

AGENCY AGREEMENT

THIS AGREEMENT dated for reference the 27th day of February, 2012

BETWEEN:

ZADAR VENTURES LTD., 609 - 475 Howe Street, Vancouver, British
Columbia V6C 2B3

(the "Issuer")

AND:

WOLVERTON SECURITIES LTD., 17th Floor, 777 Dunsmuir Street,
Vancouver, British Columbia V7Y 1J5

(the "Agent")

RECITALS

- A. The Issuer wishes to raise money for the purposes set forth in its Prospectus, which is to be filed with the Regulatory Authorities, by offering for sale certain of its securities.
- B. The Issuer wishes to appoint the Agent to distribute those securities and the Agent is willing to accept such appointment on the terms and conditions of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration, the receipt and sufficiency of which each party acknowledges, the parties agree as follows:

1. DEFINITIONS

1.1. In this Agreement:

- (a) "Agent's Commission" has the meaning set out in section 5.1(a);
- (b) "Agent's Options" has the meaning set out in section 5.1(c);
- (c) "Agent's Option Shares" has the meaning set out in section 5.1(c);
- (d) "Certificates" means the certificates representing the Offered Shares, Over-Allotment Shares, Commission Shares, Corporate Finance Fee Shares and the Agent's Options, in the names and denominations requested by the Agent;
- (e) "Closing Date" means the date on which the Offering closes, or such other date as the Agent and the Issuer may agree upon;
- (f) "Commission Shares" means the Common Shares issuable to the Agent as payment of some or all of the Agent's Commission in accordance with section 5.2;
- (g) "Common Shares" means common shares in the capital of the Issuer;

- (h) “Contaminant” means any substance or material that is prohibited, controlled or regulated by any governmental authority, including without limitation, any contaminants, pollutants, petroleum, its derivatives, by-products or other hydrocarbons, dangerous substances or goods, asbestos, toxic or hazardous substances or materials, controlled products, wastes involving hazardous wastes and any other materials that are by their nature hazardous, either in fact or as defined in or pursuant to any Environmental Laws;
- (i) “Corporate Finance Fee” has the meaning set out in section 5.1(b);
- (j) “Corporate Finance Fee Shares” means the Common Shares issuable to the Agent as payment of some or all of the Corporate Finance Fee in accordance with section 5.2;
- (k) “Effective Date” means the date on which a receipt for a (final) Prospectus qualifying the Offering and all other securities required by this Agreement to be qualified is issued by the securities commission that is designated as the principal regulator in accordance with National Policy 11-202;
- (l) “Environmental Laws” means all applicable laws, rules, regulations, orders, policies, guidelines, notices, approvals and permits relating to environmental or occupational health and safety matters, in effect as at the date hereof, including, without limitation, those pertaining to reporting, licensing, permitting, investigation, remediation and clean-up in connection with any release or threat of release of a Contaminant or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation, handling and the like of a Contaminant;
- (m) “Exchange” means the TSX Venture Exchange Inc.;
- (n) “Information” has the meaning in section 9.1(a);
- (o) “Material Change” has the meaning set out in the Securities Acts;
- (p) “Material Fact” has the meaning set out in the Securities Acts;
- (q) “Misrepresentation” has the meaning set out in the Securities Acts;
- (r) “Offered Shares” means the 2,200,000 Common Shares offered under the Prospectus;
- (s) “Offering” means the offering of the Offered Shares under the Prospectus;
- (t) “Offering Price” means \$0.25 per Offered Share;
- (u) “Over-Allotment Option” has the meaning set out in section 2.2;
- (v) “Over-Allotment Shares” has the meaning set out in section 2.2;
- (w) “Proceeds” means the gross proceeds of the Offering, less:
 - i) the portion of the Agent’s Commission to be paid in cash;
 - ii) the portion of the Corporate Finance Fee to be paid in cash on the Closing Date; and
 - iii) the expenses of the Agent in connection with the Offering which have not been paid by the Issuer;

