, or is buying on behalf of, a U.S. Person (as defined herein) or subscribing for the benefit of a U.S. Person.**
- **Schedule III (Confirmation of Relationship – Canadian Subscribers, except Ontario), if the Subscriber is not an accredited investor nor subscribing for at least C\$150,000, but is a director, executive officer, employee, control person or founder of the Company or a close personal friend, close business associate, spouse, parent, grandparent, sibling or child (or a parent, grandparent, sibling or child of a spouse) of a director, executive officer, control person or founder of the Company and is resident in Canada, other than in Ontario.**

- **Schedule IV (Confirmation of Relationship – Ontario Subscribers), if the Subscriber is not an accredited investor nor subscribing for at least C\$150,000, but is a founder or control person of the Company or a spouse, parent, grandparent, sibling or child of an executive officer, director or founder of the Company and is resident in Ontario.**
- **Schedule V (TSX Venture Exchange Form 4C – Corporate Placee Registration Form), if the Subscriber is a corporation, partnership, trust or other legal entity and does not have a current Corporate Placee Registration Form filed with the Exchange. Not required if the Subscriber will own less than 2,709,000 Shares (5% if all the Units are sold) of the Shares to be outstanding following the completion of the Private Placement.**
- **Schedule VI (Certification for Removal of U.S. Legend), to be completed by the Subscriber and its broker-dealer at the time of resale of Shares or Warrant Shares pursuant to Rule 904 of Regulation S under the 1933 Act (as defined herein).**

A signed copy of this Agreement (including the applicable schedules with the applicable sections initialled) together with payment of the ‘Total Subscription Amount’ set out on the first page by money order, certified cheque, bank draft or wire transfer (wire transfer instructions are set out on Schedule VII) payable to the Company must be delivered to the Company at the following address:

RESERVOIR CAPITAL CORP.
Suite 501, 543 Granville Street
Vancouver, British Columbia V6C 1X8
Canada

Attention: Kim Casswell

e-mail: kcasswell@seabordservices.com
fax: (+1) 604-688-1157

ACCEPTANCE

The foregoing is accepted and agreed to as of the ____ day of _____, 2011

RESERVOIR CAPITAL CORP.

Per: _____
Authorized Signatory

SCHEDULE I

ACCREDITED INVESTOR CONFIRMATION – Canadian Subscribers & non-Canadian Portfolio Managers

(For a Subscriber resident in Canada that is an accredited investor
or a non-Canadian portfolio manager,
either of whom is subscribing for less than C\$150,000)

The Subscriber represents and warrants for itself or, if applicable, on behalf of the principal on whose behalf the Subscriber is subscribing as its agent, to the Company that the Subscriber has read the following definition of an “**accredited investor**” from National Instrument 45-106 *Prospectus and Registration Exemptions* (“**NI 45-106**”) of the Canadian Securities Administrators and certifies that the Subscriber (or such principal) is an accredited investor by virtue of falling into one or more of the categories below (words in **bold** are defined after the list) as indicated by the Subscriber’s initials beside each such category:

- _____
(initial)
- (a) A **Canadian financial institution** or a **Schedule III bank**.
- _____
(initial)
- (b) The Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada).
- _____
(initial)
- (c) A **subsidiary** of any **person** referred to in paragraphs (a) or (b), if the **person** owns all of the voting securities of the **subsidiary**, except the voting securities required by law to be owned by **directors** of that **subsidiary**.
- _____
(initial)
- (d) A **person** registered under the securities legislation of a jurisdiction of Canada, as an adviser or dealer, other than a **person** registered solely as a limited market dealer registered under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador).
- _____
(initial)
- (e) An individual registered or formerly registered under the securities legislation of a jurisdiction of Canada, as a representative of a **person** referred to in paragraph (d).
- _____
(initial)
- (f) The Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly-owned entity of the government of Canada or a jurisdiction of Canada.
- _____
(initial)
- (g) A municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l’île de Montréal or an intermunicipal management board in Québec.
- _____
(initial)
- (h) Any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government.
- _____
(initial)
- (i) A pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada.
- _____
(initial)
- (j) An individual who, either alone or jointly with a **spouse**, beneficially owns, directly or indirectly, **financial assets** [*e.g. cash and securities – see definition following*] having an aggregate realizable value that before taxes, but net of any **related liabilities**, exceeds C\$ 1,000,000.

[Note: if purchasing through a wholly-owned holding company complete (i) instead.]

- _____
(initial)
- (k) An individual whose net income before taxes exceeded C\$ 200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a **spouse** exceeded C\$ 300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year.
[Note: if purchasing through a wholly-owned holding company complete (t) instead.]
- _____
(initial)
- (l) An individual who, either alone or with a **spouse**, has net assets [*e.g. residence and recreational properties, automobiles, investments, etc.*] of at least C\$ 5,000,000.
[Note: if purchasing through a wholly-owned holding company complete (t) instead.]
- _____
(initial)
- (m) A **person**, other than an individual or **investment fund**, that has net assets of at least C\$ 5,000,000 as shown on its most recently prepared financial statements.
- _____
(initial)
- (n) An **investment fund** that distributes or has distributed its securities only to **persons** that
- (i) are or were **accredited investors** at the time of the distribution,
- (ii) acquire or have acquired securities in the circumstances referred to in sections 2.10 [*Minimum amount investment*] or 2.19 [*Additional Investment in Investment Funds*] of NI 45-106, or
- (iii) are described in (i) or (ii) that acquires or acquired securities under section 2.18 [*Investment Fund Reinvestment*] of NI 45-106.
- _____
(initial)
- (o) An **investment fund** that distributes or has distributed its securities under a prospectus in a jurisdiction in Canada for which the regulator, or in Québec, the securities regulatory authority, has issued a receipt.
- _____
(initial)
- (p) A trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a **fully managed account** managed by the trust company or trust corporation, as the case may be.
- _____
(initial)
- (q) A **person** acting on behalf of a **fully managed account** managed by that **person** if that **person**
- (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and
- (ii) in Ontario, is purchasing a security that is not a security of an **investment fund**.
- _____
(initial)
- (r) A registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an **eligibility adviser** or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded.
- _____
(initial)
- (s) An entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) and paragraph (i) in form and function.

- _____
(initial)
- (t) A **person** [e.g. a company or partnership – see definition below] in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by **directors**, are **persons** that are **accredited investors** under one of the categories above, namely
 [circle one or more as applicable]
 (e) [currently or formerly registered under securities legislation],
 (j) [financial assets exceeding \$1,000,000],
 (k) [income exceeding \$200,000 (or \$300,000 with spouse) per year for last two years] or
 (l) [net assets exceeding \$5,000,000].
- _____
(initial)
- (u) An **investment fund** that is advised by a **person** registered as an adviser or a **person** that is exempt from registration as an adviser.
- _____
(initial)
- (v) A **person** that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an **accredited investor**.

For the purposes of the foregoing terms in **bold**, the following definitions apply:

“**bank**” means a bank named in Schedule I or II of the *Bank Act* (Canada).

“**Canadian financial institution**” means

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
- (b) a **bank**, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada.

“**control person**” means any **person** that holds or is one of a combination of **persons**, acting in concert by virtue of an agreement, arrangement, commitment or understanding, that holds

- (a) a sufficient number of any of the securities of an issuer so as to affect materially the **control** of the issuer, or
- (b) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the **control** of the issuer.

“**director**” means

- (a) a member of the board of directors of a company or an individual who performs similar functions for a company, and
- (b) with respect to a **person** that is not a company, an individual who performs functions similar to those of a **director** of a company.

“**eligibility adviser**” means

- (a) a **person** that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and
- (b) in Saskatchewan or Manitoba, also means a lawyer who is a practising member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not
 - (i) have a professional, business or personal relationship with the issuer, or any of its **directors, executive officers, founders, or control persons**, and
 - (ii) have acted for or been retained personally or otherwise as an employee, **executive officer, director**, associate or partner of a **person** that has acted for or been retained by the issuer or any of its **directors, executive officers, founders or control persons** within the previous 12 months.

“**executive officer**” means, for an issuer, an individual who is

- (a) a chair, vice-chair or president,
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production, or
- (c) performing a policy-making function in respect of the issuer.

“**financial assets**” means

- (a) cash,
- (b) securities, or
- (c) a contract of insurance, deposit or an evidence of a deposit that is not a security for the purposes of securities legislation.

“**founder**” means, in respect of an issuer, a **person** who,

- (a) acting alone, in conjunction, or in concert with one or more **persons**, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
- (b) at the time of the trade is actively involved in the business of the issuer.

“**fully managed account**” means an account for which a **person** makes the investment decisions if that **person** has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction.

“**investment fund**” means a **mutual fund** or a **non-redeemable investment fund**, and in British Columbia, includes an Employee Venture Capital Corporation and a Venture Capital Corporation.

“**mutual fund**” means

- (a) an issuer of a security that entitles the holder to receive on demand, or within a specified period after demand, an amount computed by reference to the value of a proportionate interest in the whole or in a part of the net assets, including a separate fund or trust account, of the issuer of the security,
- (b) an issuer designated to be a mutual fund by the securities commission or regulatory authority.

