

AGENCY AGREEMENT

July 22, 2014

Lamêlée Iron Ore Ltd.
1155 University Street
Suite 812
Montréal, Québec H3B 3A7

Attention: Mr. Hubert Vallée, President and Chief Executive Officer

Dear Sir:

The undersigned, Secutor Capital Management Corporation (the “**Agent**”), understands that Lamêlée Iron Ore Ltd. (the “**Corporation**”) proposes to issue and sell to the public by way of a short form prospectus: (i) a maximum of 46,153,846 units of the Corporation (the “**Units**”) at a price of \$0.13 per Unit, or (ii) a maximum of 40,000,000 flow-through shares of the Corporation (the “**FT Shares**”) at a price of \$0.15 per FT Share, or a combination of both, for maximum total gross proceeds of \$6,000,000 (the “**Offering**”). The Agent further understands that the Closing (as hereinafter defined herein) of the Offering is conditional upon the Corporation receiving minimum gross proceeds of \$2,000,000 from the sale of any combination of Units and FT Shares (the “**Minimum Offering**”).

Each Unit consists of one common share (specifically, a “**Unit Share**” or generally, a “**Common Share**”) in the capital of the Corporation and one-half of one Common Share purchase warrant (each whole warrant, a “**Unit Warrant**”) of the Corporation. Each FT Share consists of one Common Shares to be issued as a “flow-through share” within the meaning assigned by subsection 66(15) of the *Income Tax Act* (Canada) (the “**Tax Act**”). Each Unit Warrant will entitle the holder thereof to purchase one Common Share (a “**Unit Warrant Share**”) at a price of \$0.19 per Unit Warrant Share at any time before 5:00 p.m. (Montréal time) on the date that is 18 months following the Closing Date (as defined herein) of the Offering.

The Unit Shares and the Unit Warrants comprising the Units will separate immediately upon Closing of the Offering. Furthermore, the Units and the FT Shares (together, the “**Offered Securities**”) are offered separately from each other and will be issued and sold pursuant to this agency agreement (the “**Agreement**”).

Upon and subject to the terms and conditions set forth herein, the Agent hereby agrees to act, and upon acceptance hereof, the Corporation hereby appoints the Agent, as the Corporation’s sole and exclusive agent, to offer for sale on a “best efforts” agency basis, without underwriter liability, the Offered Securities pursuant to the Final Prospectus (as hereinafter defined) and the Agent agrees to arrange for Purchasers (as hereinafter defined) of the Offered Securities in the Selling Jurisdictions (as hereinafter defined). The Agent further understands that the Corporation will use the proceeds from the sale of the Offered Securities as described in the Final Prospectus under the heading “Use of Proceeds”, and issue and sell the Offered Securities, the whole in accordance with the provisions of the Final Prospectus.

The Corporation hereby grants to the Agent an over-allotment option (the “**Over-Allotment Option**”), exercisable in whole or in part, at any time and from time to time, in the sole discretion of the Agent, for a period of 30 days from the Closing Date on written notice (each such notice, an “**Over-Allotment Notice**”) by the Agent to the Corporation not later than two Business Days (as hereinafter defined) prior to exercise, to purchase or offer for sale to the public pursuant to the terms of this Agreement that number of additional Units (the “**Additional Units**”) equal to up to 15% of the number of Units sold pursuant to the Offering and that number of additional FT Shares (the “**Additional FT Shares**”) equal to up to 15% of the number of FT Shares sold pursuant to the Offering. The purchase price of each Additional Unit and Additional FT Shares will be equal to the applicable offering prices referred to in the Final Prospectus. Pursuant to each Over-Allotment Notice, the Corporation shall issue and sell the number of Additional Units and Additional FT Shares indicated in such notice, in accordance with the provisions of section 14 hereof.

Each Additional Unit and Additional FT Share shall be identical to, respectively, the Units and FT Shares, and the Unit Shares and the Unit Warrants comprising the Additional Units shall be identical to the Unit Shares and the Unit Warrants comprising the Units. All references herein to the “Units” shall include the Additional Units, to the “FT Shares” shall include the Additional FT Shares, to the “Unit Shares” shall include the Unit Shares underlying the Additional Units, to the “Unit Warrants” shall include the Units Warrants underlying the Additional Units, and all references herein to the “Unit Warrant Shares” shall include the Unit Warrant Shares issuable upon exercise of the Unit Warrants underlying the Additional Units. All references herein to the “Offered Securities” shall include the Additional Units and the Additional FT Shares, as the context permits.

In consideration of the services to be rendered by the Agent in connection with the Offering, the Corporation shall pay to the Agent on the Closing Date the Compensation (as hereinafter defined). The obligation of the Corporation to pay the Compensation shall arise on the Closing Date and the Compensation shall be fully earned by the Agent upon the completion of the Offering.

The Agent will act as exclusive lead manager and sole book runner and has the right to appoint other registered dealers as sub-agents upon such terms and conditions as may be agreed between it and the sub-agents, provided the terms and conditions of such appointment are not inconsistent with the terms and conditions of this Agreement. For greater clarifications, the Corporation shall have no obligations in respect of the sub-agents, who are sole responsibility of the Agent. The Agent may determine the remuneration payable to such other registered dealers appointed by it out of the Commission (as hereinafter defined) payable by the Corporation to the Agent, provided, however, that in no case shall such remuneration exceed the Commission payable to the Agent hereunder.

DEFINITIONS

In this Agreement, the following terms shall have the following meanings:

“\$” means lawful money of Canada;

“**Act**” means the *Canada Business Corporations Act*;

“**Additional FT Shares**” has the meaning ascribed thereto on the second page of this Agreement;

“**Additional Units**” has the meaning ascribed thereto on the second page of this Agreement;

“**affiliate**” and “**associate**” have the respective meanings ascribed thereto in the Act or, as the case may be, in the applicable Securities Laws in effect on the date hereof;

“**Agent**” has the meaning ascribed thereto on the face page of this Agreement;

“**Agent Compensation Options**” means the non-assignable, non-transferable compensation options referred to in section 19 hereof;

“**Agent Compensation Options Certificate**” means the certificates representing the Agent Compensation Options, a specimen of which is attached hereto as Schedule “A”;

“**Agent’s Counsel**” means Lavery, de Billy, L.L.P.;

“**Agent’s Representatives**” means the affiliates, directors, officers and employees of the Agent;

“**Agreement**” means this agreement and its schedules, being the agreement resulting from the acceptance by the Corporation of the offer made by the Agent hereby;

“**AIF**” means the amended annual information form of the Corporation dated June 26, 2014 for the year ended September 30, 2013 and any amendments and schedule thereto including, as the case may be, all documents incorporated therein by reference;

“**Auditors**” means the auditors of the Corporation, being Raymond Chabot Grant Thornton, LLP, Chartered Accountants;

“**Business Day**” means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in the cities of Montréal, Québec are not open for business;

“**Canadian Exploration Expense(s)**” or “**CEE**” means an expense described in paragraph (f) of the definition of “Canadian exploration expense” in subsection 66.1(6) of the Tax Act, excluding Canadian exploration expenses to the extent of the amount of any assistance described in paragraph 66(12.6)(a) of the Tax Act, amounts which are prescribed to constitute “Canadian exploration and development overhead expense” for purposes of paragraph 66(12.6)(b) of the Tax Act, any expenditures described in paragraph 66(12.6)(b.1) of the Tax Act, and any expenses for prepaid

services or rent that do not qualify as outlays and expenses for the period as described in the definition of “expense” in subsection 66(15) of the Tax Act;

“**Closing**” means the completion of the Offering as contemplated by this Agreement;

“**Closing Date**” means the day on which the Closing shall occur, which shall be on or about July 24, 2014 or such other date as the Agent and the Corporation may determine but in any event no later than the 90th day on which the Corporation receives a receipt for the Final Prospectus;

“**Commission**” has the meaning ascribed to such term in section 19 hereof;

“**Commitment Amount**” means the aggregate amount equal to \$0.15 multiplied by the number of FT Shares subscribed and paid for pursuant to the FT Subscription Agreement(s);

“**Common Shares**” means the common shares in the share capital of the Corporation;

“**Compensation**” means the Commission and the Agent Compensation Options granted to the Agent and referred to in section 19 hereof;

“**Compensation Agent’s Shares**” means the Common Shares to be issued to the Agent upon exercise of the Agent Compensation Options;

“**Corporation**” has the meaning ascribed thereto on the face page of this Agreement;

“**CRA**” means the Canada Revenue Agency;

“**Debt Instrument**” means any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability;

“**distribution**” has the meaning ascribed thereto in the applicable Securities Laws in effect on the date hereof and “**distribute**” has a corresponding meaning;

“**Employee Plans**” has the meaning ascribed to such term in subsection 11.1.4(a) hereof;

“**Environmental Laws**” has the meaning ascribed to such term in subsection 11.1.2(a) hereof;

“**Environmental Permits**” has the meaning ascribed to such term in subsection 11.1.2(b) hereof;

“**Expenditure Period**” means the period commencing on the date of acceptance of the FT Subscription Agreement(s) and ending on the earlier of:

- (i) the date on which the Commitment Amount has been fully expended in accordance with the terms hereof; and
- (ii) the Termination Date;

“**Exploration Program**” means the exploration activities described in the AIF and the Final Prospectus;

“**Final Prospectus**” means the (final) short form prospectus of the Corporation in both its English language version and French language version dated July •, 2014 and includes all documents incorporated therein by references;

“**Final Receipt**” has the meaning ascribed to such term in section 6 hereof;

“**Financial Statements**” means (i) the audited consolidated financial statements of the Corporation for the year ended September 30, 2013, together with the management’s discussion and analysis report of the Corporation for the year ended September 30, 2013; and (ii) the condensed unaudited interim consolidated financial statements of the Corporation for the three month period ended March 31, 2013, together with the management’s discussion and analysis report of the Corporation for the three month period ended March 31, 2013;

“**Flow-Through Mining Expenditure**” means an expense which qualifies, once renounce by the Corporation pursuant to the Tax Act, as a “flow-through mining expenditure” of a FT Purchaser as such term is defined in subsection 127(9) of the Tax Act;

“**FT Shares**” has the meaning ascribed to such term on the face page of this Agreement;

“**FT Purchasers**” herein means the persons who purchase the FT Shares under the FT Subscription Agreement(s) and on behalf of which the Agent shall execute the FT Subscription Agreement(s);

“**FT Subscription Agreement(s)**” means the subscription agreement(s) as the same may be amended, supplemented or restated from time to time, executed by the Agent, on behalf of the FT Purchasers, and the Corporation;

“**including**” means including without limitation;

“**Lamêlée Property**” means the Lamêlée property that is described in the AIF;

“**Leased Premises**” means any premises or lands which are material to the Corporation and which the Corporation occupies as a tenant or otherwise;

“**Material Adverse Effect**” means any effect, change, event or occurrence, as the case may be, that (i) has or could reasonably be expected to have a material adverse effect on the results of operations, financial condition, business, affairs, assets, properties, capital, liabilities (contingent or otherwise), cash flows, income or business operations of the Corporation taken as a whole as a going concern, or (ii) would result in any Preliminary Prospectus and Final Prospectus or amendment thereof containing a misrepresentation;

“**Material Agreement**” means any material note, indenture, mortgage or other form of indebtedness and any material contract, commitment, agreement (written or oral), instrument,

lease or other document, including licence agreements to which the Corporation is a party and which is material to the Corporation;

“**material change**”, “**material fact**” and, “**misrepresentation**” have the respective meanings ascribed thereto in the *Securities Act* (Québec) in effect on the date hereof;

“**Minimum Offering**” has the meaning ascribed thereto on the face page of this Agreement;

“**Mining Property**” means those options, interests and rights in various units, claims, concessions, permits and leases duly registered and known as the Lamêlée Property, as such property is described in the Regulation 43-101 Report;

“**Offered Securities**” has the meaning ascribed to such term on the face page of this Agreement;

“**Offering**” has the meaning ascribed thereto on the face page of this Agreement;

“**Offering Period**” means the period during which the Offered Securities are offered for sale pursuant to the Final Prospectus up to the Closing Date;

“**Over-Allotment Notice**” has the meaning ascribed to such term on the second page of this Agreement;

“**Over-Allotment Option**” has the meaning ascribed to such term on the second page of this Agreement;

“**Over-Allotment Option Closing Date**” means the Business Day set out in the Over-Allotment Notice (which shall not be earlier than two Business Days after the receipt of such notice) or such other date as the Corporation and the Agent may agree;

“**Over-Allotment Option Expiry Date**” means the date that is 30 days following the Closing Date;

“**Person**” includes any individual (whether acting as an executor, trustee, administrator, legal representative or otherwise), corporation, firm, general partner, limited partner, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning;

“**Preliminary Prospectus**” means the preliminary short form prospectus of the Corporation in both its English language version and French language version dated June 26, 2014, and includes all documents incorporated therein by reference;

“**Prescribed Forms**” means the forms prescribed from time to time under or pursuant to subsection 66(12.7) of the Tax Act filed or to be filed by the Corporation within the prescribed times renouncing to the FT Purchasers the Qualifying Expenditures incurred by it pursuant to the FT Subscription Agreement(s) and all parts or copies of such forms required by the CRA to be delivered to the FT Purchasers;

“Prescribed Relationship” means a relationship between the Corporation and a FT Purchaser where the FT Purchaser and the Corporation are “related” or otherwise do not deal at “arm’s length” with each other for purposes of the Tax Act;

“Proposed Amendments” means all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of the Final Prospectus;

“Public Disclosure Documents” means, collectively, all of the documents which have been filed by or on behalf of the Corporation prior to the Closing Date with the relevant Securities Regulators pursuant to the requirements of Securities Laws, including all documents filed on SEDAR at www.sedar.com and all such documents filed with such government body or agency dealing with the Mining Property and on the Corporation’s website;

“Purchasers” means collectively, the Persons who, as purchasers or beneficial purchasers residing in the Selling Jurisdictions, acquire the Units and/or the FT Shares by duly paying the applicable offering price for each Unit and FT Share, as applicable, and completing, executing and delivering the required documentation the whole as may be prescribed for in the Final Prospectus;