- (x) “Prospectus” means the preliminary prospectus and the prospectus filed or intended to be filed by the Issuer with the Regulatory Authorities in connection with the Offering and includes any amendments to the preliminary prospectus and prospectus which may be filed with the Regulatory Authorities;
- (y) “Regulatory Authorities” means the Exchange and the securities commissions or similar regulatory authorities in the Selling Jurisdictions;
- (z) “Securities” means the Offered Shares, Over-Allotment Shares, Commission Shares, Corporate Finance Fee Shares, the Agent’s Options and the Agent’s Option Shares.
- (aa) “Securities Acts” means the *Securities Act* (British Columbia), the *Securities Act* (Alberta) and the *Securities Act* (Ontario), as amended from time to time; and
- (bb) “Selling Jurisdictions” means British Columbia, Alberta and Ontario and such other jurisdictions as the Agent and the Issuer may agree upon.

2. APPOINTMENT OF AGENT

2.1. The Issuer appoints the Agent as its exclusive agent and the Agent accepts the appointment and agrees to act as the exclusive agent of the Issuer to offer the Offered Shares for sale under the Prospectus in the Selling Jurisdictions at the Offering Price. The Agent shall use its commercially reasonable efforts to sell the Offered Shares but it is understood and agreed that the Agent shall act as agent only and is under no obligation to purchase any Offered Shares under the Offering.

2.2. The Issuer also grants to the Agent an option (the “Over-Allotment Option”), exercisable in whole or in part by notice given at any time up until the Closing Date, to solicit and accept subscriptions for up to an additional 330,000 Common Shares, being 15% of the maximum number of Offered Shares (the “Over-Allotment Shares”). The purchase price for each Over-Allotment Share in respect of which the option is exercised shall be the Offering Price. The notice exercising the option to solicit and accept subscriptions for the Over-Allotment Shares in whole or in part shall be given by the Agent to the Issuer in the manner set out in section 15 below and shall specify the number of Over-Allotment Shares to be issued by the Issuer. Upon the furnishing of such notice, the Issuer shall be obligated to issue in accordance with the provisions hereof the number of Over-Allotment Shares therein indicated. The issuance of the Over-Allotment Shares shall be only for the purpose of covering over-allotments. The Over-Allotment Option and all securities issuable thereunder shall be qualified under the Prospectus.

3. CONDUCT OF THE OFFERING

3.1. Prior to the Effective Date, the Issuer will apply to the Exchange for a conditional listing of the Common Shares.

3.2. The Agent will advise the Issuer and its counsel when the distribution under the Prospectus is complete.

4. OPINIONS AND CERTIFICATES

4.1. On the Effective Date, the Issuer will deliver the following documents to the Agent and its counsel in a form acceptable to them, acting reasonably:

- (a) a comfort letter from the auditor of the Issuer, dated as of the date of the Prospectus and addressed to the Agent and its counsel, relating to the accuracy of the financial statements

forming part of the Prospectus and the accuracy of the financial, numerical and certain other information disclosed in the Prospectus; and

- (b) any other certificates, comfort letters or opinions in connection with any matter related to the Prospectus which are requested by the Agent or its counsel, acting reasonably.

4.2. Prior to the Closing Date the Issuer will provide the Agent and its counsel with evidence of the necessary approval of the Regulatory Authorities for the Offering.

4.3. On the Closing Date the Issuer will deliver the following documents to the Agent and its counsel in a form acceptable to them, acting reasonably:

- (a) an opinion of counsel (and local counsel in the Offering Jurisdictions as requested by the Agent) for the Issuer, dated as of the Closing Date and addressed to the Agent and its counsel, relating to any legal matter in connection with the Prospectus and Offering;
- (b) a title opinion respecting the Issuer's properties; and
- (c) a certificate of the Issuer, dated as of the Closing Date and signed by the Chief Executive Officer and Chief Financial Officer of the Issuer approved by the Agent, certifying certain facts relating to the Issuer and its affairs.