“**non-redeemable investment fund**” means an issuer:

- (a) whose primary purpose is to invest money provided by its securityholders.
- (b) that does not invest for the purpose of
 - (i) exercising or seeking to exercise effective **control** of an issuer other than an issuer which is a **mutual fund** or a **non-redeemable investment fund**, or
 - (ii) being actively involved in the management of any issuer in which it invests, other than an issuer that is a **mutual fund** or a **non-redeemable investment fund**, and
- (c) that is not a **mutual fund**.

“**person**” includes

- (a) an individual,
- (b) a corporation,
- (c) a partnership, trust, fund, and an association, syndicate, or other organized group of persons, whether incorporated or not, and
- (d) an individual or other person in that **person’s** capacity as a trustee, executor, administrator or personal or other legal representative.

“**related liabilities**” means liabilities

- (a) incurred or assumed for the purpose of financing the acquisition or ownership of **financial assets**, or
- (b) secured by **financial assets**.

“**Schedule III bank**” means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada).

“**spouse**” means an individual who

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

“subsidiary” means an issuer that is **controlled** directly or indirectly by another issuer and includes a **subsidiary** of that **subsidiary**.

In NI 45-106

- (a) an issuer is considered to be an **“affiliate”** of another issuer if one of them is the **subsidiary** of the other, or each of them is **controlled** by the same **person**.
- (b) a person (the ‘first person’) is considered to **“control”** another person (the ‘second person’) if
 - (i) the first person beneficially owns or directly or indirectly exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation,
 - (ii) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or
 - (iii) the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representations and warranties are true and accurate as of the date of this certificate and will be true and accurate as of Closing (as defined herein). If any such representations and warranties shall not be true and accurate prior to Closing, the Subscriber shall give immediate written notice of such fact to the Company.

DATED this _____ day of _____, 2011

Sign here if Subscriber is an **individual**:

Sign here if Subscriber is **not an individual**:

Signature of Subscriber

Name of Subscriber (corporation, LLC, LP, etc.)

Per:

Name of Subscriber

Signature of authorized representative

Signature of any Joint Subscriber

Name & Title of Authorized Representative

Name of any Joint Subscriber

Signature of Authorized Representative

Name & Title of Authorized Representative

SCHEDULE II

ACCREDITED INVESTOR CONFIRMATION – U.S. Subscribers

(For a Subscriber resident in the United States or who is a U.S. Person)

The Subscriber hereby represents and warrants to the Company that the Subscriber is a U.S. Person (as defined below) or was offered these securities or executed this Agreement in the United States (a “U.S. Subscriber”) and is an Accredited Investor under Rule 501(a) of Regulation D (“**Regulation D**”) of the United States *Securities Act of 1933* (the “**1933 Act**”) by virtue of the Subscriber falling into one or more of the categories below as indicated by their initials beside each such category:

- _____ (initial) (a) An organization described in section 501(c)(3) of the United States *Internal Revenue Code*, a corporation, a Massachusetts or similar business trust or partnership, not formed for the specific purpose of acquiring these securities with total assets in excess of US\$ 5,000,000.
- _____ (initial) (b) A natural person (or an IRA (Individual Retirement Account) owned by such person) whose individual net worth, or joint net worth with that person’s spouse exceeds US\$ 1,000,000 (excluding the net value of any primary residence or, if the amount due under mortgage(s) thereon exceeds the market value thereof and the lender has recourse against such person(s) or their other assets for the shortfall, such shortfall shall be deducted from the net worth).
- _____ (initial) (c) A natural person (or an IRA (Individual Retirement Account) owned by such person) who had an individual income in excess of US\$ 200,000 in each of the two most recent years or joint income with that person’s spouse in excess of US\$ 300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.
- _____ (initial) (d) A trust that (i) has total assets in excess of US\$ 5,000,000, (ii) was not formed for the specific purpose of acquiring these securities, and (iii) is directed in its purchase of securities by a person who has such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of an investment in these securities.
- _____ (initial) (e) A revocable trust which may be revoked or amended by its settlors (grantors), each of whom is an Accredited Investor under paragraph (b).
- _____ (initial) (f) An investment company registered under the *Investment Company Act of 1940* (United States) or a ‘business development company’ as defined in section 2(a)(48) of that Act.
- _____ (initial) (g) A ‘small business investment company’ licensed by the U.S. Small Business Administration under section 301(c) or (d) of the *Small Business Investment Act of 1958* (United States).
- _____ (initial) (h) A ‘private business development company’ as defined in section 202(a)(22) of the *Investment Advisors Act of 1940* (United States).
- _____ (initial) (i) A ‘broker-dealer’ registered pursuant to section 15 of the *Securities Exchange Act of 1934* (United States).
- _____ (initial) (j) An ‘insurance company’ as defined in section 2(13) of the 1933 Act.

- _____ (k) Any plan established and maintained by a state, its political divisions, or any
(initial) agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of US\$ 5,000,000.
- _____ (l) Any employee benefit plan within the meaning of the *Employee Retirement*
(initial) *Income Security Act of 1974* (United States), if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or if the employee benefit plan has total assets in excess of US\$ 5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.
- _____ (m) A bank as defined in section 3(a)(2) of the 1933 Act or any savings and loan
(initial) association or other institution as defined in section 3(a)(5)(A) of the 1933 Act, whether acting in its individual or a fiduciary capacity.
- _____ (n) A director, executive officer or general partner of the Company, or a director,
(initial) executive officer or general partner of the general partner of the Company (or an IRA (Individual Retirement Account) owned by any of such persons).
- _____ (o) An entity in which all of the equity owners satisfy the requirements of one or more
(initial) of the foregoing categories.

Under Rule 902 of the 1933 Act, a 'U.S. Person' includes

- (a) a natural person resident in the United States,
- (b) a partnership or corporation organized or incorporated under the laws of the United States,
- (c) an estate of which any executor or administrator is a U.S. Person,
- (d) a trust of which any trustee is a U.S. Person,
- (e) a non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit of a U.S. Person,
- (f) a discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated or (if an individual) resident in the United States, and
- (g) a partnership or corporation if
- (i) organized or incorporated under the laws of any foreign jurisdiction, and
- (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organized or incorporated, and owned, by 'Accredited Investors' who are not natural persons, estates or trusts.

The foregoing representations and warranties are true and accurate as of the date of this certificate and will be true and accurate as of Closing (as defined herein). If any such representations and warranties shall not be true and accurate prior to Closing, the Subscriber shall give immediate written notice of such fact to the Company.

DATED this _____ day of _____, 2011

Sign here if Subscriber is an **individual**:

Sign here if Subscriber is **not an individual**:

Signature of Subscriber

Name of Subscriber (corporation, LLC, LP, etc.)

Name of Subscriber

Per:

Signature of authorized representative

Signature of any Joint Subscriber

Name & Title of Authorized Representative

Name of any Joint Subscriber

Signature of Authorized Representative

Name & Title of Authorized Representative

SCHEDULE III

CONFIRMATION OF RELATIONSHIP – Canadian Subscribers (except Ontario)

(For a Subscriber that is not an accredited investor nor subscribing for at least C\$150,000 but is a director, executive officer, control person or founder of the Company or a close personal friend, close business associate, spouse, parent, grandparent, sibling or child (or a parent, grandparent, sibling or child of a spouse) of a director, executive officer, control person or founder of the Company and is resident in Canada, other than Ontario)

The Subscriber represents and warrants to the Company that the Subscriber has read the following definitions from National Instrument 45-106 *Prospectus and Registration Exemptions* of the Canadian Securities Administrators and certifies that the Subscriber has the relationship(s) to the Company or its **directors, executive officers, control persons or founders** by virtue of the Subscriber falling into one or more of the categories below (words in **bold** are defined after the list) as indicated by their initials beside each such category:

- _____
(initial) (a) A **director, executive officer**, employee or **control person** of the Company, or of an **affiliate** of the Company.
- _____
(initial) (b) A **spouse**, parent, grandparent, brother, sister or child of a **director, executive officer** or **control person** of the Company, or of an **affiliate** of the Company.
- _____
(initial) (c) A parent, grandparent, brother, sister or child of the **spouse** of a **director, executive officer** or **control person** of the Company, or of an **affiliate** of the Company.
- _____
(initial) (d) A **close personal friend** of a **director, executive officer** or **control person** of the Company, or of an **affiliate** of the Company.
- _____
(initial) (e) A **close business associate** of a **director, executive officer** or **control person** of the Company, or of an **affiliate** of the Company.
- _____
(initial) (f) A **founder** of the Company or a **spouse**, parent, grandparent, brother, sister, child, **close personal friend** or **close business associate** of a **founder** of the Company.
- _____
(initial) (g) A parent, grandparent, brother, sister, child of the **spouse** of a **founder** of the Company.
- _____
(initial) (h) A **person** [note: 'person' includes a corporation, partnership or trust, see definition in Schedule I] of which a majority of the voting securities are beneficially owned by, or a majority of the **directors** are, **persons** described in paragraphs (a) to (g).
- _____
(initial) (i) A trust or estate of which all of the beneficiaries or a majority of the trustees are persons or companies described in paragraphs (a) to (g).

and if any of (b) through (i) are initialled, the **director, executive officer, control person or founder** is:

(Print name of director, executive officer, control person or founder)

For the purposes of the foregoing terms in **bold**, the definitions in Schedule I and the following guidance apply:

“**close business associate**” is an individual who has had sufficient prior business dealings with the **director, executive officer, founder or control person** to be in a position to assess their capabilities and trustworthiness.