“Qualifying Expenditures” means one or more expenses which are CEE at the date they are incurred, which are incurred on or after the Closing Date and on or before the Termination Date, which has not been previously renounced by the Corporation to any Person, which may be renounced by the Corporation pursuant to subsection 66(12.6) of the Tax Act (in conjunction with subsection 66(12.66) of the Tax Act with respect to expenses incurred by the Corporation during calendar year 2015) with an effective date not later than December 31, 2014, in respect of which, but for the renunciation, the Corporation would be entitled to a deduction from income for income tax purposes, which are Flow-Through Mining Expenditures and which will be included, for eligible FT Purchasers under the Québec Tax Act, in both the “exploration base relating to certain Québec exploration expenses” as such term is defined in section 726.4.10 of the Québec Tax Act and the “exploration base relating to certain Québec surface mining exploration expenses or oil and gas exploration expenses” as such term is defined in section 726.4.17.2 of the Québec Tax Act of each such FT Purchaser;

“Québec Tax Act” means the *Taxation Act* (Québec), as amended, re-enacted or replaced from time to time and the regulations thereto, including all specific proposals to amend the Québec Tax Act publicly announced by or on behalf of the Minister of Finance (Québec) prior to the date of the Final Prospectus;

“Regulation 43-101” means *Regulation 43-101 respecting Standards of Disclosure for Mineral Projects*;

“Regulation 43-101 Report” means the technical report prepared for the Corporation on the Mining Property dated dated October 1, 2013, entitled “NI 43-101 Technical Report - The Lamêlée Property, Labrador Through, Northeastern Québec, Canada, Disclosure of Mineral

Resources on behalf of Gimus Resources Inc.” and prepared in compliance with Regulation 43-101;

“**Securities Certificates**” means the certificates or confirmations of deposit issued under a direct registration system or other electronic book-entry system, representing the Unit Shares, the FT Shares, the Unit Warrants, as applicable, sold to Purchasers, as the case may be, registered in the name of CDS Clearing and Depository Services Inc. or its nominee (“**CDS**”);

“**Securities Laws**” means the securities laws, regulations, rules and the blanket rulings and policies and written interpretations of, and multilateral or national instruments adopted by, the Securities Regulators of all of the Selling Jurisdictions or, as the context may require, any one or more of the Selling Jurisdictions;

“**Securities Regulators**” means collectively, the securities commissions or other securities regulatory authorities in the Selling Jurisdictions and includes, where applicable, the TSX-V;

“**Selling Jurisdictions**” means, with respect to the Offering, the Provinces of Alberta, British Columbia, Manitoba, Ontario and Québec;

“**Subscription Price**” means \$0.13 per Unit and \$0.15 per FT Share, as applicable;

“**subsidiary**” shall have the meaning ascribed thereto in the Act;

“**Supplementary Material**” means, collectively, any amendment or supplement to the Preliminary Prospectus and Final Prospectus or to any documentation supplemental thereto, any amending or supplemental prospectus or other supplemental documentation or any similar document or ancillary materials required to be filed or that may be filed by or on behalf of the Corporation under any of the applicable Securities Laws during the Offering Period and in connection with the distribution and/or sale of the Offered Securities by the Corporation;

“**Tax Act**” means the *Income Tax Act* (Canada), as amended, re-enacted or replaced from time to time and the regulations thereto, including all Proposed Amendments;

“**Taxes**” has the meaning ascribed to such term in subsection 11.1.5(b) hereof;

“**Termination Date**” means December 31, 2015;

“**to the knowledge**” and “**to the best knowledge**” mean respectively the declarant’s knowledge and the best of the declarant’s knowledge, after having made due enquiry of the matters in respect of which the question is asked;

“**Transfer Agent**” means Computershare Investor Services Inc. in its capacity as transfer agent and registrar of the Corporation at its principal office in the City of Montréal, Québec;

“**TSX-V**” means the TSX Venture Exchange;

“**Units**” has the meaning ascribed thereto on the face page of this Agreement;

“**Unit Share**” has the meaning ascribed to such term on the face page of this Agreement;

“**Unit Warrants**” means the Common Share purchase warrant of the Corporation which will be issued as part of the Unit and which has the terms provided in this Agreement and in the Warrant Indenture (as defined herein), each Unit Warrant entitling its holder to subscribe for one Unit Warrant Share at a price of \$0.19 for a period of 18 months following the Closing Date;

“**Unit Warrant Share**” has the meaning ascribed to such term on the face page of this Agreement; and

“**Warrant Indenture**” means the agreement to be entered as of the Closing Date between the Corporation and Computershare Trust Company of Canada as warrant agent and transfer agent providing for the issuance of the Unit Warrants.

Any reference in this Agreement to a word or term defined in the Tax Act includes, for purposes of Québec income taxation, to the extent applicable, a reference to the equivalent word or term, if any, defined in the Québec Tax Act. Any reference in this Agreement to the Tax Act or a provision thereof includes, for purposes of Québec income taxation, to the extent applicable, a reference to the Québec Tax Act or the equivalent provision thereof, if any. Any reference in this Agreement to a filing or similar requirement imposed under the Tax Act includes, for purposes of Québec income taxation, to the extent applicable, a reference to the equivalent filing or similar requirement, where applicable, under the Québec Tax Act; provided that, if no filing similar requirement is provided under the Québec Tax Act, a copy of any material filed under the Tax Act shall be filed with the *Agence du revenu du Québec*. Without limiting the generality of the foregoing, an obligation of the Corporation hereunder to renounce an amount to a FT Purchaser under the Tax Act shall include, if such FT Purchaser is liable for tax under the Québec Tax Act or is a partnership a partner or limited partner of which is liable for tax under the Québec Tax Act, an obligation to renounce such amount under the Québec Tax Act.

TERMS AND CONDITIONS

1. Appointment of the Agent

Subject to the terms and conditions of this Agreement, the Corporation hereby exclusively appoints the Agent, and the Agent hereby agrees to act as the agent of the Corporation to solicit offers to purchase the Offered Securities during the Offering Period in the Selling Jurisdictions and to use its best efforts without underwriter liability to obtain offers to purchase the Offered Securities from Purchasers subject to due compliance with and fulfillment of all the terms and conditions set forth herein.

1.1 Selling Group. The Agent hereby reserves the right, subject to the prior approval of the Corporation, such approval not to be unreasonably withheld, to form a selling group consisting of other registered securities dealers including, with limitation, dealer sub-agents, upon such terms and conditions as the Agent may deem appropriate, provided, however, that any fee charged by such registered securities dealers shall not exceed, and in no event, shall the

Corporation be required to pay in excess of, the Commission as set out herein in section 19 hereof and shall be payable by the Agent.

1.2 Custodian. The Agent shall act as custodian of funds received from the Purchasers pending the Closing of the Offering. Such funds shall be released at the Closing in accordance with section 12 hereof, provided that if the Minimum Offering has not been purchased prior to the Closing Date, then the Agent shall promptly return such funds to the Purchasers without interest or deduction.

1.3 No Obligation to Purchase. It is hereby agreed and understood that the Agent shall not at any time be obligated to purchase any of the Offered Securities.

1.4 Compliance with Securities Laws. The Agent covenants that all sales of the Offered Securities shall be effected in compliance with applicable Securities Laws and the laws of any other jurisdiction in which sales of the Offered Securities take place and the Agent covenants that it shall use its commercially reasonable efforts to cause all members of any selling group it shall have formed to sell the Offered Securities only through persons lawfully entitled to sell the same and otherwise in compliance with applicable Securities Laws and the laws of any other jurisdiction in which sales of the Offered Securities take place.

1.5 Filings. The Corporation will use its commercially reasonable efforts to file, or cause to be filed, all forms or undertakings required to be filed by the Corporation in connection with the issue and sale of the Offered Securities so that the distribution of the Offered Securities may lawfully occur in the Selling Jurisdictions, and the Agent will use its commercially reasonable efforts to cause the Purchasers to complete (as a condition of closing in favour of the Corporation) any forms required by law. All fees payable in connection with such filings as are required to be made by the Corporation shall be at the expense of the Corporation.

1.6 Prospectus. The Corporation shall cooperate in all respects with the Agent to allow and assist the Agent to participate fully in the preparation of the Preliminary Prospectus and Final Prospectus and any amendment thereto and shall allow the Agent's Counsel to conduct all due diligence investigations which the Agent may reasonably require to fulfil the Agent's obligations as agent and to enable the Agent to execute any certificate required to be executed by the Agent in such documentation.

1.7 Qualification for Distribution. For the purposes of this section 1, the Agent shall be entitled to assume that the Offered Securities are qualified for distribution in the Selling Jurisdictions.

2. Distribution Arrangements

2.1 Price of the Offered Securities. The Agent shall offer the Offered Securities for sale during the Offering Period at the Subscription Price mentioned in the Final Prospectus.

2.2 Rights of the Corporation. The Agent acknowledges that subscriptions for the Offered Securities may be rejected or accepted by the Corporation in whole or in part in its sole discretion.

3. Qualification of Securities

3.1 Prospectus. The Corporation represents and covenants that it has filed the Preliminary Prospectus dated June 26, 2014 and will use its commercially reasonable efforts to file in the Selling Jurisdictions as soon as possible following the execution of this Agreement or on such later date as may be mutually agreed upon the Final Prospectus.

3.2 Filings. The Corporation shall, as soon as possible, use its commercially reasonable efforts to take or cause to be taken all steps and proceedings to fulfill all legal requirements under applicable Securities Laws to qualify the Offered Securities for sale to the public in the Selling Jurisdictions including, filing the Final Prospectus in the Selling Jurisdictions pursuant to Multilateral Instrument 11-102 *Passport System* and *Regulation 44-101 respecting Short Form Prospectus Distributions*. All such legal requirements including obtaining a Final Receipt, shall have been fulfilled not later than 5:00 p.m. (Montréal time), on or before July 28, 2014 or by such other time and/or on such later date or dates as may be mutually agreed upon by the Corporation and the Agent.

3.3 Qualification of Offered Securities. Until the distribution of the Offered Securities shall have been completed, the Corporation shall use its commercially reasonable efforts to promptly take or cause to be taken all additional steps and proceedings that may from time to time be required under applicable Securities Laws to continue to qualify the Offered Securities for distribution in the Selling Jurisdictions.

3.4 Offshore Purchasers. If a Purchaser is resident in or otherwise subject to securities laws of a jurisdiction other than Canada or the United States, such Purchaser shall have properly completed and duly executed the offshore purchaser certificate attached hereto as Schedule "B".

4. Delivery of Documents for Filing

4.1 Undertaking of the Corporation. Prior to the filing of the Final Prospectus, the Corporation shall deliver or cause to be delivered to the Agent the following:

- (a) the Final Prospectus and any documentation supplemental thereto required to be filed under applicable Securities Laws, in each case in form and substance satisfactory to the Agent, acting reasonably, and with such signatures and certifications as may be required by applicable Securities Laws;
- (b) a copy of any other document required to be filed by the Corporation in compliance with applicable Securities Laws in connection with the filing of the Final Prospectus for the distribution of the Offered Securities, including the AIF;
- (c) the applicable consent from the Auditors;

- (d) a general comfort letter dated as of the date hereof from the Auditors addressed to the Agent and Agent's counsel, in form and substance satisfactory to the Agent, acting reasonably, which letter shall be in addition to the Auditors' consent letter referred above; and
- (e) the TSX-V conditional approval letter.

4.2 Representations by the Corporation. Delivery of the Final Prospectus shall constitute the representation and warranty of the Corporation to the Agent that all information and statements (except information and statements furnished in connection with the Offering by or relating solely to the Agent) contained in the Final Prospectus are, as at the dates thereof, true and correct in all material respects and constitute full, true and plain disclosure of all material facts relating to the Offered Securities.

5. French Language

5.1 Prior to filing the Final Prospectus, the Corporation shall deliver to the Agent opinions of the Auditors, dated the date of the Final Prospectus, to the effect that the French language or the English language version of the Financial Statements, as the case may be, contained (or incorporated by reference) in the Final Prospectus, carries the same meaning as the English language or French language version thereof, as the case may be.

5.2 Prior to filing the Final Prospectus, the Corporation shall deliver to the Agent opinions of the Corporation's counsel, Dentons Canada LLP, dated the date of the Final Prospectus, to the effect that, except for the Financial Statements, as to which such counsel expresses no opinion, the French language version of the Final Prospectus, including the information incorporated by reference therein, is in all material respects a complete and proper translation of the English language version thereof.

5.3 Similar opinions as to translation shall be provided to the Agent with respect to any Supplementary Material or other relevant document in the French language at or prior to the time the same is filed with the Securities Regulators. All such opinions, including, without limitation, those referred to in sections 5.1 and 5.2 hereof, shall be satisfactory in form and substance to the Agent and its counsel, acting reasonably.

6. Commercial Copies

The Corporation shall cause to be delivered, without charge, to the Agent as soon as possible, and shall use its commercially reasonable efforts to cause to be delivered within 48 hours of the issue of a final receipt for the Final Prospectus from the Securities Regulators (the "**Final Receipt**"), such number of commercial copies of the Final Prospectus to be delivered in the Selling Jurisdictions as the Agent shall reasonably require provided that the Agent shall have promptly notified the Corporation upon receipt of the Final Receipt of such number of commercial copies required. The Agent shall, on or before the issue of the Final Receipt, confirm in writing to the Corporation such number of commercial copies of the Final Prospectus and the

names and addresses of, and the number of copies for each of the members of the selling group that is participating in the Offering.

7. Supplementary Material

In the event that the Corporation is required by applicable Securities Laws to prepare and file Supplementary Material, the Corporation shall prepare any Supplementary Material required to be prepared. Such Supplementary Material shall be in form and substance satisfactory to the Agent and the Agent's Counsel, acting reasonably, and a copy thereof (signed as required) shall be delivered by the Corporation to the Agent's Counsel forthwith before filing. Concurrently with the delivery or cause to be delivered to the Agent of any Supplementary Material, the Corporation shall deliver to the Agent with respect to such Supplementary Material, the applicable documents referred to in subsection 4.1 hereof. The provisions of section 6 hereof shall apply, with any changes required by the context, to any Supplementary Material, copies of which are required by law to be delivered on request or otherwise to a Purchaser. Such delivery shall constitute the representation and warranty of the Corporation to the Agent that all information and statements (except information and statements furnished in connection with the Offering by or relating solely to the Agent) contained in the Final Prospectus or Preliminary Prospectus as amended by the Supplementary Material are, as at the date of such Supplementary Material, true and correct in all material respects and constitute full, true and plain disclosure of all material facts relating to the Offered Securities.