5. COMPENSATION

5.1. The Issuer will, on the Closing Date:

- (a) pay the Agent a commission (the "Agent's Commission") of 7% of the gross proceeds of the Offering;
- (b) pay the Agent a corporate finance fee (the "Corporate Finance Fee") of \$25,000 plus applicable taxes, of which \$10,000 plus applicable taxes has been forwarded to the Agent as a non-refundable due diligence fee as at the date of this Agreement; and
- (c) issue to the Agent options (the "Agent's Options") entitling the holder to acquire such number of Common Shares (the "Agent's Option Shares") equal to 8% of the number of the Offered Shares and Over-Allotment Shares sold under the Offering, exercisable at the Offering Price for a period of 36 months from the date the Common Shares are listed on the Exchange.

5.2. The Agent's Commission and the balance of the Corporate Finance Fee will be paid in cash or, at the election of the Agent made at least two business days before the Closing Date, in whole or in part in Common Shares at a deemed price per share equal to the Offering Price. The number of Common Shares to be issued shall be equal to the amount of (i) the portion of the Agent's Commission that the Agent elects to receive in Common Shares divided by the Offering Price and (ii) the portion of the Corporate Finance Fee that the Agent elects to receive in Common Shares divided by the Offering Price.

5.3. Issuance of the Commission Shares, the Corporate Finance Fee Shares and the Agent's Options shall be qualified by the Prospectus to the maximum extent permissible by National Instrument 41-101. The Agent acknowledges that any combination of the Commission Shares, the Corporate Finance Fee Shares and the Agent's Options which exceed 10% of the Offered Shares and the Over-Allotment Shares sold under the Prospectus will not be qualified for distribution under the Prospectus, and will be subject to a four month hold period in accordance with applicable securities laws.

6. CLOSING

6.1. The Issuer will, on the Closing Date, deliver the Certificates to the Agent against payment of the Proceeds. If the Issuer has satisfied all of its obligations under this Agreement, the Agent will, upon receipt of the Certificates, pay the Proceeds to the Issuer.

7. MATERIAL CHANGES

7.1. From the date of this Agreement to the completion of the distribution of the Offered Shares and the Over-Allotment Shares, the Issuer shall promptly discuss with the Agent and immediately thereafter notify the Agent in writing of any material adverse change (actual, anticipated or threatened), financial or otherwise, in the assets, liabilities (contingent or otherwise), business, financial condition, capital or prospects of the Issuer.

7.2. If, after the Prospectus is first filed with the Regulatory Authorities, a Material Change occurs in the affairs of the Issuer, the Issuer will:

- (a) notify the Agent immediately, in writing, with full particulars of the change;
- (b) file with the Regulatory Authorities as soon as practicable, and in any event no later than 10 days after the change occurs, an amendment to the Prospectus disclosing the Material Change; and
- (c) provide to the Agent as many copies of the amendments as the Agent may reasonably request within 3 business days of such request.

8. TERMINATION

8.1. The Agent may at any time, without liability on its part and by notice in writing given to the Issuer, terminate its obligations hereunder if:

- (a) any order to cease or suspend trading in any securities of the Issuer, or prohibiting or materially restricting the distribution of any securities issuable in connection, directly or indirectly, with the transactions contemplated by this Agreement is made, or proceedings are announced or commenced for the making of any such order, by any securities commission or similar regulatory authority, or by any other competent authority, not based solely upon the activities or alleged activities of the Agent, and has not been rescinded, revoked or withdrawn;
- (b) any inquiry, investigation (whether formal or informal) or other proceeding in relation to the Issuer or any of its directors or senior officers is announced or commenced by any securities commission or similar regulatory authority, any stock exchange or by any other competent authority, not based solely upon the activities or alleged activities of the Agent, if, in the Agent's opinion, the announcement or commencement thereof materially adversely affects the trading or distribution of any of the securities issuable in connection, directly or indirectly, with the transactions contemplated by this Agreement;
- (c) there shall have occurred or be anticipated any material adverse change, as determined by the Agent in its discretion, financial or otherwise, in the assets, liabilities (contingent or otherwise), business, condition, capital or prospects (financial or otherwise) of the Issuer;
- (d) in the Agent's opinion, it would be impracticable or unprofitable to offer or continue to offer the Offered Shares and the Over-Allotment Shares for sale or there has developed,

occurred or come into effect any financial occurrence or any event of national or international consequence, any governmental action, law or regulation, or any other occurrence of any nature whatsoever which, in the opinion of the Agent, seriously adversely affects or would seriously adversely affect the market for shares listed on the Exchange, the Issuer's business or any distribution contemplated by this Agreement; or