An individual is not a close business associate solely because the individual is a current or former client or customer.

The relationship between the individual and the **director, executive officer, founder or control person** must be direct. For example, the exemption is not available for a close business associate of a close business associate of a **director, executive officer, founder or control person**.

“**close personal friend**” is an individual, including a family member not listed above, who has known the **director, executive officer, founder or control person** for a sufficient period of time to be in a position to assess their capabilities and trustworthiness.

An individual is not a close personal friend solely because the individual is a relative, a member of the same organization, association or religious group or a current or former client or customer.

The relationship between the individual and the **director, executive officer, founder or control person** must be direct. For example, the exemption is not available for a close personal friend of a close personal friend of the **director, executive officer, founder or control person**.

The foregoing representations and warranties are true and accurate as of the date of this certificate and will be true and accurate as of Closing (as defined herein). If any such representations and warranties shall not be true and accurate prior to Closing, the Subscriber shall give immediate written notice of such fact to the Company.

DATED this _____ day of _____, 2011

Sign here if Subscriber is an **individual**:

Sign here if Subscriber is **not an individual**:

Signature of Subscriber

Name of Subscriber (corporation, LLC, LP, etc.)

Per:

Name of Subscriber

Signature of authorized representative

Signature of any Joint Subscriber

Name & Title of Authorized Representative

Name of any Joint Subscriber

Signature of Authorized Representative

Name & Title of Authorized Representative

SCHEDULE IV

CONFIRMATION OF RELATIONSHIP – Ontario Subscribers

(For a Subscriber that is not an accredited investor nor subscribing for at least C\$150,000 but is a founder or control person of the Company or a spouse, parent, grandparent, sibling or child of an executive officer, director or founder of the Company and is resident in Ontario)

The Subscriber represents and warrants to the Company that the Subscriber has read the following definitions from National Instrument 45-106 *Prospectus and Registration Exemptions* of the Canadian Securities Administrators and certifies that the Subscriber has the relationship(s) to the Company or its **directors, executive officers, control persons** or **founders** by virtue of the Subscriber falling into one or more of the categories below (words in **bold** are defined in Schedule I) as indicated by their initials beside each such category:

- _____
(initial) (a) A **founder** of the Company.
- _____
(initial) (b) An **affiliate** of a **founder** of the Company.
- _____
(initial) (c) A **spouse**, parent, grandparent, brother, sister or child of a **director, executive officer** or **founder** of the Company.
- _____
(initial) (d) A **control person** of the Company.

and if (c) is initialled, the **director, executive officer** or **founder** is:

(Print name of director, executive officer or founder)

The foregoing representations and warranties are true and accurate as of the date of this certificate and will be true and accurate as of Closing (as defined herein). If any such representations and warranties shall not be true and accurate prior to Closing, the Subscriber shall give immediate written notice of such fact to the Company.

DATED this _____ day of _____, 2011

Name of Subscriber - please print

Authorized Signature

Official Capacity - please print

Please print name of individual whose signature appears above, if different from name of Subscriber printed above

SCHEDULE V



CORPORATE PLACEE REGISTRATION FORM (Form 4C)

This Form will remain on file with the Exchange and must be completed if required under section 4(b) of Part II of Form 4B [Private Placement Notice Form]. The corporation, trust, portfolio manager or other entity (the “**Placee**”) need only file it on [a] one time basis, and it will be referenced for all subsequent Private Placements in which it participates. If any of the information provided in this Form changes, the Placee must notify the Exchange prior to participating in further placements with Exchange listed issuers. If, as a result of the Private Placement, the Placee becomes an Insider of the Issuer, Insiders of the Placee are reminded that they must file a Personal Information Form (Form 2A) or, if applicable, Declaration (Form 2C1) with the Exchange.

1. Placee Information:

(a) Name: _____

(b) Complete Address:

[Street]

[City]

[Province / State]

[Postal / ZIP Code]

[Country]

(c) Jurisdiction of incorporation or creation: _____

2. (a) Is the Placee purchasing securities as a portfolio manager:

Yes _____ No _____

(b) Is the Placee carrying on business as a portfolio manager outside of Canada:

Yes _____ No _____

3. If the answer to 2(b) above was “Yes”, the Placee certifies that:

(a) it is purchasing securities of the Issuer on behalf of managed accounts for which it is making the investment decision to purchase these securities and has full discretion to purchase or sell securities for such accounts without requiring the client’s express consent to a transaction;

(b) it carries on the business of managing the investment portfolios of clients through discretionary authority granted by those clients (a “portfolio manager” business) in

_____ [insert name of jurisdiction], and it is permitted by law to carry on a portfolio manager business in that jurisdiction;

- (c) was not created solely or primarily for the purpose of purchasing securities of the Issuer;
- (d) the total asset value of the investment portfolios it manages on behalf of clients is not less than C\$ 20,000,000;
- (e) it has no reasonable grounds to believe that any of the directors, senior officers and other insiders of the Issuer and the persons that carry on investor relations activities for the Issuer has a beneficial interest in any of the managed accounts for which it is purchasing.

4. If the answer to 2(a) above was “No”, please provide the names and addresses of Control Persons of the Placee:

Name *	City	Province or State	Country

* If the Control Person is not an individual, provide the name of the individual that makes the investment decisions on behalf of the Control Person.

5. Acknowledgment - Personal Information and Securities Laws:

- (a) “**Personal Information**” means any information about an identifiable individual, and includes information contained in sections 1, 2 and 4, as applicable, of this Form.

The undersigned [Placee] hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (i) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to this Form; and
- (ii) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.

- (b) The Placee acknowledges it is bound by the provisions of applicable Securities Law, including provisions concerning the filing of insider reports and reports of acquisitions.

DATED and **CERTIFIED** (if applicable), **ACKNOWLEDGED** and **AGREED**, at _____
_____ on _____, 2011

Name of Placee - please print

Authorized Signature

Official Capacity - please print

Please print name of individual whose signature appears above

THIS IS NOT A PUBLIC DOCUMENT

[Note: The Exchange's Appendix 6B provides as follows:

TSX Venture Exchange Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture Exchange (collectively referred to as "**the Exchange**") collect Personal Information in certain Forms that are submitted by the individual and/or by an Issuer or Applicant and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Issuer or Applicant,
- to consider the eligibility of the Issuer or Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates, and includes information as to such individual's involvement with any other reporting issuers, issuers subject to a cease trade order or bankruptcy, as well as information respecting penalties, sanctions or personal bankruptcies, to which such individual has been subject, as well as any conflicts of interest that the individual may have with the Issuer,
- to detect and prevent fraud,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the Exchange also collects additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The Personal Information the Exchange collects may also be disclosed:

- (a) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and
- (b) on the Exchange's website or through printed materials published by or pursuant to the directions of the Exchange.

The Exchange may from time to time use third parties to process information and/or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers.]

SCHEDULE VI

CERTIFICATION FOR REMOVAL OF U.S. LEGEND

To: COMPUTERSHARE TRUST COMPANY OF CANADA
as registrar and transfer agent for the common shares of
RESERVOIR CAPITAL CORP. (the “**Company**”)

The undersigned is the holder of _____ common shares of the Company (the “**Shares**”), evidenced by certificate no(s). _____, which are “restricted shares” (as defined in Rule 144 under the United States Securities Act of 1933 (the “**1933 Act**”)) and may not be offered or sold by the undersigned unless the Shares are registered under the 1933 Act or the offer and sale is made pursuant to an available registration exemption. The share certificate(s) has (have) a legend (the “**Restrictive Legend**”) referring to the 1933 Act and such resale restrictions.

The undersigned understands that Rule 904 of Regulation S under the 1933 Act contains an exemption for “offshore resales” of securities notwithstanding that the Shares are “restricted shares”. Accordingly, the undersigned wishes to offer and sell the Shares pursuant to Rule 904 and hereby requests the Company facilitate such offer and sale by removing the Restrictive Legend so that the Shares may be deposited with a registered broker-dealer (the “**Broker**”) in advance of an offer and sale described below.