8. Material Changes

8.1 Notice. During the Offering Period, the Corporation shall promptly notify the Agent in writing of the full particulars of:

- (a) any material change (whether actual, anticipated, contemplated, threatened, proposed or prospective and whether financial or otherwise) in the business, the Mining Property, affairs, operations, assets or liabilities (contingent or otherwise) or capital or ownership of the Corporation;
- (b) any change (whether actual, anticipated, contemplated, threatened, proposed or prospective and whether financial or otherwise) in any material fact contained in the Preliminary Prospectus, the Final Prospectus or any Supplementary Material;
- (c) any legislative, regulatory or administrative policy or guideline changes which, if implemented could have a material effect upon the Corporation's operations, on the Mining Property or the method by which the Corporation carries on business; and
- (d) any material fact which would have been required to be stated in the Final Prospectus or Supplementary Material had it occurred as at the respective dates thereof (whether actual, anticipated, contemplated or threatened).

8.2 Consent of Agent. The Corporation shall in good faith discuss with the Agent any change in circumstances (whether actual, anticipated, contemplated or threatened) which is of such a

nature as to give rise to a reasonable doubt as to whether notice should be given to the Agent pursuant to this section 8 and, where it has been determined to be appropriate, promptly and in any event within the statutory limitation periods therefore, comply with all applicable filing and other requirements under the applicable Securities Laws; provided that the Corporation shall not file any Supplementary Material or other documents without first obtaining the Agent's approval of the form and content thereof, which approval shall not be unreasonably withheld and shall be provided on a timely basis in order for the Corporation to comply with such requirements. It is hereby expressly acknowledged and agreed that, for the purposes of this Agreement, the Offering Period shall continue from the date hereof up to and including the earlier of: (i) the date at which the Agent has given notice to the Corporation that the distribution of Offered Securities under the Offering has ceased; or (ii) the Closing Date. Notwithstanding the generality of the foregoing, the Agent understands and acknowledges that the Offering Period shall not continue beyond the 90th day after (i) the date of the Final Receipt for the Final Prospectus, or (ii) the date of the Final Receipt for any Supplementary Material, as the case may be, if the Minimum Offering is not attained provided that, in any case, the Offering Period shall not continue beyond the 180th day from the date of the Final Receipt for the Final Prospectus.

8.3 Communications. Until the distribution of the Offered Securities shall have been completed under the Final Prospectus, the Corporation shall advise the Agent promptly, and forthwith provide the Agent with copies (where applicable), of any communications relating to:

- (a) the issuance by any Securities Regulator or any other securities regulatory authority of any order suspending or preventing the use of the Preliminary Prospectus and Final Prospectus or any cease-trading or stop order or any halt in trading relating to the Common Shares or the institution or threat of any proceedings for that purpose; and
- (b) the Preliminary Prospectus, Final Prospectus or the Offering from any Securities Regulator or any other securities regulatory authority or other authority.

The Corporation shall use its commercially reasonable efforts to prevent the issuance of any such cease trading or stop order and, if issued, shall forthwith take all reasonable steps which it is able to take and which may be necessary or desirable in order to obtain the withdrawal thereof as soon as possible.

9. Covenants

9.1 Covenants of the Corporation. The Corporation hereby covenants with the Agent and in favour of the Purchasers and their permitted assigns as follows, and acknowledges that each of them is relying on such covenants in connection with the Offering and purchase of the Offered Securities contemplated herein:

- 9.1.1.1 it will use its best efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Securities Laws in each of the Provinces of Alberta, British Columbia, Manitoba, Ontario and Québec until the date that is two years following the Closing Date;

- 9.1.1.2 it will allow the Agent and its representatives the opportunity to conduct a due diligence which the Agent may reasonably require to be conducted prior to the Closing Date;
- 9.1.1.3 subject to the terms and conditions of the Final Prospectus, it will duly execute and/or deliver this Agreement, the FT Subscription Agreement(s), the Warrant Indenture, the Unit Shares, the FT Shares, the Unit Warrants and the Agent Compensation Options Certificate at the Closing Date, and comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Corporation;
- 9.1.1.4 it will fulfill or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in section 13 hereof;
- 9.1.1.5 it will ensure that the attributes of the Offered Securities will conform in all material respects with the description thereof in the Final Prospectus;
- 9.1.1.6 it will ensure that all corporate action on the part of the Corporation, its directors, and its shareholders necessary for the authorization, execution and delivery of this Agreement, the FT Subscription Agreement(s), the Warrant Indenture and the Agent Compensation Options Certificate, and the performance of the transaction contemplated hereby and thereby, by the Corporation will be taken prior to the Closing;
- 9.1.1.7 when issued, the Unit Shares, the FT Shares, the Unit Warrant Shares upon due exercise of the Unit Warrants and the Compensation Agent's Shares upon due exercise of the Agent Compensation Options will be validly created and issued as fully paid and non-assessable when paid and said shares when issued will be duly listed on the TSX-V;
- 9.1.1.8 it will ensure that the Agent Compensation Options Certificate will be delivered on the Closing Date;
- 9.1.1.9 all necessary corporate action has been taken or will have been taken prior to the Closing Date by the Corporation so as to: (i) validly issue and deliver (in accordance with the terms and conditions of the Final Prospectus) the Unit Shares and FT Shares on Closing as fully paid and non-assessable Common Shares when paid; (ii) validly create, authorize and issue the Unit Warrants on Closing; (iii) validly create, authorize and issue the Agent Compensation Options on Closing; (iv) reserve and authorize the issuance of Unit Warrant Shares, as fully paid and non-assessable Common Shares upon the due exercise of the Units Warrants, in accordance with the terms of the Warrant Indenture; and (v) reserve and authorize the issuance of Compensation Agent's Shares, as fully paid and non-assessable Common Shares upon the due exercise of the Agent Compensation Options in accordance with the terms of the Agent Compensation Options Certificate;

- 9.1.1.10 at Closing, all consents, approvals, permits, authorizations or filings as may be required under Securities Laws and, as the case may be, the TSX-V, necessary for the execution and delivery of this Agreement, the FT Subscription Agreement(s), the Warrant Indenture and the Agent Compensation Options Certificate, the issuance and sale of the Offered Securities, the issuance and sale of the Unit Warrant Shares and the Compensation Agent's Shares upon exercise, as applicable, of the Unit Warrants and the Agent Compensation Options and the consummation of the transactions contemplated hereby and thereby will have been made or obtained, as applicable, other than filings required to be submitted following the Closing pursuant to applicable Securities Laws and the TSX-V;
- 9.1.1.11 it will comply with the Corporation's other covenants in all material respects contained, as the case may be, in the FT Subscription Agreement(s); and
- 9.1.1.12 it agrees that, to the extent applicable, the Purchasers shall have the benefit of the representations, warranties and covenants made by the Corporation to the Agent as set forth in this Agreement and in the FT Subscription Agreement(s).

9.2 Covenants of the Corporation with respect to the FT Shares. The Corporation covenants and agrees with the Agent and in favour of the FT Purchasers (on their own behalf and, if applicable, on behalf of each person on whose behalf the FT Purchasers are contracting) and acknowledges that the FT Purchasers and Agent are relying thereon, that:

- 9.2.1.1 the expenditures incurred in performing the Exploration Program and renounced in favour of the FT Purchasers will be Qualifying Expenditures, as mentioned in the Final Prospectus;
- 9.2.1.2 it will keep proper books, records and accounts of all Qualifying Expenditures and all transactions affecting the Commitment Amount and the Qualifying Expenditures, and upon reasonable notice, will make such books, records and accounts available for inspection and audit by or on behalf of the FT Purchasers at the expense of the FT Purchasers;
- 9.2.1.3 upon acceptance, the FT Subscription Agreement(s) constitute a binding obligation of the Corporation enforceable in accordance with its terms, subject to customary qualifications;
- 9.2.1.4 it will incur, during the Expenditure Period, Qualifying Expenditures in such amount that enables the Corporation to renounce to the FT Purchasers, in accordance with the Tax Act and the FT Subscription Agreement(s), Qualifying Expenditures in an amount equal to the Commitment Amount;
- 9.2.1.5 it will renounce, effective no later than December 31, 2014, in accordance with the Tax Act and the FT Subscription Agreement(s), to the FT Purchasers, Qualifying Expenditures which have been incurred, or which the Corporation plans to incur during the Expenditure Period, in an amount equal to the Commitment Amount;

- 9.2.1.6 the Corporation acknowledges that it has no right to claim any deductions for CEE in respect of the Qualifying Expenditures renounced to the FT Purchasers pursuant to the FT Subscription Agreement(s) and covenants not to claim any such deduction when preparing its tax returns from time to time;
- 9.2.1.7 it will file with the CRA within the time prescribed by subsection 66(12.68) of the Tax Act the forms prescribed for the purposes of such legislation together with a copy of the FT Subscription Agreement(s) and any “selling instrument” contemplated by such legislation;
- 9.2.1.8 it will timely file with the CRA all forms and supporting documentation required under the Tax Act, including Prescribed Forms, necessary to effectively renounce Qualifying Expenditures equal to the Commitment Amount to the FT Purchasers pursuant to the FT Subscription Agreement(s);
- 9.2.1.9 the Corporation shall file with the CRA, before March of the calendar year following a particular calendar year, any return required to be filed under Part XII.6 of the Tax Act in respect of the particular calendar year, and shall pay any tax or other amount owing under Part XII.6 of the Tax Act on a timely basis;
- 9.2.1.10 the Corporation will not be subject to the provisions of subsection 66(12.67) of the Tax Act in a manner which impairs its ability to renounce Qualifying Expenditures to the FT Purchasers in an amount equal to the Commitment Amount;
- 9.2.1.11 upon issue, the FT Shares will be “flow-through shares” as defined in subsection 66(15) of the Tax Act and are not and will not be “prescribed shares” or “prescribed rights” within the meaning of section 6202.1 of the regulations to the Tax Act.
- 9.2.1.12 the Corporation does not have and will not have prior to the Termination Date a Prescribed Relationship with any of the FT Purchasers or, if a FT Purchaser is a partnership, any partner or limited partner thereof;
- 9.2.1.13 the Corporation is a “principal-business corporation” as defined in subsection 66(15) of the Tax Act and will continue to be a “principal-business corporation” until such time as all of the Qualifying Expenditures required to be renounced under the FT Subscription Agreement(s) have been incurred and validly renounced;
- 9.2.1.14 the Corporation is both a “development corporation”, as defined in section 363 of the Québec Tax Act, and a “qualified corporation”, as defined in sections 726.4.15 and 726.4.17.7 of the Québec Tax Act, and will continue to be a “development corporation” and a “qualified corporation” until such time as all of the Qualifying Expenditures required to be renounced under the FT Subscription Agreement(s) have been incurred and validly renounced;
- 9.2.1.15 the Corporation has no reason to believe that it will be unable to incur, on or after the Closing Date and on or before the Termination Date, or that it will be unable to

- renounce to the FT Purchasers effective on or before December 31, 2014, Qualifying Expenditures in an aggregate amount equal to the Commitment Amount and the Corporation has no reason to expect any reduction of such amount by virtue of subsection 66(12.73) of the Tax Act;
- 9.2.1.16 the Corporation shall deliver to the FT Purchasers, on or before February 28, 2015, the relevant Prescribed Forms, fully completed and executed, renouncing to the FT Purchasers Qualifying Expenditures in an amount equal to the Commitment Amount, such delivery constituting the authorization of the Corporation to the FT Purchasers to file such Prescribed Forms with the relevant taxation authorities;
- 9.2.1.17 the Qualifying Expenditures to be renounced by the Corporation to the FT Purchasers:
- (i) will be constituted of CEE on the effective date of the renunciation which is to be not later than December 31, 2014;
 - (ii) will not include expenses that are “Canadian exploration and development overhead expenses” (as defined in the regulations to the Tax Act for purposes of paragraph 66(12.6)(b) of the Tax Act) of the Corporation, amounts which constitute specified expenses for seismic data described in paragraph 66(12.6)(b.1) of the Tax Act, any expenses for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition of “expense” in subsection 66(15) of the Tax Act or any assistance received by the Corporation of the type described in paragraph 66(12.6)(a) of the Tax Act;
 - (iv) will not include any amount that has previously been renounced by the Corporation to the FT Purchasers or to any other Person;
 - (v) would be deductible by the Corporation in computing its income for the purposes of Part I of the Tax Act but for the renunciation to the FT Purchasers;
 - (vi) will not be subject to any reduction under subsection 66(12.73) of the Tax Act;
 - (vii) will constitute Flow-Through Mining Expenditures;
 - (viii) will be included, for eligible FT Purchasers under the Québec Tax Act, in both the “exploration base relating to certain Québec exploration expenses” as such term is defined in section 726.4.10 of the Québec Tax Act and the “exploration base relating to certain Québec surface mining exploration expenses or oil and gas exploration expenses” as such term is defined in section 726.4.17.2 of the Québec Tax Act of each such FT Purchaser;
- 9.2.1.18 the Corporation shall not reduce the amount renounced to the FT Purchasers pursuant to subsection 66(12.6) of the Tax Act;