- (e) the Issuer is in breach of, default under or non-compliant with any representation, warranty, term or condition of this Agreement.

8.2. Any termination pursuant to the terms of this Agreement shall be effected by notice in writing delivered to the Issuer, provided that no termination shall discharge or otherwise affect any obligation of the Issuer under sections 10 or 12 of this Agreement. The rights of termination contained in paragraph 8.1 are in addition to, and without prejudice to, any other rights or remedies the Agent may have at law or in equity.

9. WARRANTIES, REPRESENTATIONS AND COVENANTS

9.1. The Issuer covenants, represents and warrants to the Agent that:

- (a) the books and records of the Issuer fairly and correctly set out and disclose in all material respects, in accordance with generally accepted accounting principles, the financial position of the Issuer as of the date hereof, and all material financial transactions of the Issuer have been accurately recorded in the said books and records. With the exception of forecasts, projections or estimates referred to below, all information and other data (together, the "Information") relating to the Issuer furnished by or on behalf of the Issuer to the Agent is, or, in the case of historical information, was at the date of preparation, true, accurate, complete and correct in all material respects, and does not or did not, as the case may be, contain any Misrepresentation. Any projections and forecasts relating to the Issuer provided by or on behalf of the Issuer to the Agent have been prepared in good faith with the assistance of competent professional advisors and are based upon assumptions which, in light of the circumstances under which they are made, are reasonable. The Issuer is not aware of any undisclosed facts or information that could materially impact upon such projections and forecasts;
- (b) the Issuer has no subsidiaries (as that term is defined in the *Business Corporations Act* (British Columbia));
- (c) the Issuer has been duly incorporated and organized and is validly existing and in good standing under the laws of its jurisdiction of incorporation and has all requisite corporate power and authority to carry on its business as now conducted and as presently proposed to be conducted, to own, lease and operate its properties and assets and to carry out the provisions hereof;
- (d) the Issuer is conducting its business in compliance in all material respects with all applicable licensing and anti-pollution legislation, regulations or by-laws, environmental protection legislation, regulations or by-laws or other similar legislation, regulations or by-laws or other lawful requirements of any governmental or regulatory bodies which are applicable to the Issuer. The Issuer is not aware of any such legislation, regulation, by-law or lawful requirement presently in force or proposed to be brought into force by any governmental or regulatory authority which the Issuer anticipates it will be unable to comply with without materially adversely affecting its business;