In order to induce the Company to remove the Restrictive Legend, the undersigned agrees that (i) any sale of the Shares into the public markets while they remain “restricted shares” will be made solely in an “offshore resale” pursuant to the requirements of Rule 904, (ii) the Broker will maintain custody of the certificate(s) representing the Shares and (iii) if the undersigned directs the Broker to deliver out such certificate(s) other than pursuant to an “offshore resale”, such certificate(s) will first be returned to the Company’s transfer agent for re-imposition of the Restrictive Legend and the undersigned will pay any fee imposed by the transfer agent for performing this service, and the undersigned represents and warrants to the Company, its transfer agent and their agents that:

- (1) the undersigned is not an “affiliate” (as defined in Rule 405 under the 1933 Act) of the Company;
- (2) the sale of the Shares will be executed in, on or through the facilities of the TSX Venture Exchange or Toronto Stock Exchange or another “designated offshore securities market” (as defined in Regulation S) and neither the undersigned nor any person acting on its behalf will know that the transaction has been pre-arranged with a buyer in the United States;
- (3) neither the undersigned nor any affiliate of the undersigned nor any person acting on any of their behalf has engaged or will engage in any “directed selling efforts” (as defined in Regulation S) in connection with the offer and sale of the Shares;
- (4) the sale will be *bona fide* and not for the purpose of “washing off” the Restrictive Legend;
- (5) the undersigned does not (i) have a “short position” in the securities being sold, nor (ii) intend to replace the Shares with fungible unrestricted shares of the Company; and
- (6) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the 1933 Act.

The undersigned understands that the Company, its transfer agent and others are relying upon the representations contained in this declaration and agrees their counsel shall be entitled to rely upon the representations, warranties and covenants contained in this Certification to the same extent as if it had been addressed to them.

By: _____ Date: _____
Signature

Name (please print) _____

AFFIRMATION BY SELLER'S BROKER-DEALER

We have read the foregoing representations of our customer _____ (the "Seller") dated _____ with regard to our sale, for the Seller's account, of the _____ shares of the Company, represented by certificate number _____, (the "Shares") described therein, and on behalf of ourselves we certify and affirm that

- (1) we have no knowledge that the transaction has been or will be pre-arranged with a buyer in the United States,
- (2) the transaction will be executed on or through the facilities of the TSX Venture Exchange or Toronto Stock Exchange, and
- (3) neither we, nor any person acting on our behalf, has engaged or will engage in any "directed selling efforts" in connection with the offer and sale of the Shares.

We will maintain custody of the certificate(s) representing the Shares and, if the Seller directs us to deliver out such certificate(s) other than pursuant to an "offshore resale", such certificate(s) will first be returned to the Company's transfer agent for re-imposition of the Restrictive Legend.

Terms used herein have the meanings given to them by Regulation S under the United States Securities Act of 1933.

Name of Firm

By: _____
Authorized Officer

Date: _____

Note: For purposes of the foregoing:

"**affiliate**" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, a person.

"**directed selling efforts**" means any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Shares. This would include, but not be limited to, the solicitation of offers to purchase the Shares from persons in the United States.

"**offshore transaction**" means an offer and sale of securities in which the offer is not made to a person in the United States, and either:

- (a) at the time the buy order is originated, the buyer is outside the United States, or the seller and any person acting on its behalf reasonably believe that the buyer is outside the United States; or
- (b) the transaction is executed in, on or through the facilities of a the TSX Venture Exchange, Toronto Stock Exchange or other 'designated offshore securities market' (as defined in Regulation S), and neither the seller nor any person acting on its behalf knows that the transaction has been pre-arranged with a buyer in the United States.

RESERVOIR CAPITAL CORP.

WIRE TRANSFER INSTRUCTIONS

US DOLLARS

Pay through:	Wachovia Bank, N.A., New York
SWIFT Code:	PNBPUS3NNYC
Fedwire ABA No.	026005092

Beneficiary Bank	Bank of Montreal
Account Name	RESERVOIR CAPITAL CORP.
Transit and Account Number	0004 4629-037
Bank Address	595 Burrard St. Vancouver BC
SWIFT CODE	BOFMCAM2

CANADIAN DOLLARS

Beneficiary Bank	Bank of Montreal
Account Name	RESERVOIR CAPITAL CORP.
Transit and Account Number	0004 1560-784
Bank Address	595 Burrard St. Vancouver BC
SWIFT CODE	BOFMCAM2

SCHEDULE VIII

TERMS & CONDITIONS

1. Description of Securities

The securities subscribed for hereunder are units (“Units” or “Securities”), each Unit consisting of one common share of the Company (a “Share” and, collectively, the “Shares”) and one non-transferable common share purchase warrant (a “Warrant” and, collectively, the “Warrants”). Each Warrant shall entitle the Subscriber to purchase one common share of the Company (a “Warrant Share” and, collectively, the “Warrant Shares”), as presently constituted, during the period, on the terms and for the price described on the first page of this Agreement. The Shares and Warrant Shares are part of the class of shares of the Company listed for trading on the TSX Venture Exchange (the “Exchange”). The Warrants are not, and will not be, listed on the Exchange. The foregoing description of the Warrants is a summary only and is subject to the detailed provisions of the certificates representing the Warrants.

2. Restrictions on Resale of Securities

The Securities and Warrant Shares will be subject to a four month restricted resale (hold) period in Canada imposed by National Instrument 45-102 *Resale of Securities* of the Canadian Securities Administrators (the “Resale Instrument”), and possibly to a concurrent restricted resale (hold) period imposed by the Exchange, during which they may be resold only in compliance with the Resale Instrument and the Exchange’s policies. Such restricted resale period will expire at 11:59 p.m. on the last day of the four month period following the Closing Date (as defined in paragraph 6). **The Securities and Warrant Shares will also be subject to additional resale restrictions in the United States described below. The Subscriber is advised to consult its own legal adviser in connection with any applicable resale restrictions.** Notwithstanding the expiry of such resale restrictions, the Warrants will remain non-transferable.

3. Payment of Total Subscription Amount

The Total Subscription Amount set out on the first page of this Agreement is hereby paid, or will be paid on or before the Closing Date, to the Company.

4. Other Documents Required

The Subscriber must complete, sign and deliver to the Company, as soon as possible after being requested therefor and within any applicable time limits, such further documents, questionnaires, notices and undertakings as may be required by regulatory authorities, stock exchanges and applicable law and will assist the Company with the preparation and filing thereof. The Company will file with the Exchange any Corporate Placee Registration Forms of Subscribers whose subscriptions are accepted.

5. Partial Acceptance or Rejection of Subscription

The Company may accept or reject, in its absolute discretion, the Subscriber's subscription for Securities as set forth in this Agreement, in whole or in part, and reserves the right to allot to the Subscriber less than the amount of Securities subscribed for under this Agreement. If such subscription is:

- (a) rejected in whole, any funds, certified cheque, money order, bank draft or other forms of payment delivered by the Subscriber to the Company on account of the Total Subscription Amount for the Securities subscribed for will be promptly returned to the Subscriber without interest; or

- (b) accepted only in part, payment representing the amount by which the payment delivered by the Subscriber to the Company exceeds the Total Subscription Amount for the number of Securities sold to the Subscriber pursuant to a partial acceptance of such subscription will be promptly delivered to the Subscriber without interest.

6. Closing

Delivery of and payment for the Securities (the “**Closing**”) will be completed at the offices of the Company at 10:00 a.m. (Vancouver time) on the third business day (the “**Closing Date**”) after the later of that day on which all conditions to the closing of the Private Placement, including receipt of approval from the Exchange, have been met and the Company has received sufficient subscriptions to complete the Private Placement. If the Closing does not occur within 75 days of the date hereof, the Company will, on the Subscriber’s request, return all funds advanced by the Subscriber for the Total Subscription Amount to the Subscriber without interest or deduction.

On the Closing Date, certificates representing the Securities will be sent to the Subscriber against payment to the Company of the Total Subscription Amount in Canadian funds for the Securities sold to the Subscriber.

The Subscriber hereby irrevocably directs the Company’s legal counsel to release to the Company from trust and the Company to release from escrow, as applicable, upon the completion of the Closing, any of the Total Subscription Amount and interest thereon held by either of them.