- 9.2.1.19 the Corporation shall refrain from entering into transactions or taking deductions which would otherwise reduce its cumulative CEE to an extent that would preclude a renunciation of Qualifying Expenditures under the FT Subscription Agreement(s) in an amount equal to the Commitment Amount;
- 9.2.1.20 the Corporation shall incur and renounce Qualifying Expenditures pursuant to the FT Subscription Agreement(s) pro rata by number of FT Shares issued or to be issued under the Offering and before incurring and renouncing to any Person CEE pursuant to any other agreement providing for the issue of “flow-through shares” for the purposes of the Tax Act entered into by the Corporation after the date of the FT Subscription Agreement(s). The Corporation shall not, without the prior written consent of the Agent (which consent may not be unreasonably withheld) enter into any other agreement after the date hereof which would prevent or restrict its ability to renounce Qualifying Expenditures to the FT Purchasers in the amount of the Commitment Amount pursuant to the FT Subscription Agreement(s). If the Corporation is required under the Tax Act or otherwise to reduce Qualifying Expenditures previously renounced to FT Purchasers pursuant to the FT Subscription Agreement(s), such reduction shall be made pro rata based on the number of FT Shares issued or to be issued under the Offering, provided that the Corporation shall only reduce Qualifying Expenditures renounced to the FT Purchasers after it has first reduced all CEE renounced to any Person pursuant to any other agreement providing for the issue of “flow-through shares” for the purposes of the Tax Act entered into by the Corporation after the date of the FT Subscription Agreement(s);
- 9.2.1.21 the Corporation shall use the Commitment Amount for the Exploration Program;
- 9.2.1.22 the Corporation acknowledges that it is not now entitled to receive any “assistance”, as defined in subsection 66(15) of the Tax Act, in respect of the Qualifying Expenditures. In the event that the Corporation has received, is entitled to receive, or may reasonably be expected to receive, assistance at any time that may reasonably be related to the Qualifying Expenditures which could otherwise affect the amount that could be renounced to the FT Purchasers pursuant to the FT Subscription Agreement(s), the Corporation will incur before the time it renounces the Qualifying Expenditures to the FT Purchasers pursuant to the FT Subscription Agreement(s) additional Qualifying Expenditures using funds from other sources in an amount equal to any such assistance, such that the aggregate Qualifying Expenditures renounced to the FT Purchasers pursuant to the FT Subscription Agreement(s) will not be less than the Commitment Amount;
- 9.2.1.23 If the Corporation amalgamates or otherwise combines or merges with any one or more companies, any shares issued to or held by the FT Purchasers as a replacement for the FT Shares as a result will qualify as “flow-through shares” as defined in subsection 66(15) of the Tax Act;
- 9.2.1.24 the Agent is not responsible for any representations and warranties made and deemed to be made by the FT Purchasers in the FT Subscription Agreement(s); and

9.2.1.25 If the Corporation does not renounce to the FT Purchasers, effective on or before December 31, 2014, Qualifying Expenditures equal to the Commitment Amount, and provided that the FT Purchaser is not in breach of any of its material representations, warranties or covenants under the FT Subscription Agreements, the Corporation shall indemnify and hold harmless each FT Purchaser and each of the partners thereof if the FT Purchaser is a partnership or a limited partnership (for the purposes of this paragraph each an “**Indemnified Person**”) as to, and pay in settlement thereof to the Indemnified Person on or before the twentieth Business Day following the date the amount is determined, an amount equal to the amount of any tax payable (as referenced in paragraph (c) of the definition of an “excluded obligation” in subparagraph 6202.1(5) of the regulations to the Tax Act) under the Tax Act (and under any corresponding provincial legislation) by any Indemnified Person as a consequence of such failure. In the event that the amount renounced by the Corporation to a FT Purchaser is reduced pursuant to subsection 66(12.73) (or under any corresponding provincial legislation) of the Tax Act, the Corporation shall indemnify and hold harmless each Indemnified Person as to, and pay in settlement thereof to the Indemnified Person on or before the twentieth Business Day following the date of such reduction, an amount equal to the amount of any tax payable (as referenced in paragraph (c) of the definition of an “excluded obligation” in subparagraph 6202.1(5) of the regulations to the Tax Act) under the Tax Act (and under any corresponding provincial legislation) by the Indemnified Person as a consequence of such reduction. This indemnity is in addition to and not in derogation of any other recourse or rights of action that the FT Purchasers may have against the Corporation. For certainty, the foregoing indemnity shall have no force or effect and the FT Purchasers shall not have any recourse or rights of action to the extent that such indemnity, recourse or rights of action would otherwise cause the FT Shares to be “prescribed shares” within the meaning of section 6202.1 of the regulations to the Tax Act.

10. Communications During Distribution

The Corporation agrees that it shall obtain prior approval of the Agent as to the content and form of any communication or press release relating to the Offering, such approval not to be unreasonably withheld provided that the Agent provides such approval in a prompt manner. In addition, if required by the relevant Securities Laws, any press release announcing or otherwise referring to the Offering shall include an appropriate notation on each page as follows: “Not for distribution to U.S. news wire services, or dissemination in the United States.”

11. Representations and Warranties

11.1 Representations and Warranties of the Corporation. In addition, as the case may be, to any representations and warranties made by the Corporation in the FT Subscription Agreement(s), the Corporation represents and warrants to the Agent and in favour to the Purchasers, and acknowledges that the Agent and Purchasers are relying upon such representations and warranties in purchasing the Offered Securities, that:

11.1.1 General Matters

- (a) the Corporation (i) has been incorporated under the Act and the Corporation's governing corporate legislation is the Act, and is and will at Closing be up-to-date in all material corporate filings and in good standing under the Act; (ii) has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and operate the Mining Property and its assets; and (iii) has all requisite corporate power and authority to create, issue and sell the Offered Securities, to create and issue the Agent Compensation Options, and to enter into and carry out its obligations under this Agreement, the FT Subscription Agreement(s), the Warrant Indenture and the Agent Compensation Options Certificate;
- (b) no proceedings have been taken, instituted or, to the best of the knowledge of the Corporation, are pending for the dissolution or liquidation of the Corporation;
- (c) to the best of its knowledge, the Corporation has conducted and is conducting its business in compliance in all material respects with all applicable laws, rules, regulations and orders of each jurisdiction in which it carries on its business, and the Corporation possesses all material approvals, consents, certificates, registrations, authorizations, permits and licenses issued by the appropriate provincial, state, municipal, federal, national or other regulatory agency or body necessary to carry on the business currently carried on or contemplated to be carried on by it or as contemplated to be conducted, is in compliance in all material respects with the terms and conditions of all such approvals, consents, certificates, authorizations, permits and licenses and with all laws, regulations, tariffs, rules, orders and directives material to the operations thereof, and the Corporation has not received any notice of the modification, revocation or cancellation of, or any intention to modify, revoke or cancel or any proceeding relating to the modification, revocation or cancellation of any such approval, consent, certificate, authorization, permit or license which, singly or in the aggregate, if the subject of an unfavourable decision, order, ruling or finding, could result in a Material Adverse Effect. All such material approvals, consents, certificates, registrations, authorizations, permits and licenses are and will at the Closing Date be valid, subsisting and in good standing;
- (d) the Corporation is licensed, registered or qualified as an extra-provincial or foreign corporation, as applicable, in all jurisdictions where the character of the property or assets thereof owned or leased or the nature of the activities conducted by it make licensing, registration or qualification necessary and is carrying on the business thereof in compliance, in all material respects with all applicable laws, rules and regulations of each such jurisdiction;
- (e) the authorized capital of the Corporation consists of an unlimited number of Common Shares, of which, as of the close of business on July 21, 2014, 77,221,971 Common Shares were outstanding as fully paid and non-assessable Common Shares; the Corporation currently has 7,993,214 Common Share purchase warrant outstanding and the number of outstanding stock options of the Corporation amounted to 6,950,000;

- (f) the currently issued and outstanding Common Shares are listed and posted for trading on the TSX-V and no order ceasing or suspending trading in any securities of the Corporation or prohibiting the sale of the Offered Securities or the trading of any of the Corporation's issued securities has been issued and no proceedings for such purpose has been or, to the best knowledge of the Corporation, are threatened or pending;
- (g) the Corporation has not taken any action which would be reasonably expected to result in the delisting or suspension of the Common Shares on or from the TSX-V and the Corporation, to its knowledge, is currently in material compliance with the rules and regulations of the TSX-V;
- (h) since September 30, 2013, the Corporation has filed all Public Disclosure Documents, forms, reports, documents and information and paid all fees required to be filed and paid by it, as the case may be, with the TSX-V (or one of its predecessors) or the applicable Securities Regulators, and as of the time the Public Disclosure Documents were filed with the applicable securities regulators and on SEDAR (System for Electronic Document Analysis and Retrieval) (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing): (i) each of the Public Disclosure Documents complied in all material respects with the requirements of the applicable securities laws; and (ii) none of the Public Disclosure Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;
- (i) the Financial Statements have been prepared in accordance with International Financial Reporting Standards, accurately reflect the financial position and all material liabilities of the Corporation as of the date thereof, and no adverse changes in the financial position of the Corporation have taken place since the date thereof;
- (j) except as disclosed in the Financial Statements, no person has any agreement or option or right or privilege (whether at law, preemptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants, options or convertible obligations of any nature of the Corporation;
- (k) since September 30, 2013, except as disclosed in the Public Disclosure Documents:
 - (i) there has not been any material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of the Corporation;
 - (ii) there has not been any material change in the capital stock or long-term debt of the Corporation; and
 - (iii) the Corporation has carried on its business in the ordinary course;

- (l) there is no “material fact” or “material change” (as those terms are defined in applicable securities legislation) in the affairs of the Corporation that has not been generally disclosed to the public;
- (m) the Corporation has not committed an act of bankruptcy and is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had a petition or a receiving order in bankruptcy filed against it, has not made a voluntary assignment in bankruptcy, has not taken any proceedings with respect to a compromise or arrangement, has not taken any proceedings to have itself declared bankrupt or wound-up, has not taken any proceedings to have a receiver appointed for any of its direct or indirect interest in its Mining Property and projects and has not had any execution or distress become enforceable or become levied upon the Mining Property;
- (n) the Corporation is not a party to any actions, suits or proceedings which could result in a Material Adverse Effect, and to the best of the Corporation’s knowledge, no such actions, suit or proceedings are contemplated or have been threatened;
- (o) to the best of its knowledge, there are no judgments against the Corporation which are unsatisfied, nor are there any consent decrees or injunctions to which the Corporation is subject;
- (p) to the best of its knowledge, the Corporation is not in default of any of the requirements of any applicable securities legislation or any administrative policies or notices of the TSX-V;
- (q) to the best of the Corporation’s knowledge, the Regulation 43-101 Report is compliant with the requirements of Regulation 43-101;
- (r) each of this Agreement, the FT Subscription Agreement(s), the Warrant Indenture and the Agent Compensation Options Certificate, when executed and delivered by the Corporation, shall constitute a valid and binding obligation of the Corporation enforceable against the Corporation in accordance with their terms subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the enforcement of creditors’ rights generally and as limited by laws relating to the availability of equitable remedies;
- (s) the execution and delivery of each of this Agreement, the FT Subscription Agreement(s), the Warrant Indenture and the Agent Compensation Options Certificate, and the performance by the Corporation of its obligations hereunder or thereunder, the issuance and sale of the Offered Securities, Agent Compensation Options and the consummation of the transaction contemplated hereby and thereby do not and will not, to the Corporation’s knowledge, conflict with or result in a breach or violation of any of the terms of or provisions of, or constitute a default under, (whether after notice or lapse of time or both), (i) any statute, rule or regulation applicable to the Corporation including the Securities Laws; (ii) the constating documents, articles or resolutions of the Corporation and its shareholders which are in effect at the date hereof; (iii) any Debt

Instrument or Material Agreement, mortgage, note, indenture, contract, agreement, instrument, lease or other document to which the Corporation is party or by which it is bound; or (iv) any judgment, decree or order binding the Corporation, or affecting the Mining Property or assets of the Corporation;

- (t) the Corporation is not in violation of the Act, the articles or by-laws or any constating document thereof. The Corporation is not in violation of any term or provision of any Material Agreement, indenture or other instrument applicable to it, which would result in any Material Adverse Effect;
- (u) the incurring and renunciation of Qualifying Expenditures to the FT Purchasers pursuant to the FT Subscription Agreement(s), does not and will not constitute a breach of or default under the constating documents of the Corporation or any law, regulation, order or ruling applicable to the Corporation or any agreement, contract or indenture to which the Corporation is a party or by which it is bound;
- (v) neither the Corporation nor any corporation “associated” (as defined in the Tax Act) with the Corporation is a party to any other agreement for the issuance of “flow-through shares” (as such term is defined in the Tax Act) for which the required expenditures have not been incurred within the contracted times;
- (w) the Corporation is, and will at the Closing Date be, a “reporting issuer”, not included in a list of defaulting reporting issuers maintained by the Securities Regulators in the Provinces of Alberta, British Columbia, Manitoba, Ontario and Québec and in particular, without limiting the foregoing, the Corporation, to its knowledge, has complied with its obligations to make timely disclosure of all material changes relating to it and there is no material change relating to the Corporation which has occurred and with respect to which the requisite material change report has not been filed with the Securities Regulators since September 30, 2013;
- (x) the Auditors of the Corporation, are independent public accountants as required by the Securities Laws;
- (y) there has not been any “reportable event” (within the meaning of *Regulation 51-102 respecting Continuous Disclosure Obligations*) with the present Auditors of the Corporation;
- (z) the Corporation is not party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Corporation to compete in any line of business, transfer or move any of their assets or operations or which could result in a Material Adverse Effect as to the business practices, operations or condition of the Corporation;
- (aa) there is no person that is or will be entitled to the proceeds of this Offering under the terms of any Debt Instrument, Material Agreement, or other agreement, instrument or document (written or unwritten);