- (e) the Issuer is the beneficial owner of the properties, business and assets, or the interest in the properties, business and assets, referred to in the Prospectus, and any and all agreements pursuant to which the Issuer holds any such interest in the properties, business or assets are in good standing under the applicable laws, and the properties are in good standing under the applicable laws of the jurisdictions in which they are situated;
- (f) the Prospectus contains full, true and plain disclosure of all Material Facts in relation to the Issuer and its businesses and securities, and contains no Misrepresentation;
- (g) the financial statements of the Issuer which form part of the Prospectus have been prepared in accordance with Canadian generally accepted accounting principles, accurately reflect the financial position of the Issuer and all material liabilities (accrued, absolute, contingent or otherwise) of the Issuer, as at the date of the financial statements and there have been no adverse material changes in the financial position of the Issuer since that date, except as fully and plainly disclosed in the Prospectus;
- (h) the authorized and outstanding share capital of the Issuer is as set forth in the Prospectus, all outstanding shares have been issued as fully paid and non-assessable and the only outstanding options, warrants or other rights to acquire any shares or other securities of the Issuer are as set forth in the Prospectus;
- (i) the Issuer is not in default or breach of, and the execution and delivery of, and the performance and compliance with, the terms of this Agreement does not and will not result in any breach of, or constitute a default under, and does not and will not create a state of facts which, after notice or lapse of time or both, would result in a breach of or constitute a default under, in any material respect, any term or provisions of the articles, by-laws, or resolutions of the Issuer, or any indenture, agreement (written or oral), lease or other document to which the Issuer is a party or by which it is bound, or any judgment, decree or order, or to its knowledge, statute, rule or regulation applicable to the Issuer, which default or breach might reasonably be expected to materially adversely affect the business, operations, assets, capital or condition (financial or otherwise) of the Issuer;
- (j) this Agreement is a legal, valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms, subject to the laws relating to creditors' rights generally and equitable remedies and except to the extent that the enforcement of rights to indemnity and waiver of contribution may be limited by applicable law;
- (k) the Issuer has full corporate authority and capacity to issue the Securities and:
 - i) on the Closing Date, the Offered Shares, Over-Allotment Shares, Corporate Finance Fee Shares and Commission Shares will be duly and validly authorized and issued as fully paid and non-assessable;
 - ii) on the Closing Date, the Agent's Option will be duly and validly created, authorized and issued; and
 - iii) the Agent's Option Shares will be duly and validly authorized for issuance upon exercise of the Agent's Option, and upon such issuance shall be issued as fully paid and non-assessable;
- (l) no consent of any third party is required in connection with the transactions contemplated by this Agreement, except the consent of the Exchange and except to the extent that this Agreement contemplates obtaining receipts for the Prospectus;

- (m) no securities regulatory authority has issued any order preventing or suspending trading in any securities of the Issuer, and the Issuer has not been, and is not currently, in default of any requirement of any securities laws to which the Issuer is subject;
- (n) no litigation, administrative proceeding, arbitration or other proceeding before or of any court, tribunal, arbitrator or regulatory or other governmental body or dispute with any regulatory or other governmental body is presently in process or pending or threatened against the Issuer which, if determined adversely to the Issuer, might have a material adverse effect on the financial condition, results of operations, business or prospects of the Issuer, or which would materially impair the ability of the Issuer to consummate the transactions contemplated hereby or to duly observe and perform any of its covenants or obligations herein;
- (o) the business and property of the Issuer are in compliance in all material respects with all Environmental Laws, and there are no facts known after due enquiry by the Issuer which could give rise to a notice of non-compliance with any Environmental Laws;
- (p) there are no existing claims, demands, damages, expenses, suits, proceedings, actions, negotiations, or causes of action of any nature whatsoever, whether threatened or pending, arising out of the presence on any property in respect of which the Issuer has an interest, either past or present, of any Contaminant, or out of any past or present activity conducted on any such property, involving any Contaminant or any violation of any Environmental Laws;
- (q) the Issuer has conducted its activities in connection with the Offering in compliance with all applicable laws and regulatory requirements;
- (r) the Issuer shall not reject any subscription for Common Shares tendered by the Agent, unless all such subscriptions tendered exceed the number of Offered Shares and Over-Allotment Shares offered pursuant to the Offering;
- (s) there is not presently, and will not be until the conclusion of the distribution under the Prospectus, any Material Change or change in any Material Fact relating to each of the Issuer, its business or its respective securities which has not been or will not be fully disclosed in the Prospectus or otherwise to the Agent;
- (t) the Issuer has filed all federal, provincial, local and foreign tax returns which are required to be filed, or has been requested extensions thereof, and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except for such assessments, fines and penalties which are currently being contested in good faith;
- (u) the Issuer has established on its books and records reserves which are adequate for the payment of all taxes not yet due and payable and there are no liens for taxes on the assets of the Issuer except for taxes not yet due, and there are no audits of any of the tax returns of the Issuer which are known by the Issuer's management to be pending, and there are no claims which have been or may be asserted relating to any such tax returns which, if determined adversely, would result in the assertion by any governmental agency of any deficiency which would have a material adverse effect on the properties, business or assets of the Issuer; and

- (v) other than the Agent, no person, firm or corporation acting or purporting to act at the request of the Issuer is entitled to any brokerage, agency or finder's fee in connection with the transactions described herein.