7. Acknowledgements of Subscriber

The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each principal for which it is acting as an agent) that:

- (a) this subscription is subject to rejection or reduction by the Company, in whole or in part, at any time prior to the Closing;
- (b) the Securities are being offered for sale only on a ‘private placement’ basis and the Company has advised the Subscriber that the Company is relying on exemptions (and such sales are conditional upon the existence of such exemptions or the receipt of such orders, consents and approvals as are necessary to make such sales exempt) from the requirements to provide the Subscriber with a prospectus or offering memorandum and to sell securities through a person registered to sell securities under applicable Canadian securities legislation (together with the respective regulations, rules, policies, instruments and orders thereunder, the “**Canadian Securities Legislation**”) and similar legislation, regulations, rules, policies, instruments and orders outside of Canada and, as a consequence of acquiring the Securities pursuant to these exemptions
 - (i) certain protections, rights and remedies provided by such securities legislation, including statutory rights of rescission or damages, will not be available to the Subscriber,
 - (ii) information that would otherwise be provided to the Subscriber under such securities legislation will not be provided to it, and
 - (iii) the Company is relieved from various obligations under such securities legislation that would otherwise apply to it;

- (c) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Securities;
- (d) there is no government or other insurance covering the Securities;
- (e) there are risks associated with the purchase of the Securities;
- (f) there are restrictions on the Subscriber's ability to resell the Securities and Warrant Shares and
 - (i) it is the responsibility of the Subscriber to find out what those restrictions are and to comply with them before selling the Securities, and Warrant Shares,
 - (ii) it may not be possible to liquidate the Subscriber's investment readily in case of any emergency, and
 - (iii) pursuant to the Resale Instrument and any applicable policy of the Exchange, the Securities and Warrant Shares will be subject to restrictions on transfer for four months from the Closing Date and legend(s) will be placed upon the certificates representing such securities to that effect;
- (g) the certificates representing any of the Securities and Warrant Shares (and all certificates issued in exchange therefor or in substitution thereof) shall bear, upon the issuance thereof, and until such time as no longer required under the Resale Instrument or Exchange policy, the following legend:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE ●. *[Date will be the first day after the fourth month following Closing]*

and, if required by the Exchange's policies, the following legend:

WITHOUT PRIOR WRITTEN APPROVAL OF THE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE *[and for the Warrants: AND ANY SECURITIES ISSUED ON THE EXERCISE OF SUCH SECURITIES]* MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL ●. *[Date will be the first day after the fourth month following Closing]*

- (h) the Warrants are not, and will not be, listed or traded on any stock exchange or quoted on any trade or other securities quotation or reporting system;
- (i) there may be material tax or legal consequences to the Subscriber of the acquisition or disposition of any of the Securities, or the exercise of the Warrants and disposition of Warrant Shares, the Company is not giving any opinion nor making any representation to the Subscriber with respect to the tax or legal consequences thereof, the Subscriber is solely

responsible for obtaining such legal, tax and other advice as is appropriate in connection with this Agreement and the transactions contemplated hereunder and the Company's legal counsel is acting solely for the Company in connection with the Private Placement and the Subscriber may not rely upon such counsel in connection with the Private Placement;

- (j) the Company has not provided any offering memorandum, prospectus, disclosure statement, registration statement or similar documents to the Subscriber;
- (k) the Subscriber is aware that information filed by the Company with the various Canadian securities commissions, including the Company's most recent audited annual and unaudited interim financial statements (collectively the "**Financial Statements**"), is available on the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com (together with the Company's website, excluding any third party information thereon or connected thereto, the "**Public Record**");
- (l) neither the Company nor any other person has made any oral or written representation that any person will re-sell or re-purchase the Securities, or refund any of the purchase price of the Securities, or that the Securities or Warrant Shares will be listed on any exchange or quoted on any quotation and trade reporting system, and neither the Company nor any other person has given any undertaking or made any representation or warranty to the Subscriber relating to the future value or price of the Securities;
- (m) although a finder (a "**Finder**") might have introduced the Subscriber to the Company and the Finder and its directors, officers, employees, agents and representatives may hold ownership positions in the Company's securities, neither the Finder nor any of its directors, officers, employees, agents and representatives have
 - (i) any responsibility or liability of any nature whatsoever for the accuracy or adequacy of the information contained in this Agreement, the Public Record or any other publicly available information concerning the Company or as to whether all information concerning the Company required to be disclosed by it has generally been disclosed, or
 - (ii) engaged in any independent investigation or verification with respect to this subscription or any such information, andthey are released from any claims that may arise in respect of this Agreement, except those arising from their wilful act or negligence;
- (n) the Company and any Finder are entitled to rely on the statements and answers of the Subscriber contained in this Agreement and in the schedules to this Agreement and the Subscriber will hold the Company and any Finder harmless from any loss or damage they may suffer as a result of the Subscriber's failure to correctly complete this Agreement and such schedules;
- (o) this Agreement is not enforceable by the Subscriber unless it has been accepted by the Company, it has been entered into by the Subscriber for valuable consideration and may not be revoked or withdrawn by the Subscriber and it is not assignable by the Subscriber without the written consent of the Company which consent may be unreasonably withheld;
- (p) the Company may complete additional financings in the future (which may be completed

at a price per security lower than that paid by the Subscriber hereunder) in order to develop its current or proposed business, there is no assurance that such financings will be available or, if available, that they will be on reasonable terms, any such future financings may have a dilutive effect on current security holders, including the Subscriber, and if such future financings are not available, the Company may be unable to fund its ongoing development which could result in the failure of its business;

- (q) pending the approval of the Private Placement by all securities regulatory authorities having jurisdiction and the Closing, the Total Subscription Amount (as set out on the first page of this Agreement) shall be held in escrow by the Company and any interest earned thereon shall be for the account of the Company regardless of whether the Private Placement is approved by such regulatory authorities and should such regulatory authorities not approve the Private Placement, the Total Subscription Amount shall be promptly repaid to the Subscriber without interest or deduction;
- (r) there are not any minimum gross proceeds that must be received by the Company before it may elect to carry out the Closing and the Subscriber could be the only purchaser of Securities under the Placement;
- (s) the Securities and Warrant Shares have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the “**1933 Act**”) or under any state securities laws, and the Company has no obligation or present intention of filing a registration statement in respect of the Securities and Warrant Shares under the 1933 Act or under any state securities laws;
- (t) the Securities and Warrant Shares will be ‘restricted securities’ under the 1933 Act since they are being purchased from the Company in a transaction not involving a public offering and, therefore, cannot be offered or sold in the United States without registration under the 1933 Act and the securities laws of all applicable states of the United States, unless an exemption from registration is available;
- (u) the Company has the right to instruct its transfer agent not to record a transfer of the Securities and Warrant Shares to or by any person in the United States without first being notified by the Company that it is satisfied that such transfer is exempt from, or not subject to, registration under the 1933 Act and applicable state securities laws;
- (v) sales of the Securities to U.S. Subscribers are being made in reliance on the private placement exemption in Rule 506 of Regulation D;
- (w) the certificates representing any of the Securities and Warrant Shares (and all certificates issued in exchange therefor or in substitution thereof) issued to U.S. Subscribers and U.S. Persons shall bear, upon the issuance thereof, and until such time as the same is no longer required under the applicable requirements of the 1933 Act or applicable state securities laws and regulations of the United States, the following legend(s):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES *SECURITIES ACT OF 1933*, AS AMENDED (THE “**1933 ACT**”) OR APPLICABLE STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR

OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT, (C) INSIDE THE UNITED STATES PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE 1933 ACT, OR (D) INSIDE THE UNITED STATES IN A TRANSACTION EXEMPT FROM REGISTRATION AND APPLICABLE STATE SECURITIES LAWS, AND IN THE CASE OF (D), AFTER PROVIDING A LEGAL OPINION OR OTHER EVIDENCE SATISFACTORY TO THE COMPANY.

IF THE COMPANY IS A FOREIGN ISSUER (AS DEFINED IN REGULATION S UNDER THE 1933 ACT), A NEW CERTIFICATE NOT BEARING ANY LEGEND MAY BE OBTAINED FROM THE COMPANY'S TRANSFER AGENT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE COMPANY AND ITS TRANSFER AGENT, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT.

If any of the Securities or Warrant Shares are being sold outside the United States in compliance with the requirements of Rule 904 of Regulation S under the 1933 Act at a time when the Company is a 'foreign issuer' as defined in Regulation S, the foregoing legend may be removed prior to such sale by providing executed declarations to the Company and its transfer agent, in the form set forth Schedule VII hereto (or in such other forms as the Company may prescribe from time to time in order to comply with changes in applicable securities legislation) and if any Securities or Warrant Shares are being sold otherwise than in accordance with Regulation S and other than to the Company, the legend may be removed by delivery to the Company and its transfer agent of an opinion of counsel, of recognized standing reasonably satisfactory to the Company, that such legend is no longer required under applicable requirements of the 1933 Act or state securities laws;

- (x) Warrants held by U.S. Subscribers and U.S. Persons may only be exercised in circumstances where there is an exemption from the registration requirements of the 1933 Act available and applicable state securities laws of the United States and, upon the original issue of the Warrants, each certificate representing the Warrants and all certificates issued in exchange therefor or in substitution or transfer thereof, shall bear the following legend:

THESE WARRANTS AND THE SECURITIES DELIVERABLE UPON EXERCISE OF THE WARRANTS HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE WARRANTS MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF A U.S. PERSON OR PERSON IN THE UNITED STATES UNLESS THE WARRANTS AND THE SECURITIES ISSUABLE UPON EXERCISE OF THE WARRANTS HAVE BEEN REGISTERED UNDER THE 1933 ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATION S UNDER THE 1933

ACT.

- (y) the Company
 - (i) may not be, at the time U.S. Subscribers sell the Securities and Warrant Shares or at any other time, a 'foreign issuer', as such term is defined in the 1933 Act,
 - (ii) is under no obligation to become, or to remain, a foreign issuer, and
 - (iii) may engage in one or more transactions which could cause the Company not to be a foreign issuer, and

accordingly, if the Company is not a foreign issuer at the time of any sale pursuant to Rule 904 of Regulation S, the certificates representing the Securities and Warrant Shares delivered to the buyer may continue to bear the applicable legend described above;

- (z) no determination has been made whether the Company will be a 'passive foreign investment company' (PFIC) within the meaning of Section 1291 of the United States *Internal Revenue Code*; and
- (aa) the Financial Statements have been prepared in accordance with Generally Accepted Accounting Principles ("GAAP") of Canada up to and including the financial year ended April 30, 2011 and in accordance with International Financial Reporting Standards thereafter, both of which differ in some respects from United States GAAP, and thus may not be comparable to financial statements of United States companies.