- (bb) the Corporation is not party to any agreement, nor is the Corporation aware of any agreement, which in any manner affects the voting control of any of the securities of the Corporation;
- (cc) neither the Corporation, nor to the best of the Corporation's knowledge, any other person, is in default in any material respect in the observance or performance of any term, covenant or obligation to be performed by the Corporation or such other person under any Debt Instrument, Material Agreement, or instrument, document or arrangement to which the Corporation is a party or otherwise bound, and all such contracts, agreements or arrangements are in full force and effect, enforceable in accordance with their respective terms and in good standing, and no event has occurred which with notice or lapse of time or both would constitute such a default by the Corporation or, to the best of the Corporation's knowledge, any other party, and the Corporation is not aware of any material disputes with respect thereto;
- (dd) the Transfer Agent at its principal transfer office in the City of Montréal, Québec, has been duly appointed as the registrar and transfer agent in Canada in respect of the Common Shares;
- (ee) other than as disclosed in the Public Disclosure Documents, none of the directors, officers or employees of the Corporation, any known holder of more than ten per cent of any class of shares of the Corporation, or any known associate or affiliate of any of the foregoing persons or companies (as such terms are defined in the *Securities Act* (Québec), has had any material interest, direct or indirect, in any material transaction within the previous two years or any proposed material transaction with the Corporation which, as the case may be, materially affected, is material to or will result in a Material Adverse Effect;
- (ff) other than pursuant to this Agreement, there is no person acting or purporting to act at the request of the Corporation who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the Offering or transaction contemplated herein;
- (gg) other than as disclosed in the Public Disclosure Documents, the Corporation is not a party to any Debt Instrument or has any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at arm's length with them;
- (hh) except as disclosed to the Agent, where determined to be reasonable and prudent by the Corporation, the Corporation is insured with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in comparable businesses, and such coverage, if any, is in full force and effect, and the Corporation has not failed to promptly give any notice or present any material claim thereunder;
- (ii) with respect to any Leased Premises, the Corporation leases the Leased Premises and has the exclusive right to occupy and/or use, as the case may be, the Leased Premises and

each of the leases pursuant to which the Corporation leases the Leased Premises is in good standing and in full force and effect in all material respects. The performance of obligations pursuant to and in compliance with the terms of this Agreement and the completion of transaction described herein by the Corporation, will not afford any of the parties to such leases or any other person the right to terminate such leases or result in any additional or more onerous obligations under such leases;

- (jj) all material information which has been prepared by the Corporation relating to the Corporation and its business, the Mining Property, assets and liabilities and either publicly disclosed or provided to the Agent, including all financial, marketing, sales and operational information provided to the Agent and all Public Disclosure Documents is, as of the date of such information, true and correct in all material respects, and no fact or facts have been omitted therefrom which would make such information materially misleading;
- (kk) the Corporation is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will result in a Material Adverse Effect; and
- (ll) the Preliminary Prospectus and Final Prospectus, constitute full true and plain disclosure of all material facts relating to the Offered Securities as required by the Securities Laws.

11.1.2 Environmental, Health and Safety Matters

- (a) To the best of the Corporation's knowledge, the lands covered by the Mining Property are as of the date hereof and except as disclosed in the Public Disclosure Documents, are free and clear of any hazardous or toxic material, pollution, or other adverse environmental conditions which may give rise to any claims, actions, causes of action, damages, losses, liabilities, obligations, penalties, judgments, costs, disbursement or expenses of any kind or of any nature whatsoever, asserted against the Corporation or any other party and alleging liability of any kind or of any nature whatsoever arising out of any applicable laws and regulations (including reclamation, restoration, wildlife, cultural and historic laws and regulations) (collectively "**Environmental Laws**") and, except as disclosed in the Public Disclosure Documents, all environmental approvals required pursuant to Environmental Laws with respect to activities carried out on any part of the lands covered by the Mining Property, have been obtained, are valid and in full force and effect and have been complied with; and there are no proceedings commenced or threatened to revoke or amend any such environmental approvals;
- (b) the Corporation has, as the case may be, obtained all material licenses, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws (the "**Environmental Permits**") necessary as at the date hereof for the operation of the business carried on by the Corporation, and each Environmental Permit is valid, subsisting and in good standing and the Corporation is not in material default or breach of any Environmental Permit and no proceeding has been, or to the best knowledge of the Corporation, is threatened or pending to revoke or limit any Environmental Permit;

- (c) the Corporation, to its knowledge, is not in default of any of the requirements of any applicable federal, provincial, state, municipal or local laws, by-laws, regulations, orders, policies, permits, licences, certificates or approvals having the force of law, domestic or foreign, relating to health or safety matters;
- (d) neither the Corporation nor, to its knowledge, any predecessor companies, have received any notice of, or been prosecuted for an offence alleging, non-compliance with any laws, ordinances, regulations and orders, including Environmental Laws, and neither the Corporation nor, if applicable, any predecessor companies have settled any allegation of non-compliance short of prosecution. There are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to the Mining Property, nor has the Corporation received notice of any of the same;
- (e) as of the date hereof, there are no past unresolved, or, to its knowledge, threatened or pending claims, complaints, notices or requests for information received by the Corporation with respect to any alleged material violation of any law, statute, order, regulation, ordinance or decree and no conditions exist at, on or under the Mining Property which, with the passage of time, or the giving of notice or both, would give rise to liability under any law, statute, order, regulation, ordinance or decree that, individually or in the aggregate, has or may reasonably be expected to have any Material Adverse Effect;
- (f) except as ordinarily or customarily required by applicable permit, the Corporation has not received any notice, which remains unresolved wherein it is alleged or stated that it is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under any law including any Environmental Laws. The Corporation has not received any request for information, which remains unresolved, in connection with any federal, state, municipal or local inquiries as to disposal sites; and
- (g) there are no environmental audits, evaluations, assessments, studies or tests relating to the Mining Property except for ongoing assessments conducted by or on behalf of the Corporation in the ordinary course.

11.1.3 Mining Matters

- (a) The rights and interests of the Corporation in the Mining Property on which the Commitment Amount will be expended, are adequately described collectively in the Regulation 43-101 Report and in the AIF;
- (b) to the best of its knowledge, the Corporation is the legal and beneficial owner of all of the claims, rights and interests in the Mining Property in which it has rights or interests, has good registered and marketable title to the Mining Property, free of all hypothecs, mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, and property rights (including access rights) as necessary for the conduct of

the business of the Corporation as currently conducted or contemplated to be conducted except as disclosed in the Public Disclosure Documents;

- (c) the Corporation knows of no claim or basis for any claim that might or could adversely affect the right of the Corporation to use, transfer or otherwise exploit the Mining Property and, except as disclosed in the Public Disclosure Documents, the Corporation has no responsibility or obligation to pay any commission, royalty, license fee or similar payment to any person;
- (d) any and all of the material agreements and other material documents and material instruments pursuant to which the Corporation holds the Mining Property (including, as may be applicable, any option agreement or any interest in, or right to earn an interest in any property) are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with the terms thereof; the Corporation is not in default of any of the material provisions of any such agreements, documents or instruments, nor has any such default been alleged. Except as disclosed in the Public Disclosure Documents, none of the Mining Property (or, as may be applicable, any option agreement or any interest in, or right to earn an interest in any part of the Mining Property) are subject to any right of first refusal or purchase or acquisition rights, except for any buyback royalty rights in favour of the Corporation; all such rights and interests have been validly located and recorded in accordance with all applicable laws;
- (e) the Corporation has all necessary surface rights, access rights and other necessary rights and interests relating to the Mining Property and such right and ability to access the Mining Property and each of the documents, agreements and instruments and obligations relating thereto referred to above is currently in good standing in the name of the Corporation, as applicable;
- (f) the Corporation, to its knowledge, has conducted and is conducting its business in compliance in all material respects with all applicable mining laws, rules and regulations of each jurisdiction in which it carries on business and with all laws, regulations, rules, orders and directives material to its operation, and the Corporation has not received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any of the permits, licenses, leases or other instruments conferring mining exploration rights in respect of the Mining Property except as disclosed in the Public Disclosure Documents, if applicable;
- (g) to the best knowledge of the Corporation, there are no official claims with respect to First Nation's rights pending or threatened, with respect to the Mining Property and there are no community objections to the operations of the Corporation on the Mining Property; and
- (h) all exploration activities on the Mining Property have been conducted in all respects in accordance with good mining exploration and engineering practices and all applicable material workers' compensation and health and safety and workplace laws, regulations and policies have been complied with in all material respects.

11.1.4 Employment Matters

- (a) If any and as may be applicable, each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by the Corporation for the benefit of any current or former director, officer, employee or consultant of the Corporation (the “**Employee Plans**”) has been disclosed in the Financial Statements or Public Disclosure Documents and has been maintained in compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans, in each case in all material respects and has been publicly disclosed to the extent required by Securities Laws;
- (b) all material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or state pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments have been reflected in the Financial Statements; and
- (c) there is not currently any labor disruption which is adversely affecting or could result in a Material Adverse Effect.

11.1.5 Tax Matters

- (a) The Corporation has filed in a timely manner all necessary tax returns and notices and has paid all applicable taxes of whatsoever nature for all tax years prior to the date hereof to the extent that such taxes have become due or have been alleged to be due;
- (b) all applicable taxes (including income tax, capital tax, payroll taxes, employer health tax, workers’ compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings, and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, “**Taxes**”) due and payable by the Corporation have been paid except for where the failure to pay such taxes would not constitute an adverse material fact of the Corporation or result in an adverse material change to the Corporation;
- (c) all tax returns, declarations, remittances and filings required to be filed by the Corporation, have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate, and no material fact or facts have been omitted therefrom which would make any of them misleading, except where the failure to file such documents would not constitute an adverse material fact of the Corporation or result in an adverse material change to the Corporation; and
- (d) there are no agreements, waivers or other arrangements with any taxation authority providing for an extension of time for any assessment or reassessment of taxes with respect to the Corporation, and no examination of any tax return of the Corporation is

currently in progress, and there are no issues or disputes outstanding with any governmental authority respecting any taxes that have been paid, or may be payable, by the Corporation, in any case, except where such examinations, issues or disputes would not constitute an adverse material fact of the Corporation, or result in an adverse material change to the Corporation.

11.2 Representations, Warranties and Covenants of the Agent. The Agent hereby represents, warrants and covenants to the Corporation and acknowledges that the Corporation is relying upon such representations and warranties, that:

- (a) the Agent is a valid and subsisting corporation under the laws of the jurisdiction in which it was incorporated, continued or amalgamated;
- (b) the Agent has good and sufficient right and authority to enter into this Agreement and complete its transactions contemplated under this Agreement on the terms and conditions set forth herein; and
- (c) this Agreement has been authorized, executed and delivered by the Agent and constitutes a valid and binding obligation of the Agent enforceable in accordance with the terms hereof, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law.
- (d) the Agent and its affiliates and the Agent's representatives have not engaged in or authorized, and will not engage in or authorize, any form of general solicitation or general advertising in connection with or in respect of the Offered Securities in any newspaper, magazine, printed media of general and regular paid circulation or any similar medium, or broadcast over radio or television or otherwise or conduct any seminar or meeting concerning the offer or sale of the Offered Securities without the prior written approval of the Corporation;
- (e) the Agent is duly registered and will remain so until the completion of the Offering pursuant to the provisions of the Securities Laws, is a member in good standing of the Investment Industry Regulatory Organization of Canada, and is duly registered or licensed as investment dealer in those jurisdictions in which it is required to be so registered in order to perform the services contemplated by this Agreement, or if or where not so registered or licensed, the Agent will act only through members of a selling group who are so registered or licensed;
- (f) the Agent represents and warrants that it is, and, to the best of its knowledge, each member of any agency group formed by the Agent is duly registered under the Securities Laws in categories permitting the trades referred to in this Agreement and is qualified to so act in the Selling Jurisdictions in which such member solicits or procures subscriptions for the Offered Securities;

- (g) the Agent and each selling group member to whom the Agent shall direct the Corporation to register Agent Compensation Options is an “accredited investor” as defined in *Regulation 45-106 respecting Prospectus and Registration Exemptions* or National Instrument 45-106 - *Prospectus and Registration Exemptions*, as applicable, and is acquiring the Agent Compensation Options as principal for its own account and not for the benefit of any other Person; and
- (h) the Agent covenants with the Corporation that (i) it will comply with the Securities Laws of the Selling Jurisdictions in which it solicits or procures subscriptions for the Offered Securities in connection with the Offering; (ii) it will not solicit or procure subscriptions for the Offered Securities so as to require the filing of a prospectus, registration statement, offering memorandum or similar document with respect thereto or the registration thereof under the laws of any jurisdiction outside the Selling Jurisdictions, and will not solicit offers to purchase or sell the Offered Securities in any jurisdiction outside the Selling Jurisdictions where the solicitation or sale of the Offered Securities would result in any ongoing disclosure requirements in such jurisdiction or any registration requirements in such jurisdiction; (iii) it will fully complete and duly execute FT Subscription Agreement(s) and deliver such FT Subscription Agreement(s) and other applicable forms to the Corporation; (iv) it will not, in connection with the Offering, make any representation or warranty not contained in the Preliminary Prospectus and in the Final Prospectus with respect to the Offered Securities or the Corporation; and (v) it will keep strictly confidential and will use only for the purpose of performing its obligations hereunder all information, whether written or oral, acquired from the Corporation or its affiliates and their directors, officers, agents and advisors in connection with the Offering except information that (A) is or becomes generally available to the public (other than as a result of a disclosure by the Agent in violation hereof), (B) was in the possession of the Agent on a non-confidential basis prior to its disclosure by the Corporation or its affiliates, (C) becomes available to the Agent on a non-confidential basis from a person other than the Corporation or its affiliates who, to the knowledge of the Agent (after reasonable inquiry), is not bound by a confidentiality agreement with the Corporation or otherwise prohibited from transferring such information to the Agent, (D) the Corporation agrees in writing may be disclosed, or (E) the Agent is required by, law, regulation, legal process or regulatory authority to disclose, provided that in such circumstances the Agent will give prompt notice to the Corporation of such requirement to disclose so that the Corporation may seek an appropriate protective order.

12. Closing Deliveries

The purchase and sale of the Offered Securities shall be completed at the Closing Date at the offices of Dentons Canada LLP, in Montréal, Québec, or at such other place as the Agent and the Corporation may agree upon in writing. At the Closing Date, the Corporation shall duly and validly deliver to the Agent: (i) the Agent Compensation Options Certificate(s); (ii) the Securities Certificates, against payment to the Corporation of the aggregate Subscription Price therefore, in lawful money of Canada by certified cheque or bank draft payable at par in the City of Montreal, or by electronic money transfer, less the Commission as set out in section 19 herein,

the out-of-pocket expenses of the Agent and the fees and disbursements of the Agent's Counsel as set out in section 16 hereof; and (iii) the documents mentioned in section 13 hereof.