9.2. The Agent warrants, represents and covenants to the Issuer that:

- (a) it is a valid and subsisting corporation under the laws of the jurisdiction in which it was incorporated;
- (b) it is a member in good standing of the Exchange; and
- (c) it has complied with and will fully comply with the requirements of all applicable securities laws, including, without limitation, the by-laws and rules of the Exchange in relation to trading in the Securities and all matters relating to the Offering.

10. EXPENSES OF AGENT

10.1. The Issuer will pay all of the expenses of the Offering and all the expenses reasonably incurred by the Agent in connection with the Offering including, without limitation, travel expenses, geological review, searches and other costs incurred by the Agent to complete the due diligence process, as well as the reasonable fees and expenses of the solicitor for the Agent and other expenses. The Issuer will pay such expenses even if the Prospectus is not accepted by the Regulatory Authorities or the transactions contemplated by this Agreement are not completed, or this Agreement is terminated. The Agent acknowledges receiving from the Issuer a retainer of \$21,500 which will be applied against such expenses.

10.2. The Agent may, from time to time, render accounts to the Issuer for its expenses for payment on or before the dates set out in the accounts. The Issuer authorizes the Agent to deduct its reasonable expenses in connection with the Offering from the gross proceeds of the Offering, including expenses for which an account has not yet been rendered to the Issuer.

11. FILING OF PROSPECTUS

11.1. The Issuer will cause the Prospectus to be filed with the Regulatory Authorities, will deliver all necessary copies of the Prospectus to the Regulatory Authorities and will use its best efforts to have the Prospectus accepted by the Regulatory Authorities as soon as possible.

11.2. The Issuer will provide the Agent with as many copies of the Prospectus as the Agent may reasonably request at no charge to the Agent within three business days of any such request.

11.3. Delivery of the Prospectus and any amendment thereto shall constitute a representation and warranty by the Issuer to the Agent that all information and statements (except information and statements supplied by and relating solely to the Agent) contained in the Prospectus and any amendment thereto are true and correct in all material respects at the time of delivery thereof and contain no Misrepresentation and constitute full, true and plain disclosure of all Material Facts relating to the Issuer and the Offered Shares and Over-Allotment Shares and that no Material Fact or material information has been omitted therefrom (except facts or information supplied by and relating solely to the Agent) which is required to be stated therein or is necessary to make statements of information contained therein not misleading in light of the circumstances under which they were made. Such delivery shall also constitute the Issuer's consent to the Agent's use of the Prospectus, any amendment thereto and any other documents supplied to the Agent by the Issuer for the purpose of the sale of the Offered Shares and Over-Allotment Shares in the Selling Jurisdictions in compliance herewith and with all applicable securities laws.

12. INDEMNITY

12.1. The Issuer will indemnify the Agent and each of the Agent's agents, directors, officers and employees (collectively, the "Indemnified Parties") and save them harmless against all losses, claims, damages or liabilities:

- (a) existing (or alleged to exist) by reason of any information or statement (except any information or statement furnished by and relating solely to the Agent) contained in the Prospectus or any amendment thereto or in any other document or material filed or delivered pursuant hereto, being or being alleged to be a Misrepresentation;
- (b) arising directly or indirectly out of any inquiry, investigation or proceeding commenced or threatened by any securities regulatory or other authority, based upon any Misrepresentation or alleged Misrepresentation (except a Misrepresentation relating solely to the Agent) in the Prospectus or any amendment thereto or in any other document or material filed or delivered pursuant hereto (except any document or material delivered or filed solely by the Agent);
- (c) arising directly or indirectly out of any order preventing or restricting the trading in or the sale of distribution of the Offered Shares or the Over-Allotment Shares or any other securities of the Issuer in any of the Selling Jurisdictions;
- (d) resulting from the failure by the Issuer to file an amendment to the Prospectus as required by this Agreement;
- (e) resulting from the breach by the Issuer of any of the terms of this Agreement;
- (f) resulting from any representation or warranty made by the Issuer herein not being true or ceasing to be true;
- (g) if the Issuer fails to issue and deliver the certificates for the Offered Shares and the Over-Allotment Shares in the form and denominations requested by the Agent at the time and place required by the Agent with the result that any completion of a sale of the Offered Shares and the Over-Allotment Shares does not take place; or
- (h) if, following the completion of a sale of any of the Offered Shares and the Over-Allotment Shares, a determination is made by any competent authority setting aside the sale unless that determination arises out of an act or omission by the Agent.