8. Representations, Warranties and Covenants of the Subscriber

The Subscriber hereby represents and warrants to, and covenants with, the Company and to any Finder (on the Subscriber's own behalf and, if applicable, on behalf of each principal for which it is acting as an agent), which representations, warranties and covenants shall survive Closing, that:

- (a) if the Subscriber is subscribing for the Securities as principal for its own account, it is

All Subscribers

- (i) resident in the jurisdiction set out at the beginning of this Agreement;
- (ii) subscribing for such Securities for investment only and not for the benefit of any other person or for resale, distribution or other disposition of the Securities, and
- (iii) not a party to any contract, undertaking, agreement or arrangement with any person to sell, transfer or pledge to such person, or anyone else, the Securities, or any part thereof, or any interest therein and the Subscriber has no present plans to enter into any such contract, undertaking, agreement or arrangement,

Canadian Subscribers

- (iv) subscribing for a sufficient number of Securities that the aggregate acquisition cost is not less than C\$ 150,000, or

- (v) an 'accredited investor' as evidenced on the completed Schedule I, Accredited Investor Confirmation – Canadian Subscribers, delivered with this Agreement, or

Canadian Close Personal Friend & Close Business Associate Subscribers, except residents of Ontario

- (vi) resident in Canada, other than in Ontario, and is a director, executive officer, control person or founder of the Company or a close personal friend, close business associate, spouse, parent, grandparent, sibling or child (or a parent, grandparent, sibling or child of a spouse) of a director, executive officer, control person or founder of the Company as evidenced on the completed Schedule II, Confirmation of Relationship – Canadian Subscribers (except Ontario), delivered with this Agreement,

-or-

Ontario Related Person Subscribers

- (vii) resident in Ontario and is a founder or control person of the Company or a spouse, parent, grandparent, sibling or child of a director, executive officer or founder of the Company as evidenced on the completed Schedule III, Confirmation of Relationship – Ontario Subscribers, delivered with this Agreement,

-or-

United States Subscribers

- (viii) resident in the United States and is either a U.S. Person (as defined in Schedule II, Accredited Investor Confirmation – U.S. Subscribers) or otherwise subject to the securities laws thereof,
- (ix) an Accredited Investor as set out in the completed Schedule II, Accredited Investor Confirmation – U.S. Subscribers, delivered with this Agreement,
- (x) subscribing for the Securities for investment only and not for the benefit of any other person or for resale, distribution or other disposition of the Securities,
- (xi) not a party to any contract, undertaking, agreement or arrangement with any person to sell, transfer or pledge to such person, or anyone else, the Securities, or any part thereof, or any interest therein and the Subscriber has no present plans to enter into any such contract, undertaking, agreement or arrangement,
- (xii) not planning to offer, sell or otherwise transfer any of the Securities, and, if it does, it will not offer, sell or otherwise transfer any of the Securities, directly or indirectly, unless
 - (A) the sale or transfer is to the Company,
 - (B) the sale or transfer is made outside the United States in a transaction meeting the requirements of Rule 904 of Regulation S under the 1933 Act (or such rule or regulation promulgated by the United States Securities and

Exchange Commission as is then in effect) and in compliance with applicable local laws and regulations,

- (C) the sale or transfer is made pursuant to an effective registration under the 1933 Act, or
- (D) the Securities are sold or transferred in a transaction exempt from the registration requirements of the 1933 Act and applicable state laws and regulations governing the offer and sale of securities, and

in the case of (D), it has furnished to the Company, prior to such sale or transfer, an opinion of counsel or other evidence of exemption, in either case, reasonably satisfactory to the Company,

- (xiii) not engaging and will not engage in any 'directed selling efforts' in the United States in respect of the resale of the Securities, or Warrant Shares, including any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the resale of the Securities (for the purposes hereof 'directed selling efforts' is defined in Regulation S of the 1933 Act and include any activities undertaken for the purpose, or that could reasonably be expected to have the effect, of conditioning the market in the United States for the resale of the Securities or Warrant Shares such as placing an advertisement referring to the Private Placement in a publication with a 'general circulation in the United States' being any publication that (i) is printed primarily for distribution in the United States, or has had, during the preceding 12 months, an average circulation in the United States of 15,000 or more copies per issue, or (ii) the United States edition of any publication printing a separate edition for the United States if the publication, without considering its United States edition, would not constitute a publication with a general circulation in the United States); and
- (xiv) not subscribing for the Securities as a result of any form of 'general solicitation' or 'general advertising' (as those terms are used in Regulation D), including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or other form of telecommunications, including electronic display, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;

-or-

United Kingdom Subscribers

- (xv) resident in the United Kingdom,
- (xvi) a member of one of the categories of applicable English law in respect of which stamp duty or stamp duty reserve tax is not payable,
- (xvii) not subscribing for the Securities as nominee or agent of, and is not itself, a person who is or may be liable to notify and account for stamp duty or stamp duty reserve tax at any of the increased rates referred to in sections 67 to 72 inclusive and sections 93 to 97A inclusive of the *Finance Act 1986 (depository Receipts and*

Clearance Services) and, in the event of any breach of this representation and warranty, neither the Company nor any Finder will have any liability to the Subscriber or other persons in respect of such duty or tax,

- (xviii) the kind of investor described in section 86(7) of the *Financial Services and Markets Act 2000* (the “**FSMA**”) and falls within one or more of the categories of investors set out in Article 19 (Investment Professionals) or Article 49 (high net worth companies, unincorporated associations, etc.) of the *Financial Services and Markets Act 2000 (Financial Promotion) Order 2005* or are a person otherwise lawfully authorized to receive such financial promotions,
- (xix) subscribing for the Securities for investment only and will not make any offer to the public thereof as described in Schedule 11 to the FSMA,
- (xx) aware any Finder is not acting for the Subscriber and it does not expect the Finder to have any duties or responsibilities towards the Subscriber for providing the protections afforded to customers or clients under the Conduct of Business Sourcebook of the Financial Services Authority (“**FSA**”) or advising the Subscriber with regard to the Private Placement, and the Subscriber is not, and will not be, a customer or client of the Finder as defined by the FSA Conduct of Business Sourcebook and the Finder will not treat any payment by the Subscriber pursuant to this Agreement as client money governed by the FSA Conduct of Business Sourcebook, and
- (xxi) aware of its obligations under the *Criminal Justice Act 1993* and, in connection with money laundering, under the *Money Laundering Regulations 2003*, the *Proceeds of Crime Act 2003* and the Money Laundering Sourcebook of the Rules of the FSA (collectively, the “**Regulations**”) and it has identified its clients in accordance with the Regulations and complied with its obligations pursuant to the Regulations,

-or-

Other Subscribers

- (xxii) resident in a jurisdiction other than Canada, United States or United Kingdom;
- (xxiii) is knowledgeable of, or has been independently advised as to, the securities laws, regulations, rules, orders, rulings, notices, policies and written interpretations (“**Applicable International Laws**”) in the jurisdiction in which the Subscriber is resident (the “**International Jurisdiction**”) applicable to the Subscriber’s acquisition of the Securities;
- (xxiv) to the best of its knowledge, the Subscriber is purchasing the Securities pursuant to, or does not require, exemptions from registration, prospectus and any other requirements under the Applicable International Laws;
- (xxv) to the best of its knowledge, the Applicable International Laws do not require the Company to make any filings with or seek any consents or approvals of or from any securities regulator in the International Jurisdiction in connection with the issue and sale or resale of the Securities purchased by the Subscriber;