13. Closing Conditions

Each Purchaser's obligation to purchase any of the Offered Securities shall be conditional upon the fulfilment at or before the Closing Date of the following conditions:

13.1 The Agent shall have received at the Closing Date, a certificate addressed to the Agent and the Agent's Counsel, dated as of the Closing Date, signed by the Chief Executive Officer and the Chief Financial Officer of the Corporation, or such other officers of the Corporation as the Agent may agree, certifying for and on behalf of the Corporation, to the best of their knowledge, that:

- 13.1.1.1 no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Corporation (including the Common Shares) has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened by any regulatory authority;
- 13.1.1.2 the Corporation has duly complied with all the terms, covenants and conditions of this Agreement, the FT Subscription Agreement(s) and the Warrant Indenture, on its part to be complied with, up to the Closing Date;
- 13.1.1.3 the representations and warranties of the Corporation contained in this Agreement, in the FT Subscription Agreement(s) and in the Warrant Indenture are true and correct as of the Closing Date with the same force and effect as if made at and as of Closing after giving effect to the transaction contemplated by this Agreement; and
- 13.1.1.4 the representations and warranties contained in the bring down certificate are true and correct as of the Closing Date but after giving effect to the transaction contemplated herein.

13.2 The Agent shall have further received at Closing, on the Closing Date in form and substance satisfactory to the Agent and the Agent's Counsel acting reasonably:

- (a) certificates dated the Closing Date, signed by appropriate officers of the Corporation addressed to the Agent and the Agent's Counsel, with respect to the articles of the Corporation, all resolutions of the Corporation's board of directors relating to this Agreement and the transactions contemplated hereby, and the incumbency and specimen signatures of signing officers in the form of a certificate of incumbency;
- (b) certificates of good standing with respect to the jurisdiction in which the Corporation is incorporated;
- (c) a copy of the lists confirming that the Corporation is not a reporting issuer in default in Alberta, British Columbia, Manitoba, Ontario and Québec;

- (d) evidence that the Corporation has complied with the comments and demands from the Securities Regulators concerning the Final Prospectus;
- (e) evidence that all requisite approvals, consents and acceptances of the appropriate Securities Regulators required to be made or obtained by the Corporation in order to complete the Offering have been made or obtained;
- (f) the FT Subscription Agreement(s), the Warrant Indenture and the Agent Compensation Options Certificate duly executed by the parties thereto;
- (g) confirmation from the Transfer Agent: (i) as to its appointment as transfer agent and registrar of the Common Shares; and (ii) as to the issued and outstanding Common Shares in the capital of the Corporation as at the close of business on the day prior to the Closing Date;
- (h) the issuance and delivery of the Offered Securities in accordance with the Final Prospectus; and
- (i) such certificates dealing with such other matters as the Agent and Agent's Counsel may reasonably require.

13.3 The Agent shall have received the following acceptable legal opinion for the Corporation addressed to the Agent, the Purchasers and the Agent's Counsel, in form and substance satisfactory to the Agent's Counsel acting reasonably, dated the Closing Date, from Dentons Canada LLP, and where appropriate, counsel in the other Selling Jurisdictions, which counsel in turn may rely, as to matters of fact, on certificates of auditors, public officials and officers of the Corporation:

- (a) as to the incorporation and subsistence of the Corporation under the laws of Canada and as to the corporate power and authority of the Corporation to carry out its obligations under this Agreement, the FT Subscription Agreement(s), the Warrant Indenture and the Agent Compensation Options Certificate and to issue the Unit Shares, the FT Shares, the Unit Warrants and the Agent Compensation Options;
- (b) as to the authorized and issued capital of the Corporation;
- (c) as to the requisite corporate power and capacity of the Corporation under the laws of Canada to carry on its activities as presently carried on;
- (d) that, to its knowledge, neither the execution and delivery of this Agreement, the FT Subscription Agreement(s), the Warrant Indenture and the Agent Compensation Options Certificate nor the performance by the Corporation of its obligations hereunder and thereunder, nor the sale or issuance of the Offered Securities, the Warrant Shares and the Compensation Agent's Shares will conflict with any applicable law or result in any breach of the constating documents and articles of the Corporation;

- (e) that each of this Agreement, the FT Subscription Agreement(s), the Warrant Indenture and the Agent Compensation Options Certificate have been duly authorized and executed and delivered by the Corporation, and each constitutes a valid and legally binding obligation of the Corporation enforceable against it in accordance with its terms, subject to customary qualifications;
- (f) that the Unit Shares and the FT Shares will be issued as fully paid and non-assessable Common Shares, subject to the payment therefore;
- (g) that the Unit Warrants have been duly and validly created and issued and the Unit Warrant Shares have been reserved and authorized for issuance to the holders thereof and, upon the due exercise of the Units Warrants, in accordance with the provisions of the Warrant Indenture, the Unit Warrant Shares will be validly issued as fully paid and non-assessable Common Shares subject to payment thereof;
- (h) that the Agent Compensation Options have been duly and validly created and issued and the Compensation Agent's Shares have been reserved and authorized for issuance to the holders thereof and, upon the due exercise of the Agent Compensation Options in accordance with the provisions of the Agent Compensation Options Certificate, the Compensation Agent's Shares will be validly issued as fully paid and non-assessable Common Shares, subject to payment thereof;
- (i) that a receipt for the Final Prospectus has been received for the issuance and sale by the Corporation of the Units, FT Shares and Agent Compensation Options and no documents are required to be filed (other than specified forms accompanied by required filing fees), proceedings taken or approvals, permits, consents or authorizations to be obtained under the Securities Laws to permit such issuance and sale;
- (j) that the Final Prospectus has been filed with the applicable Securities Regulators and no other documents will be required to be filed, proceedings, taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws in connection with the issue, sale and trade of the Unit Shares, the FT Shares, the Unit Warrants, the Unit Warrant Shares, the Agent Compensation Options and the Compensation Agent's Shares;
- (k) that the Unit Shares, the FT Shares, the Unit Warrant Shares and the Compensation Agent's Shares have been conditionally approved for listing on the TSX-V, subject to the Corporation fulfilling all of the requirements of the TSX-V;
- (l) that the text in the Final Prospectus under the headings "Certain Canadian Federal and Quebec Provincial Income Tax Considerations" and "Eligibility for Investment" constitutes an accurate and complete statement of law subject to the assumptions and other qualifications referred to therein;
- (m) that, except as a result of any agreement, arrangement, obligation or understanding to which the Corporation is not a party and of which it has no knowledge, upon issue, the

FT Shares are “flow-through shares” as defined in subsection 66(15) of the Tax Act, and do not and will not constitute “prescribed shares” for the purpose of regulation 6202.1 of the regulations to the Tax Act and the applicable provisions of the Québec Tax Act;

- (n) that the Qualifying Expenditures to be renounced in respect of the FT Shares pursuant to the FT Subscription Agreement(s) will, provided the expenses are fully incurred in the manner and otherwise as covenanted and referenced in the FT Subscription Agreement(s) and in a certificate of an officer of the Corporation, be (i) “flow-through mining expenditures” as defined in subsection 127(9) of the Tax Act and (ii) included, for a FT Purchaser who is an eligible individual under the Québec Tax Act or, where the FT Purchaser is a partnership, for the members of the FT Purchaser who are such individuals, to the extent of their respective shares of the Qualifying Expenditures so renounced, in both the “exploration base relating to certain Québec exploration expenses” as such term is defined in section 726.4.10 of the Québec Tax Act and the “exploration base relating to certain Québec surface mining exploration expenses or oil and gas exploration expenses” as such term is defined in section 726.4.17.2 of the Québec Tax Act; and
- (o) as to such other matters as the Agent and the Agent’s Counsel may reasonably request.

13.4 The Agent shall have further received a title opinion with respect to the Mining Property and the Corporation’s rights, title and interest therein, addressed to the Agent and the Agent’s Counsel, in form and substance satisfactory to the Agent’s Counsel acting reasonably, dated the Closing Date.

13.5 The Agent shall, in its sole discretion, be satisfied with their due diligence review with respect to the business, assets, financial condition, affairs and prospects of the Corporation.

13.6 The Agent shall have received a “bring-down” general comfort letter dated the Closing Date from the Auditors, addressed to the Agent, in form and substance satisfactory to the Agent acting reasonably, which shall confirm in all material respects, as of the Closing Date, the conclusions and findings of the Auditors with respect to the financial information and other matters covered to in paragraph 4.1(d) hereof.

14. Over-Allotment Option

14.1 The Agent may exercise the Over-Allotment Option at any time and from time to time prior to the Over-Allotment Option Expiry Date by delivery of the Over-Allotment Notice not later than two Business Days prior to exercise, specifying the number of Additional Units and Additional FT Shares in respect of which the Over-Allotment Option is being exercised and the Over-Allotment Option Closing Date. The Over-Allotment Option Closing Date shall be determined by the Agent but shall not be earlier than two Business Days or later than seven Business Days after the date of delivery of the Over-Allotment Notice and, in any event, shall not be earlier than the Closing Date.

14.2 Upon receipt of the Over-Allotment Notice, the Corporation shall become obligated to issue and sell the number of Additional Units and Additional FT Shares set out in the Over-

Allotment Notice at the Over-Allotment Option Closing Date in accordance with this Agreement against delivery of payment by the Agent of the aggregate applicable offering price less any amount due pursuant to sections 16 and 19 hereof (it being understood that the Corporation shall grant Agent Compensation Options to the Agent in respect of any Additional Units and Additional FT Shares issued and sold).

14.3 At the Over-Allotment Option Closing Date, the Corporation shall deliver and the Agent shall have received all of the certificates, opinions, agreements, materials or other documents specified in section 12 and 13 hereof brought forward to and dated the Over-Allotment Option Closing Date. The issuance and sale of the Additional Units and Additional FT Shares at each Over-Allotment Option Closing Date shall be subject to the accuracy of the representations and warranties of the Corporation contained in this Agreement as of the Over-Allotment Option Closing Date and the performance by the Corporation of its obligations as contemplated by this Agreement, in all material respects. For greater certainty, the applicable terms, conditions and provisions of this Agreement (including the provisions of section 12 and 13 relating to Closing deliveries unless otherwise agreed to by the Corporation and the Agent) shall apply *mutadis mutandis* to the closing of the issuance and sale of the Additional Units and Additional FT Shares pursuant to the exercise of the Over-Allotment Option.

14.4 In the event the Corporation shall subdivide, consolidate or otherwise change its Common Shares prior to the Over-Allotment Option Closing Date, the number of Additional Units and Additional FT Shares into which the Over-Allotment Option is exercisable shall be similarly subdivided, consolidated or changed such that the Agent would be entitled to receive the equivalent of the number of Additional Units and Additional FT Shares that it would have otherwise been entitled to receive had it exercised the Over-Allotment Option prior to such subdivision, consolidation or change. The offering price per Additional Unit and Additional FT Shares shall be adjusted accordingly and notice shall be given to the Agent of such adjustment.

14.5 The closing of the issuance and sale of the Additional Units and Additional FT Shares shall be completed at the offices of Dentons Canada LLP, in Montréal, Québec, at the Over-Allotment Option Closing Date, or such other place as mutually agreed by the Corporation and the Agent.

15. Rights of Termination

15.1 Due Diligence Out. In the event that the due diligence investigations performed by the Agent and/or the Agent's representatives reveal any material information or fact not generally known to the public which might, in the Agent's sole opinion, acting reasonably, adversely affect the market price of the Offered Securities, quality of the investment or marketability of the Offering, the Agent shall be entitled, at its sole option and in accordance with subsection 15.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by written notice to that effect given to the Corporation any time prior to the Closing Date.

15.2 Litigation. If any inquiry, action, suit, investigation or proceeding, whether formal or informal, (including matters of regulatory transgression or unlawful conduct and including any

inquiry or investigation by any securities commission or the TSX-V) is commenced, announced or threatened in relation to the Corporation or any of the officers or directors of the Corporation or any of its principal securityholders, which, in the sole opinion of the Agent, materially adversely affects or may materially adversely affect the Corporation and/or its business, operations or affairs, the Agent shall be entitled, at its sole option and in accordance with subsection 15.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by written notice to that effect given to the Corporation any time prior to the Closing Date.

15.3 Disaster Out. In the event that prior to the Closing Date, there should develop, occur or come into effect any event of any nature, including terrorism, accident, a new or change in any governmental law or regulation, or other condition or major financial occurrence of national or international consequence, which, in the sole opinion of the Agent, materially adversely affects, or may materially adversely affect, the financial markets generally or the business, operations, affairs or profitability of the Corporation, or the market price or value of the Common Shares, the Agent shall be entitled at its sole option, in accordance with subsection 15.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by written notice to that effect given to the Corporation prior to the Closing Date.

15.4 Change in Material Fact. In the event that prior to the Closing Date, the Agent or the Agent's representatives, through their due diligence investigations, or otherwise discover or there should occur a material change or a change in any material fact or new material fact shall arise, which, in the sole opinion of the Agent, has or could be expected to have a material adverse change or material adverse effect on the business, affairs or profitability of the Corporation or on the market price or value of the Offered Securities, the Agent shall be entitled, at its sole option, in accordance with subsection 15.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchaser arranged by it to purchase the Offered Securities) by written notice to that effect given to the Corporation prior to the Closing Date.

15.5 Profitably Marketed. In the event that prior to the Closing Date, the state of the Canadian financial markets is such that, in the sole opinion of the Agent, the Offered Securities cannot be profitably marketed, the Agent shall be entitled at its sole option, in accordance with subsection 15.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by written notice to that effect given to the Corporation prior to the Closing Date.

15.6 Non-Compliance With Conditions. The Corporation agrees that all terms, conditions and covenants in this Agreement shall be construed as conditions and complied with so far as the same relate to acts to be performed or caused to be performed by the Corporation that it will use its commercially reasonable efforts (or all reasonable efforts, as applicable) to cause such conditions to be complied with, and any material breach or failure by the Corporation to comply with any of such material conditions or in the event that any material representation or warranty given by the Corporation becomes false and is not rectified as at the Closing Date, shall entitle the Agent, at its sole option in accordance with subsection 15.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to

purchase the Offered Securities) by notice to that effect given to the Corporation at or prior to the Closing Date. The Agent may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other of such material terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon the Agent only if the same is in writing and signed by it.