12.2. If any claim contemplated by section 12.1 is asserted against any of the Indemnified Parties, or if any potential claim contemplated by this section comes to the knowledge of any of the Indemnified Parties, the Indemnified Party concerned shall notify the Issuer as soon as possible of the nature of such claim (provided that any failure to so notify shall not affect the Issuer's liability under this section) and the Issuer shall, subject as hereinafter provided, be entitled (but not required) to assume the defence on behalf of the Indemnified Party of any suit brought to enforce such claim. Any such defence shall be through legal counsel acceptable to the Indemnified Party and no admission of liability shall be made by the Issuer or the Indemnified Party without, in each case, the prior written consent of all the parties hereto, such consent not to be unreasonably withheld. An Indemnified Party shall have the right to employ separate counsel in any such suit and participate in the defence thereof but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless: (i) the Issuer fails to assume the defence of such suit on behalf of the Indemnified Party within a reasonable period of receiving notice of such suit, provided that the expiration of such period shall be deemed to occur on the second clear business day immediately preceding the date by which the Indemnified Party is required by law (in the

absence of agreement to the contrary) to take action (such as the filing of an appearance or its equivalent) in connection with defending such suit; (ii) the employment of such counsel has been authorized by the Issuer; or (iii) the named parties to any such suit include both the Indemnified Party and the Issuer and the Indemnified Party shall have been advised by counsel that there may be one or more defences available to the Indemnified Party which are different from or in addition to those available to the Issuer (in each of which cases the Issuer shall not have the right to assume the defence of such suit on behalf of the Indemnified Party but shall be liable to pay the reasonable fees and expenses of counsel for the Indemnified Party).

12.3. If the indemnity provided for in section 12.1 is declared by a court of competent jurisdiction to be illegal or unenforceable for any reason, the Agent and the Issuer shall contribute to the aggregate of all losses, claims, costs, damages, expenses or liabilities of the nature provided for above such that the Agent shall be responsible for that portion represented by the percentage that the Agent's Commission received by the Agent under this Agreement bears to the gross proceeds realized from the offering and the Issuer shall be responsible for the balance, provided that, in no event, shall the Agent be responsible for an amount in excess of the Agent's Commission. Notwithstanding the foregoing, a person guilty of fraudulent misrepresentation, bad faith or gross negligence shall not be entitled to contribution from any other party. Any party entitled to contribution will, promptly after receiving notice of commencement of any claim, action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this section, notify such party or parties for whom contribution may be sought. In no case shall such party from whom contribution may be sought be liable to contribute pursuant to this Agreement unless such notice shall have been provided, but the omission to so notify such party shall not relieve the party from whom contribution may be sought from any other obligation it may have otherwise than under this section. The right to contribution provided in this section shall be in addition to and not in derogation of any other right to contribution which the Agent may have by statute or otherwise by law.

13. ASSIGNMENT AND SELLING GROUP PARTICIPATION

13.1. The Agent will not assign this Agreement or any of its rights under the Agreement nor, with respect to the Offered Shares and the Over-Allotment Shares, enter into any agreement in the nature of an option or a sub-option unless and until, for each intended transaction, the Agent has obtained the consent of the Issuer and notice has been given to and accepted by the Regulatory Authorities.