- (xxvi) to the best of its knowledge, the purchase of Securities by the Subscriber does not trigger (A) any obligation to prepare and file a prospectus, registration statement or any other document or report in the International Jurisdiction, or (B) any one-time or ongoing disclosure reporting obligation of the Company in the International Jurisdiction;
- (b) if it is not subscribing for the Securities for its own account but for one or more accounts that permit the Subscriber to purchase securities on behalf of such accounts in the Subscriber's sole discretion without reference to, or specific instructions regarding such investment from, the holders of such accounts (commonly called 'fully managed' accounts), the Subscriber is duly authorized to enter into this Agreement and complete the transactions contemplated hereby and is
- (i) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or comparable legislation in a province or territory of Canada or a foreign jurisdiction and the Subscriber is subscribing for such Securities as an agent or trustee for accounts that are fully managed by it, or
 - (ii) an adviser managing the investment portfolios of clients through discretionary authority granted by one or more clients, and is (1) registered as such an adviser under the Canadian Securities Legislation or is exempt from such registration, or (2) located in a jurisdiction other than Canada and, in either (1) or (2), is subscribing for the Securities as an agent for accounts that are fully managed by it, and
 - (iii) resident in Canada and the aggregate acquisition cost for such Securities is not less than C\$ 150,000, or resident outside of Canada and subscribing for the Securities in accordance with the laws of its principal's jurisdiction of residence and, if that jurisdiction is the United Kingdom, it satisfies and makes the representations and warranties set out in sub-paragraph (a) under the heading 'United Kingdom Subscribers' or the account holders are persons of the kind described in described in section 86(7) of the FSMA;
- (c) if it is not subscribing for the Securities for its own account or one or more accounts that are 'fully managed' by it but is subscribing on behalf of certain principals for which it is acting as agent, the Subscriber is duly authorized to enter into this Agreement and complete the transactions contemplated hereby and each such principal
- (i) is disclosed in the appropriate section at the beginning of this Agreement,
 - (ii) is subscribing as principal for its own account as an investment and not for the benefit of any other person or with a view to the resale, distribution or other disposition of the Securities,
 - (iii) satisfies the conditions and makes the representations and warranties set out in paragraph (a), as applicable, and
 - (iv) is resident in the jurisdiction set out on the first two pages of this Agreement,
- and the Subscriber acknowledges that the Company is required by law to disclose to certain

regulatory authorities the identity of each such principal for whom it is acting and consents to such disclosure;

- (d) if the Subscriber is resident in Canada and it is not an individual, corporation or limited partnership, it is subscribing for Securities for not less than C\$ 150,000 and each member of the general partnership, syndicate or other unincorporated organization which is the beneficial subscriber, or each beneficiary of the trust which is the beneficial subscriber, as the case may be, has completed, signed and delivered to the Company a Schedule I (Accredited Investor Confirmation – Canadian Subscribers & non-Canadian Portfolio Managers) or is an individual who has an aggregate subscription cost for the Securities of at least C\$ 150,000;
- (e) if the Subscriber is resident in British Columbia, Alberta, Saskatchewan, Manitoba, Yukon Territory, Northwest Territories or Nunavut, a Finder has introduced the Subscriber to the Company and the Finder is not, to the Subscriber's knowledge, registered under Canadian or foreign securities legislation, the Finder has not advised, recommended or otherwise represented to the Subscriber that the Securities are suitable for the Subscriber, with regard to the Subscriber's
 - (i) investment needs and objectives,
 - (ii) financial circumstances, or
 - (iii) risk tolerance, andthe Finder does not hold or have access to the Subscriber's assets;
- (f) unless the Subscriber is a U.S. Subscriber and has completed Schedule II – Accredited Investor Confirmation – U.S. Subscribers, the Subscriber is not
 - (i) a U.S. Person nor a person in the United States,
 - (ii) subscribing for the Securities for the account or benefit of a U.S. Person or a person in the United States, or
 - (iii) in the United States, nor is any person for whose account or benefit it is subscribing in the United States;
- (g) the Subscriber is not subscribing for the Securities as a result of knowledge of any material fact or information about the affairs of the Company that is not generally known to the public, except knowledge of this particular transaction;
- (h) its decision to execute this Agreement and subscribe for the Securities has not been based on any oral or written representation (other than those contained in this Agreement) made by or on behalf of the Company or the Finder but was based entirely upon the Subscriber's review of information contained in the Public Record and the Subscriber's knowledge of the Company's affairs;
- (i) it has had the opportunity to
 - (i) access and review the Public Record, and

- (ii) ask questions of, and receive answers from, the Company and its advisors regarding the Company and its business and financial condition and, as a result of the foregoing, including the previous sub-paragraph, the Subscriber believes that it has received all the information which it considers necessary for deciding whether to invest in the Securities;
- (j) pursuant to the Resale Instrument and the policies of the Exchange, the Subscriber will not transfer the Securities and Warrant Shares for four months from the Closing Date except in compliance with the Resale Instrument and the policies of the Exchange and will comply with such notice and other requirements under applicable securities legislation upon disposition;
- (k) neither the Subscriber nor any party on whose behalf it is acting has been created, established, formed or incorporated solely, or is used primarily, to acquire securities or to permit the purchase of the Securities without a prospectus in reliance on an exemption from the prospectus requirements of applicable securities legislation;
- (l) the entering into of this Agreement and the transactions contemplated hereby do not result in the violation of any of the terms and provisions of any law applicable to, or the constating documents of, the Subscriber or of any agreement, written or oral, to which the Subscriber may be a party or by which the Subscriber is or may be bound;
- (m) if the Subscriber is an individual (i.e. a human being), it has the legal capacity and competence to enter into and execute this Agreement and to take all actions required pursuant hereto and, if the Subscriber is a corporation, limited or general partnership, trust or other type of person other than an individual, it is duly incorporated or otherwise created and validly subsisting under the laws of its jurisdiction of incorporation or creation and all necessary approvals by its directors, shareholders and others have been obtained to authorize execution of this Agreement on behalf of the Subscriber;
- (n) the Subscriber has duly executed and delivered this Agreement and it constitutes a valid and binding agreement of the Subscriber enforceable against the Subscriber;
- (o) no authorization, consent, order or approval of or notice to any federal, provincial, state, territorial, municipal or foreign regulatory body or official must be obtained or given, and no waiting period must expire, before this Agreement and the transactions contemplated herein can be consummated by the Subscriber;
- (p) this subscription has not been induced by any representations or warranties by any person whatsoever with regard to the present or future value of the Securities;
- (q) it consents to the Company giving instructions to its transfer agent to make a note in the transfer agent's records and place restrictive legends on the certificates representing the Securities in order to implement the restrictions on transfer set forth in this Agreement;
- (r) none of the funds the Subscriber is using to subscribe for the Securities
 - (i) have been or will be derived from or related to any activity that is prohibited by, or deemed criminal under, the laws of the jurisdiction in which the Subscriber is resident or, to the best of its knowledge, any other jurisdiction, or

- (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and
- (s) the Subscriber is an experienced investor in speculative securities of corporations in the development stage, can and will bear the economic risk of its investment, understands the characteristics of the Securities and has such knowledge and experience in financial and business matters such that it is capable of evaluating the merits and risks of the investment in the Securities.

The foregoing representations, warranties and covenants are made by the Subscriber with the intent that they be relied upon by the Company in determining the Subscriber's suitability as a purchaser of the Securities and are true and correct as of the date of this Agreement and the Closing Date. The Subscriber hereby agrees to indemnify the Company and any Finder and their respective directors, officers, employees, advisors, affiliates, shareholders, partners and agents from and against all losses, claims, costs, expenses and damages or liabilities whatsoever including, but not limited to, any fees, costs and expenses reasonably incurred in investigating, preparing or defending against any litigation, administrative proceeding or investigation commenced or threatened or any claim arising out of or based upon a breach of any such representations, warranties and covenants which they may suffer or incur as a result thereof. The Subscriber will immediately notify the Company of any change in any representation, warranty or other information relating to the Subscriber set forth herein which occurs before the Closing Date.

8. Representations, Warranties and Covenants of the Company

The Company represents and warrants to, and covenants with, the Subscriber (which representations, warranties and covenants shall survive Closing) that:

- (a) the Company and its subsidiaries, if any, are valid and subsisting corporations duly created and in good standing under the laws of the jurisdictions in which they exist as corporations with respect to all acts necessary to maintain their corporate existence;
- (b) the Company and its subsidiaries, if any, are duly registered or licensed to carry on business in the jurisdictions in which they are required to be so registered or licensed to carry on business or own property or assets and are carrying on their business and owning their property and assets, in all material aspects, in accordance with all applicable laws, regulations and other requirements, including environmental laws, regulations and requirements, and have not received any notice of a breach thereof which would have a material adverse effect on the Company, its subsidiaries or their business (taken as a whole) except where it is in good faith attempting to remedy such breach or contesting such notice;
- (c) neither the Company nor any of its subsidiaries, if any, is a party to any actions, suits or proceedings which could materially affect its business or financial condition, and no such actions, suits or proceedings have been threatened or, to the best of the Company's knowledge, are pending, except as disclosed in the Public Record;
- (d) the Company is the beneficial owner of the properties, business and assets or the interests in the properties, business and assets disclosed in the Public Record, all agreements by which the Company holds an interest in a property, business or asset are in good standing according to their terms except as disclosed in the Public Record or where any such default would not have a material adverse effect on such properties, business and assets, and there has not been any breach of the applicable laws of the jurisdictions in which such properties, business and assets are situated which would have a material adverse effect on such

properties, business and assets;