15.7 Cease Trade Order. In the event that any order to cease trading in securities of the Corporation is made or threatened by a Securities Regulator, which, in the sole opinion of the Agent, acting reasonably, operates or could operate to prevent or restrict trading in or distribution of the Offered Securities in any of the Selling Jurisdictions or other jurisdictions, the Agent shall be entitled, at its option, in accordance with subsection 15.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by written notice to that effect given to the Corporation prior to the Closing Date.

15.8 Exercise of Termination Rights. The rights of termination contained in subsections 15.1, 15.2, 15.3, 15.4, 15.5, 15.6 and 15.7 above may be exercised by the Agent at its sole discretion acting reasonably and are in addition to any other rights or remedies the Agent may have in respect of any default, act or failure to act or non-compliance by the Corporation in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination by the Agent, there shall be no further liability on the part of the Agent to the Corporation or on the part of the Corporation to the Agent except in respect of any liability which may have arisen or may arise after such termination in respect of acts or omissions prior to such termination and except as provided for in this section 15 hereof.

16. Expenses

Whether or not the sale of the Offered Securities shall be completed, the Corporation will be responsible for all reasonable expenses related to the Offering, including, but not limited to (i) fees and disbursements of the Corporation and the Corporation's legal counsel; (ii) reasonable fees and disbursements of the Agent's Counsel; (iii) fees and disbursements of accountants and auditors; fees and disbursements of translators; fees and disbursements of other applicable experts; reasonable expenses related to roadshows and marketing activities; printing costs; filing fees; stock exchange fees; and reasonable out-of-pocket expenses of the Agent (including their travel expenses in connection with due diligence and marketing activities); and (iv) taxes (other than income or similar taxes) on all of the foregoing. The reasonable fees and disbursements of the Agent's Counsel which are described in item (ii) above shall not exceed a maximum of \$40,000 (before disbursements and applicable taxes) without the prior written consent of the Corporation, acting reasonably. Except with the prior written consent of the Corporation, the Corporation's maximum aggregate reimbursement obligation in connection with item (iii) above will be limited to \$20,000 and the travel expenses and consultant expenses will only be reimbursable if they are pre-cleared with the Corporation.

17. Survival of Representations and Warranties

All representations, warranties, covenants and agreements of the Corporation herein contained or contained in the FT Subscription Agreement(s) or any documents submitted pursuant to this Agreement and in connection with the transaction herein contemplated shall survive Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Agent or the Purchasers with respect thereto, shall continue in full force and effect for the benefit of the Agent and the Purchasers, as applicable. The representations, warranties, covenants and agreements of the Agent herein contained and in connection with the transaction herein contemplated shall survive Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Corporation with respect thereto, shall continue in full force and effect for the benefit of the Corporation.

18. Indemnity

18.1 The Corporation agrees to indemnify and hold harmless the Agent, each of its subsidiaries and affiliates and each of their respective directors, officers, employees, partners, (collectively, the “**Indemnified Parties**” and individually, an “**Indemnified Party**”), from and against any and all losses (other than indirect, special or consequential losses or loss of profit), reasonable expenses, claims (including shareholder actions, derivative or otherwise), actions, damages and liabilities, joint or several, including without limitation the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees and expenses of their counsel, provided the Corporation shall not be responsible for the fees or expenses of more than one legal firm in any single jurisdiction for all the Indemnified Parties (collectively, the “**Losses**”) that may be suffered by, imposed upon or asserted against an Indemnified Party as a result of, in respect of, connected with or arising out of any action, suit, proceeding, investigation or claim that may be made or threatened by any person or in enforcing this indemnity (collectively the “**Claims**”) insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the engagement of the Agent pursuant to this Agreement (the “**Engagement**”). The Corporation also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or otherwise) to the Corporation or any person asserting Claims on behalf of or in right of the Corporation for or in connection with the Engagement except to the extent any Losses suffered by the Corporation are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted primarily from the negligence or willful misconduct of such Indemnified Party. The Corporation will not, without the Agent’s prior written consent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any Claim in respect of which indemnification may be sought hereunder (whether or not any Indemnified Party is a party thereto) unless the Corporation has acknowledged in writing that the Indemnified Parties are entitled to be indemnified in respect of such Claim and such settlement, compromise, consent or termination includes an unconditional release of each Indemnified Party from any liabilities arising out of such Claim without any admission of negligence, misconduct, liability or responsibility by or on behalf of any Indemnified Party.

18.2 Promptly after receiving notice of a Claim against the Agent or any other Indemnified Party or receipt of notice of the commencement of any investigation which is based, directly or

indirectly, upon any matter in respect of which indemnification may be sought from the Corporation, the Agent or any such other Indemnified Party will notify the Corporation in writing of the particulars thereof, provided that the omission so to notify the Corporation shall not relieve the Corporation of any liability which the Corporation may have to the Agent or any other Indemnified Party except and only to the extent that any such delay in or failure to give notice as herein required prejudices the defense of such Claim or results in any material increase in the liability which the Corporation has under this indemnity. The Corporation shall have 30 days after receipt of the notice to undertake, conduct and control, through counsel of its own choosing and at its own expense, the settlement or defense of the Claim. If the Corporation undertakes, conducts and controls the settlement or defense of the Claim, the relevant Indemnified Parties shall have the right to participate in the settlement or defense of the Claim (at the relevant Indemnified Party's own expenses).

18.3 The foregoing indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that such Losses to which the Indemnified Party may be subject were primarily caused by the negligence, the willful misconduct of the Indemnified Party or from a material breach of the terms of the Engagement by the Indemnified Party. The Agent hereby undertakes to promptly repay to the Corporation any amounts advanced to it or to any other Indemnified Party if it shall be finally judicially determined that an Indemnified Party is not entitled to be indemnified by the Corporation hereunder. If in respect of any such Losses the Corporation has advanced funds to the Agent or any other Indemnified Party pursuant to this indemnity, the Agent or the other Indemnified Party, as the case may be, shall reimburse such funds to the Corporation.

18.4 If for any reason the foregoing indemnity is unavailable (other than in accordance with the terms hereof) to the Agent or any other Indemnified Party or insufficient to hold the Agent or any other Indemnified Party harmless in respect of a Claim, the Corporation shall contribute to the amount paid or payable by the Agent or the other Indemnified Party as a result of such Claim in such proportion as is appropriate to reflect not only the relative benefits received by the Corporation on the one hand and the Agent or any other Indemnified Party on the other hand but also the relative fault of the Corporation, the Agent or any other Indemnified Party as well as any relevant equitable considerations; provided that the Corporation shall in any event (other than in accordance with the limitations on liability set out pursuant to the terms hereof) contribute to the amount paid or payable by the Agent or any other Indemnified Party as a result of such Claim any excess of such amount over the amount of the fees received by the Agent under this Agreement. However, no person who has engaged in negligence, intentional fault or willful misconduct or a material breach of the terms of the Engagement shall be entitled to claim contribution from any person who has not engaged in such negligence, intentional fault or willful misconduct or a material breach of the terms of the Engagement.

18.5 The Corporation hereby constitutes the Agent as trustee for each of the other Indemnified Parties of the Corporation's covenants under this indemnity with respect to those persons and the Agent agrees to accept that trust and to hold and enforce those covenants on behalf of those persons.

18.6 The Agent may retain counsel to separately represent it in the defense of a Claim, which shall be at the Corporation's expense if (i) the Corporation does not promptly assume the defense of the Claim no later than 30 days after receiving actual notice of the Claim, (ii) the Corporation agrees to separate representation or (iii) the Agent is advised in writing by counsel that there is or may be a conflict between the Corporation's and the Agent's respective interests or additional defenses are available to the Agent, which makes representation by the same counsel inappropriate.

19. Agent's Compensation

In consideration of the services to be rendered by the Agent in connection with the Offering, the Corporation shall, on the Closing Date: (i) pay the Agent (on behalf of the sub-agents, who are sole obligations of the Agent) a cash commission equal to 6% of the gross proceeds realized by the Corporation in respect of the sale of the Offered Securities sold pursuant to the Offering (the "**Commission**"); and (ii) grant to the Agent on Closing, that number of non-assignable compensation options (the "**Agent Compensation Options**") to purchase that number of Common Shares equal to 6% of the aggregate number of Units and FT Shares sold pursuant to the Offering (the "**Compensation Agent's Shares**"), which Agent Compensation Options shall be exercisable at \$0.15 per Compensation Agent's Share for a period of 18 months from the Closing Date, the whole in accordance with the specimen of the Agent Compensation Options Certificate attached as Schedule "A" hereto. Such Agent Compensation Options may be delivered to sub-agents as directed by the Agent.

20. Notices

Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a "notice") shall be in writing addressed as follows:

20.1 In case of the Corporation:

Lamêlée Iron Ore Ltd.

1155 University Street

Suite 812

Montréal, Québec H3B 3A7

Attention: Mr. Hubert Vallée, President and Chief Executive Officer

Tel.: 514 798-1290

Facsimile No.: 514 787-1457

Email: HVallee@LameleeIron.com

with a copy to (for informational purposes only):

Dentons Canada LLP

1 Place Ville Marie

Suite 3900

Montréal, Québec H3B 4M7

Attention: Carole Turcotte

Tel.: 514 878-5872
Fax : 514 866-2241
Email: carole.turcotte@dentons.com

20.2 in the case of the Agent:

Secutor Capital Management Corporation
1167 Caledonia Road
Toronto, Ontario M6A 2X1
Attention: George Aprile, Chief Financial Officer
Tel.: 416-545-1015
Facsimile No.: 416-545-1011
Email: aprile@secutor.ca

with a copy to (for informational purposes only):

Lavery, de Billy, L.L.P.
1 Place Ville Marie, Suite 4000
Montréal, Québec H3B 4M4
Attention: René Branchaud
Tel.: 514-877-3040
Facsimile No.: 514-871-8977
Email : rbranchaud@lavery.ca

or to such other address as any of the parties may designate by notice given to the others.

Each notice shall be personally delivered to the addressee or sent by facsimile transmission or electronic transmission to the addressee and (i) a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and (ii) a notice which is sent electronically or by facsimile transmission shall be deemed to be given and received on the first Business Day following the day on which it is confirmed to have been sent.

21. Time of the Essence. Time shall, in all respects, be of the essence hereof.

22. Canadian Dollars. All references herein to dollar amounts are to lawful money of Canada.

23. Headings. The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

24. Singular and Plural. Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.

25. Entire Agreement. This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings including any and all engagement letters between the Corporation and the Agent executed prior to the date hereof in respect of the Offering. This Agreement may be amended or modified in any respect by written instrument only. The schedules attached hereto form an integral part of this Agreement.

26. 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.

27. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein.

28. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Corporation, the Agent and the FT Purchasers and their respective executors, heirs, successors and permitted assigns; provided that, except as provided herein or in the FT Subscription Agreement(s), this Agreement shall not be assignable by any party without the written consent of the others.

29. Further Assurances. Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

30. Effective Date. This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding its actual date of execution or delivery.

31. Counterparts and Facsimile. This Agreement may be executed in any number of counterparts and by facsimile, each of which so executed shall constitute an original and all of which taken together shall form one and the same agreement.

32. Language. The parties hereby acknowledge that they have expressly required this Agreement and all notices, statements of account and other documents required or permitted to be given or entered into pursuant hereto to be drawn up in the English language only. *Les parties reconnaissent avoir expressément demandé que la présente Convention ainsi que tout avis, tout état de compte et tout autre document à être ou pouvant être donné ou conclu en vertu des dispositions des présentes, soient rédigés en langue anglaise seulement.*

If the Corporation is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this Agreement where indicated below and delivering the same to the Agent.

REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK

Would you kindly confirm the agreement of the Corporation to the foregoing by executing two duplicate copies of this Agreement and thereafter returning one such executed copy to the Agent.

Yours truly,

**SECUTOR CAPITAL
MANAGEMENT CORPORATION**

(s) George Aprile

Per: Name: George Aprile
Title: Chief Financial Officer

Authorized Officer

The foregoing is hereby accepted on the terms and conditions therein set forth.

DATED as of this 22nd day of July, 2014.

LAMÉLÉE IRON ORE LTD.

(s) Hubert Vallée

Per: Name: Hubert Vallée
Title: President and Chief Executive
Officer

Authorized Officer

[Signature Page – Agency Agreement]

SCHEDULE "A"

SPECIMEN OF AGENT COMPENSATION OPTIONS CERTIFICATE

THIS COMPENSATION OPTION CERTIFICATE, AND THE RIGHTS CONTAINED HEREIN, WILL BE VOID AND OF NO VALUE UNLESS EXERCISED ON OR BEFORE 5:00 P.M. (MONTRÉAL TIME) ON JANUARY ●, 2016.

LAMÊLÉE IRON ORE LTD.

a corporation governed by the *Canada Business Corporations Act*
having its registered office at
1155 University Street, Suite 812
Montréal, Québec H3B 3A7

NO. [●]

[●] COMPENSATION OPTIONS
Each entitling the holder to acquire one (1) common share of Lamêlée Iron Ore Ltd., subject to adjustment as set forth herein, in accordance with the terms and conditions set forth herein.

COMPENSATION OPTIONS CERTIFICATE

THIS IS TO CERTIFY THAT for value received [●] (the "**Holder**") is the registered holder of the number of compensation options stated above (each a "**Compensation Option**" and collectively, the "**Compensation Options**") and is entitled for each Compensation Option represented hereby to purchase one (1) fully paid and non-assessable common share of the Corporation (as defined below), subject to adjustment as hereinafter provided (each a "**Share**" and collectively the "**Shares**"), in the capital of Lamêlée Iron Ore Ltd. (the "**Corporation**"), at any time and from time to time from the date of issue hereof up to and including 5:00 p.m. (Eastern Standard Time) on January ●, 2016 (the "**Expiry Time**"), at a price per Share equal to \$0.●, subject to adjustment as hereinafter provided (the "**Exercise Price**"), upon and subject to the following terms and conditions.