13.2. The Agent may offer selling group participation in the normal course of the brokerage business to selling groups of other licensed dealers, brokers and investment dealers, who may or who may not be offered part of the Agent's Commission or Agent's Options to be paid to the Agent pursuant to this Agreement.

14. FUTURE FINANCINGS

14.1. Until the Closing Date, the Issuer agrees not to deal with any other dealer or agent with respect to any equity or debt financings without the prior written consent of the Agent.

15. NOTICE

15.1. Any notice or other communication to be given hereunder shall be in writing and delivered or sent by facsimile as follows:

(a) if to the Issuer, to:

Zadar Ventures Ltd.
609 - 475 Howe Street

Vancouver, British Columbia V6C 2B3
Fax Number: (604) 682-1666

Attention: Mr. Jason Walsh, Director

with a copy to:

Thomas, Rondeau LLP
Suite 300 - 576 Seymour Street
Vancouver, BC V6B 3K1

Fax Number: (604) 688-6995

Attention: Mr. Dale Rondeau

(b) if to the Agent, to:

Wolverton Securities Ltd.
17th Floor, 777 Dunsmuir Street
Vancouver, British Columbia V7Y 1J5
Fax Number: (604) 605-6301

Attention: Ms. Rose Zanic, Senior Vice President, Corporate Finance

with a copy to:

Getz Prince Wells LLP
1810 – 1111 West Georgia St.
Vancouver, British Columbia V6E 4M3
Fax Number: (604) 685-9798

Attention: Ms. Zahra Ramji

15.2. Any such notice or other communication shall be deemed to have been given and received on the day after being sent by facsimile or upon delivery if delivered, or, if such day is not a business day in the location where it is sent by facsimile or delivered, on the next following business day.

16. TIME

16.1. Time shall be of the essence herein.

17. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

17.1. The representations, warranties, covenants and indemnities set out in this Agreement will survive the closing of the Offering.

18. LANGUAGE

18.1. Wherever a singular or masculine expression is used in this Agreement, that expression is deemed to include the plural, feminine or the body corporate where required by the context.

19. ENTIRE AGREEMENT

19.1. This Agreement constitutes the entire agreement between the parties with respect to its subject matter, and supersedes any prior agreements with respect thereto between the Issuer and the Agent, including, without limitation, the letter of engagement between the Issuer and the Agent dated June 10, 2010.

20. ENUREMENT

20.1. This Agreement enures to the benefit of and is binding on the parties to this Agreement and their successors and permitted assigns.

21. HEADINGS

21.1. The headings in this Agreement are for convenience of reference only and do not affect the interpretation of this Agreement.

22. GOVERNING LAW

22.1. This Agreement is subject to and shall be governed by the laws of the Province of British Columbia and the parties hereto irrevocably submit to the jurisdiction of the courts of British Columbia with respect to any dispute related to this Agreement.

23. COMMUNICATION WITH PUBLIC

23.1. All press releases and publicly available filings in respect of this Agreement or any other related instrument or with respect to the relationship between the Issuer and the Agent made by the Issuer will be approved by the Agent, acting reasonably.

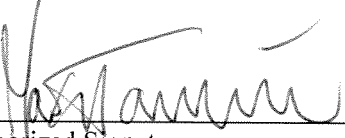
24. COUNTERPARTS

24.1. This Agreement may be executed in as many counterparts as may be necessary and by facsimile, each of such counterparts so executed will be deemed to be an original and such counterparts together will constitute one and the same instrument and notwithstanding the date of execution will be deemed to bear the date as of the day and year first above written.

IN WITNESS WHEREOF the parties hereto have executed and delivered this Agreement.

ZADAR VENTURES LTD.

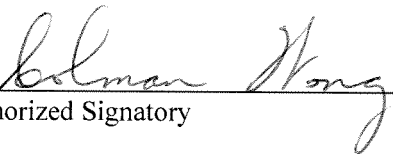
By:



Authorized Signatory

WOLVERTON SECURITIES LTD.

By:



Authorized Signatory