- (e) the Public Record and the representations contained in this Agreement are accurate in all material respects and omit no fact, the omission of which would make the filings comprising the Public Record or such representations misleading in light of the circumstances in which such statements or representations were made;
- (f) the Public Record complies in all material respects with all applicable Canadian Securities Legislation;
- (g) the Financial Statements accurately reflect the financial position of the Company as at the date thereof and have been properly prepared in accordance with Canadian GAAP or International Financial Reporting Standards, as applicable;
- (h) no adverse material change in the financial position of the Company has taken place since the date of the latest balance sheet contained in the Financial Statements, except as disclosed in the Public Record;
- (i) the Company has properly prepared and filed all tax returns and all taxes payable have been paid except where the Company is contesting in good faith any re-assessments of its taxes payable thereunder;
- (j) except as disclosed in the Public Record and for options granted in the ordinary course under the Company's stock option plan, there are no outstanding options, warrants or other securities exercisable to purchase or convertible or exchangeable into common shares of the Company;
- (k) the Company has complied, and will comply, with all applicable corporate and securities laws and regulations in connection with the offer, sale and issuance of the Securities;
- (l) the execution and delivery of this Agreement, the offer, sale and issuance of the Securities, and the delivery of the certificates representing them, by the Company do not and will not conflict with and do not and will not result in a breach of any of the terms, conditions or provisions of its constating documents or any agreement or instrument to which the Company is a party;
- (m) this Agreement and the consummation of the transactions contemplated herein have been duly authorized by all necessary corporate action on the part of the Company and, subject to acceptance by the Company, this Agreement constitutes a valid obligation of the Company legally binding upon it and enforceable in accordance with its terms subject to such limitations and prohibitions in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and interests of creditors generally;
- (n) the sale and issuance of the Securities, and the delivery of the certificates representing them, will have been approved by all requisite corporate action on or before the Closing Date and, upon issue and delivery at the Closing, the Shares will be validly issued as fully paid and non-assessable and the Warrants will be validly issued and the certificates representing the Securities will be validly delivered;

- (o) no order ceasing or suspending trading in the Securities nor prohibiting sale of the Securities has been issued to and is outstanding against the Company or its directors, officers or promoters and, to the best of the Company's knowledge, no investigations or proceedings for such purposes are pending or threatened;
- (p) the Company is a reporting issuer under Canadian Securities Legislation in British Columbia, Alberta and Ontario, its common shares are listed for trading on the Exchange and the Company is not in default in any material respect of any requirement of such Canadian Securities Legislation or the Exchange; and
- (q) there shall not be any consents, approvals, authorizations, orders or agreements of any stock exchanges, securities commissions or similar authorities, governmental agencies or regulators, courts or any other persons which may be required for the issuance of the Securities and the delivery of certificates representing the Securities to the Subscriber, not obtained and not in effect on the date of delivery of such certificates.

9. Costs

The Subscriber acknowledges and agrees that all costs and expenses incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the acquisition of the Securities shall be borne by the Subscriber.

10. Appointment of the Finder

The Subscriber (and any others for whom the Subscriber is contracting hereunder) hereby appoints the Finder as its attorney, with full power of substitution, and authorizes it to:

- (a) act as its representative at the Closing and execute in its name and on its behalf all closing receipts and documents required;
- (b) complete or correct any errors or omissions in any form or document provided by the Subscriber;
- (c) negotiate, settle and approve any opinions, agreements or certificates (including any Warrant certificates) to be entered into in connection with this transaction;
- (d) amend or waive, in whole or in part, any representations, warranties, covenants or conditions for the benefit of the Subscriber contained in this Agreement and extend the time for compliance with any of the conditions of closing, all in such manner and on such terms and conditions as the Finder may determine, acting reasonably;
- (e) receive on its behalf, certificates representing the Securities purchased under this Agreement; and
- (f) exercise any rights of termination contained in this Agreement.

This power of attorney is irrevocable, is coupled with an interest and has been given for valuable consideration, the receipt and adequacy of which are acknowledged. This power of attorney and other rights and privileges granted hereunder will survive any legal or mental incapacity, dissolution, bankruptcy or death of the Subscriber (including any principal, if the Subscriber is acting as an agent for a disclosed principal). This power of attorney extends to the heirs, executors, administrators, other legal representatives and

successors, transferees and assigns of the Subscriber (including any disclosed principal). Any person dealing with the Finder may conclusively presume and rely upon the fact that any document, instrument or agreement executed by the Finder pursuant to this power of attorney is authorized and binding on the Subscriber (including any disclosed principal), without further inquiry. The Subscriber (including any disclosed principal) agrees to be bound by any representations or actions made or taken by the Finder pursuant to this power of attorney, and waives any and all defences that may be available to contest, negate or disaffirm any action of the Finder taken in good faith under this power of attorney.

11. Fee to Finder

The Subscriber understands that, at the Closing, any Finder will receive a fee from the Company consisting of:

- (a) a payment or, at the Finder's election, the issuance of that number of Units (issued at a price of C\$ \$0.70 per Unit) equal to 6.0% of the proceeds from the sale of Units to investors introduced to the Company by the Finder; and
- (b) non-transferable compensation warrants entitling the Finder to purchase, for two years from the Closing Date, that number of Shares as is equal to 6.0% of the number of Units sold by the Company to investors introduced to the Company by the Finder, at a price of C\$ 0.70 per Share.

12. Governing Law

This Agreement, any dispute arising from or related hereto and all related rights, duties and remedies shall be governed by the laws of the province of British Columbia governing contracts made and to be performed therein, without reference to its principles governing the choice or conflict of laws. The Subscriber, in its personal or corporate capacity and, if applicable, on behalf of each beneficial subscriber for whom it is acting, irrevocably attorn to the jurisdiction of the courts of the province of British Columbia.

13. Personal Information

The Subscriber (on its own behalf and, if applicable, on behalf of any person for whose benefit the Subscriber is subscribing) consents to the Company:

- (a) collecting the Subscriber's (and that of any person for whose benefit the Subscriber is subscribing) personal information for the purposes of completing the Subscriber's subscription;
- (b) retaining the personal information for as long as permitted or required by applicable law or business practices; and
- (c) providing the personal information to various governmental and regulatory authorities, as may be required by applicable securities laws, stock exchange rules, and the rules of the Investment Industry Regulatory Organization of Canada (IIROC) and the Financial Industry Regulatory Authority, Inc. (FINRA) of the United States, or to give effect to this Agreement.

The Subscriber represents and warrants that it has the authority to provide the consents and acknowledgments set out in this paragraph on behalf of all persons for whose benefit the Subscriber is subscribing.

If the Subscriber is resident in Ontario, it acknowledges it has been notified by the Company:

- (a) of the delivery to the Ontario Securities Commission (the “OSC”) of the Subscriber’s personal information;
- (b) that the Subscriber’s personal information is being collected indirectly by the OSC under the authority granted to it in securities legislation;
- (c) the Subscriber’s personal information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario; and
- (d) the contact information of the public official in Ontario who can answer questions about the OSC’s indirect collection of personal information is

Administrative Support Clerk
Ontario Securities Commission
Suite 1903, Box 55, 20 Queen Street West
Toronto, Ontario M5H 3S8
Telephone 416-593-3684, Facsimile 416-593-8252

and authorizes the Company to collect such personal information and deliver it to the OSC.

14. Survival

This Agreement including, without limitation, the representations, warranties and covenants contained herein, shall survive and continue in full force and effect and be binding upon the parties for one year after the Closing Date notwithstanding the completion of the purchase of the Securities by the Subscriber and any subsequent disposition by the Subscriber of the Securities or Warrant Shares.

15. Assignment

This Agreement is not transferable or assignable.

16. Execution & Delivery

The Company shall be entitled to rely on delivery by e-mail or telecopier of a facsimile of an executed copy of this Agreement and acceptance by the Company of such facsimile copy shall be equally effective to create a valid and binding agreement between the Subscriber and the Company in accordance with the terms hereof. If less than a complete copy of this Agreement is delivered to the Company, the Company and its advisors are entitled to assume that the Subscribers accepts and agrees to all of the terms and conditions of the pages not delivered.

17. Severability

The invalidity or unenforceability of any particular provision of this Agreement shall not affect or limit the validity or enforceability of the remaining provisions of this Agreement.

18. Entire Agreement

Except as expressly provided in this Agreement and in the agreements, instruments and other documents contemplated or provided for herein, this Agreement contains the entire agreement between the parties with respect to the subscription for the Securities and there are no other terms, conditions, representations or warranties, whether expressed, implied, oral or written, by statute or common law, by the Company, the

Subscriber, or any third party.

19. Amendments & Waivers

No amendment or waiver of this Agreement shall be effective unless in writing and signed by all of the parties hereto.

20. Notice

Unless otherwise provided herein, any notice or other communication to a party under this Agreement may be made, given or served by registered mail, postage pre-paid, by telecopier or by delivery to the parties at the addresses as set out in this Agreement. Any notice or other communication:

- (a) mailed shall be deemed to have been received on the fifth business day following its mailing;
- (b) telecopied shall be deemed to have been received on the business day following the date of transmission; and
- (c) delivered shall be deemed to have been received on the date of delivery.

In the event of a postal strike or delay affecting mail delivery, the date of receipt of any notice by mail is deemed to be extended by the length of such strike or delay. Each party may change its address for service at any time by providing notice in writing of such change to the other party.

21. Securities Regulatory Approval

The Private Placement is subject to the approval of the Exchange and any other securities regulatory authorities having jurisdiction.