These Compensation Options are issued pursuant to an agency agreement dated July 22, 2014 between the Corporation and the Holder.

All amounts of money referred to in this Compensation Option Certificate are expressed in lawful money of Canada.

This Compensation Option Certificate and the Compensation Options evidenced hereby are non-assignable and non-transferable.

TERMS AND CONDITIONS

1. At any time and from time to time at or prior to the Expiry Time (the “**Exercise Period**”), the Holder may exercise all or any number of Compensation Options represented hereby, upon delivering to the Corporation at its principal office noted above, of this Compensation Option Certificate, together with a duly completed and executed subscription notice in the form attached hereto (the “**Subscription Notice**”) evidencing the election of the Holder to exercise the number of Compensation Options set forth in the Subscription Notice (which shall not be greater than the number of Compensation Options represented by this Compensation Option Certificate) and a certified cheque, money order or bank draft payable to the Corporation for the aggregate Exercise Price of all Compensation Options being exercised. If the Holder is not exercising all Compensation Options represented by this Compensation Option Certificate, the Holder shall be entitled to receive, without charge, a new Compensation Option Certificate representing the number of Compensation Options which is the difference between the number of Compensation Options represented by the then applicable Compensation Option Certificate and the number of Compensation Options being so exercised.
2. The Holder shall be deemed to have become the holder of record of such Shares being purchased hereunder on the date (the “**Exercise Date**”) on which the Corporation has received a duly completed Subscription Notice, delivery of the Compensation Option Certificate and payment of the full aggregate Exercise Price in respect of the Compensation Options being exercised pursuant to such Subscription Notice; provided, however, that if such date is not a business day in the City of Vancouver, British Columbia (a “**Business Day**”) then the Shares shall be deemed to have been issued and the Holder shall be deemed to have become the holder of record of the Shares on the next following Business Day. Within five (5) Business Days of the Exercise Date, the Corporation shall issue and deliver (or cause to be delivered) to the Holder, by registered mail or pre-paid courier to his, her or its address specified in the register of the Corporation, one or more certificates for the appropriate number of issued and outstanding Shares to which the Holder is entitled pursuant to the exercise of Compensation Options set forth in the applicable Subscription Notice. All costs, expenses, transfer taxes and other charges payable in connection with the issue and delivery of the Shares shall be at the sole expense of the Corporation (other than withholding tax, if any).
3. The Corporation covenants and agrees that, until the Expiry Time, while any of the Compensation Options represented by this Compensation Option Certificate shall be outstanding, it shall reserve and there shall remain unissued out of its authorized capital a sufficient number of Shares to satisfy the right of purchase herein provided, as such right of purchase may be adjusted pursuant to Sections 4 and 5 of this Compensation Option Certificate. The Corporation represents and warrants that all Shares which shall be issued upon the exercise of the right to purchase herein provided for, upon payment of the aggregate Exercise Price at which Shares may at that time be purchased pursuant to the provisions hereof, shall be issued as fully paid and non-assessable Shares. The Corporation further represents and warrants that this Compensation Option Certificate is a legal, valid and binding obligation of the Corporation, enforceable against the

Corporation in accordance with its terms, provided that enforcement thereof may be limited by laws effecting creditors' rights generally and that specific performance and other remedies may only be granted in the discretion of a court of competent jurisdiction. The Corporation covenants that it will make all requisite filings under applicable laws in connection with the exercise of the Compensation Options and issue of Shares.

4. The Exercise Price (and the number of Shares purchasable upon exercise) shall be subject to adjustment from time to time in the events and in the manner provided as follows:

(a) Share Reorganization. If during the Exercise Period the Corporation shall:

- (i) issue Shares or securities exchangeable or exercisable for or convertible into Shares to holders of all or substantially all of its then outstanding Shares by way of stock dividend or other distribution, or
- (ii) subdivide, redivide or change its outstanding Shares into a greater number of Shares, or
- (iii) consolidate, reduce or combine its outstanding Shares into a lesser number of Shares,

(any of such events in these paragraphs (i), (ii) and (iii) being a “**Share Reorganization**”), then the Exercise Price shall be adjusted as of the effective date or record date, as the case may be, at which the holders of Shares are determined for the purpose of the Share Reorganization by multiplying the Exercise Price in effect immediately prior to such effective date or record date by a fraction, the numerator of which shall be the number of Shares outstanding on such effective date or record date before giving effect to such Share Reorganization and the denominator of which shall be the number of Shares outstanding as of the effective date or record date after giving effect to such Share Reorganization (including, in the case where securities exchangeable or exercisable for or convertible into Shares are distributed, the number of Shares that would have been outstanding had such securities been fully exchanged or exercised for or converted into Shares on such record date or effective date). From and after any adjustment of the Exercise Price pursuant to this subsection 4(a), the number of Shares purchasable pursuant to this Compensation Option Certificate shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Shares then otherwise purchasable on the exercise thereof by a fraction, the numerator of which shall be the Exercise Price in effect immediately prior to the adjustment and the denominator of which shall be the Exercise Price resulting from such adjustment.

(b) Rights Offering. If and whenever during the Exercise Period the Corporation shall fix a record date for the issue or distribution of rights, options or warrants to all or substantially all of the holders of Shares under which such holders are entitled, during a period expiring not more than 90 days after the record date for such issue to subscribe for or purchase Shares or securities exchangeable or exercisable for

or convertible into Shares at a price per share to the holder (or having a conversion price, exercise price or exchange price per Share) of less than 95% of the Current Market Price (as defined in Section 5 hereof) for the Shares on such record date (any of such events being called a “Rights Offering”), then the Exercise Price shall be adjusted effective immediately after the record date for the Rights Offering to a price determined by multiplying the Exercise Price in effect on such record date by a fraction:

- (i) the numerator of which shall be the aggregate of:
 - (A) the number of Shares outstanding as of the record date for the Rights Offering, and
 - (B) a number determined by dividing either
 - I. the product of the number of Shares offered under the Rights Offering and the price at which such Shares are offered,or, as the case may be,
 - II. the product of the exchange, exercise or conversion price per share of such securities offered and the maximum number of Shares for or into which the securities so offered pursuant to the Rights Offering may be exchanged, exercised or converted,by the Current Market Price of the Shares as of the record date for the Rights Offering; and
- (ii) the denominator of which shall be the aggregate of the number of Shares outstanding on such record date after giving effect to the Rights Offering and including the number of Shares offered pursuant to the Rights Offering (including shares issuable upon exercise of the rights, warrants or options under the Rights Offering or upon the exercise of the exchange, exercise or conversion rights contained in such exchangeable, exercisable or convertible securities under the Rights Offering).

Any Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such calculation. To the extent that such Rights Offering is not so made or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or if such expired rights, options or warrants had not been issued. From and after any adjustment of the Exercise Price pursuant to this subsection 4(b), the number of Shares purchasable pursuant to this Compensation Option Certificate shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Shares then otherwise purchasable

on the exercise thereof by a fraction, the numerator of which shall be the Exercise Price in effect immediately prior to the adjustment and the denominator of which shall be the Exercise Price resulting from such adjustment.

(c) Special Distribution. If and whenever during the Exercise Period the Corporation shall issue or distribute to all or substantially all of the holders of the Shares:

- (i) securities of the Corporation including shares, rights, options or warrants to acquire shares of any class or securities exchangeable or exercisable for or convertible into or exchangeable or exercisable into any such shares, or
- (ii) any cash, property or other assets or evidences of its indebtedness,

and if such issuance or distribution does not constitute a Share Reorganization or a Rights Offering (any of such non-excluded events being herein called a “Special Distribution”), the Exercise Price shall be adjusted immediately after the record date for the Special Distribution so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction:

- (i) the numerator of which shall be the difference between:
 - (A) the amount obtained by multiplying the number of Shares outstanding on such record date by the Current Market Price of the Shares on such record date, and
 - (B) the aggregate fair value (as determined by the directors of the Corporation) to the holders of such Shares of such Special Distribution; and
- (ii) the denominator of which shall be the total number of Shares outstanding on such record date multiplied by such Current Market Price of the Shares on such record date.

Any Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such computation. To the extent that such Special Distribution is not so made or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or if such expired rights, options or warrants had not been issued. From and after any adjustment of the Exercise Price pursuant to this subsection 4(c), the number of Shares purchasable pursuant to this Compensation Option Certificate shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Shares then otherwise purchasable on the exercise thereof by a fraction, the numerator of which shall be the Exercise Price in effect immediately prior to the adjustment and the denominator of which shall be the Exercise Price resulting from such adjustment.

(d) Capital Reorganization. If and whenever during the Exercise Period there shall be:

- (i) a reclassification or redesignation of Shares at any time outstanding or a change of the Shares into other shares or into other securities or any other capital reorganization (other than a Share Reorganization), or
- (ii) a consolidation, amalgamation, arrangement or merger of the Corporation with or into any other corporation or other entity (other than a consolidation, amalgamation, arrangement or merger which does not result in any reclassification or redesignation of the outstanding Shares or a change of the Shares into other securities), or
- (iii) a transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or other entity;

(any of such events being herein called a “Capital Reorganization”), the Holder, where he, she or it has not exercised the right of subscription and purchase under this Compensation Option Certificate prior to the effective date or record date, as the case may be, of such Capital Reorganization, shall be entitled to receive, and shall accept upon the exercise of such right for the same aggregate consideration, in lieu of the number of Shares to which such Holder was theretofore entitled upon such exercise, the kind and aggregate number of shares, other securities or other property which such holder would have been entitled to receive as a result of such Capital Reorganization if, on the effective date thereof, he had been the registered holder of the number of Shares to which such holder was theretofore entitled to subscribe for and purchase; provided however, that no such Capital Reorganization shall be carried into effect unless all necessary steps shall have been taken by the Corporation to so entitle the Holder. If determined appropriate by the board of directors of the Corporation, acting reasonably and in good faith, and subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading if required by such stock exchange or over-the-counter market, appropriate adjustments shall be made as a result of any such Capital Reorganization in the application of the provisions set forth in this Section 4 with respect to the rights and interests thereafter of the Holder to the end that the provisions set forth in this Section 4 shall thereafter correspondingly be made applicable as nearly as may reasonably be possible in relation to any shares, other securities or other property thereafter deliverable upon the exercise of any Compensation Option. Any such adjustments shall be made by and set forth in terms and conditions supplemental hereto approved by the board of directors of the Corporation, acting reasonably and in good faith.

- (e) **Equitable Adjustments.** If and whenever at any time after the date hereof and prior to the Expiry Time, the Corporation takes any action affecting its Shares to which the foregoing provisions of this Section 4, in the opinion of the board of directors of the Corporation, acting reasonably and in good faith, are not strictly applicable, or if strictly applicable would not fairly adjust the rights of the Holder against dilution in accordance with the intent and purposes thereof, or would otherwise materially affect the rights of the Holder hereunder, then the

Corporation shall execute and deliver to the Holder an amendment hereto providing for an adjustment in the application of such provisions so as to adjust such rights as aforesaid in such a manner as the board of directors of the Corporation may determine to be equitable in the circumstances, acting reasonably and in good faith. The failure of the taking of action by the board of directors of the Corporation to so provide for any adjustment on or prior to the effective date of any action or occurrence giving rise to such state of facts will be conclusive evidence, absent manifest error, that the board of directors has determined that it is equitable to make no adjustment in the circumstances.

5. The following rules and procedures shall be applicable to the adjustments made pursuant to Section 4:
- (a) The adjustments provided for in Section 4 are cumulative and shall be made successively whenever an event referred to therein shall occur, and shall, in the case of adjustments to the Exercise Price be computed to the nearest one-tenth of one cent subject to the following paragraphs of this Section 5.
 - (b) No adjustment in the Exercise Price shall be required unless such adjustment would result in a change of at least 1% in the prevailing Exercise Price and no adjustment shall be made in the number of Shares purchasable upon exercise of this Compensation Option Certificate unless it would result in a change of at least one one-hundredth of a Share; provided, however, that any adjustments which, except for the provisions of this subsection 5(b) would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment. Notwithstanding Section 4 or 5 hereof, no adjustment shall be made which would result in an increase in the Exercise Price or a decrease in the number of Shares issuable upon the exercise of this Compensation Option Certificate (except in respect of a Share Reorganization described in subsection 4(a)(iii) hereof or a Capital Reorganization described in subsection 4(d)(ii) hereof).
 - (c) No adjustment in the Exercise Price or in the number of Shares purchasable upon exercise of Compensation Options shall be made in respect of any event described in Section 4 if the Holder is entitled to participate in such event on the same terms, *mutatis mutandis*, as if it had exercised its Compensation Options prior to or on the effective date or record date, as the case may be, of such event. The terms of the participation of the Holder in such event shall be subject to the prior written approval, if applicable, of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading.
 - (d) No adjustment in the Exercise Price shall be made pursuant to Section 4 in respect of the issue from time to time:
 - (i) of Shares purchasable on exercise of the Compensation Options represented by this Compensation Option Certificate or similar options or warrants granted or issued on the date hereof;

- (ii) of Shares to holders of Shares who exercise an option or election to receive substantially equivalent dividends in Shares in lieu of receiving a cash dividend pursuant to a dividend reinvestment plan or similar plan adopted by the Corporation in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading and applicable securities laws; or
- (iii) of Shares pursuant to any Share purchase warrant, stock option, stock option plan, stock purchase plan or benefit plan in force at the date hereof for directors, officers, employees or consultants of the Corporation, as such option or plan is amended or superseded from time to time in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading and applicable securities laws, and such other stock option, stock option plan or stock purchase plan as may be adopted by the Corporation in accordance with the requirements of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading and applicable securities laws;

and any such issue shall be deemed not to be a Share Reorganization or Capital Reorganization.

- (e) If the Corporation shall set a record date to determine the holders of the Shares for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights and shall, thereafter and before the distribution to such shareholders of any such dividend, distribution or subscription or purchase rights, legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exercise Price or the number of Shares purchasable upon exercise of any Compensation Option shall be required by reason of the setting of such record date.
- (f) As a condition precedent to the taking of any action which would require any adjustment in any of the subscription rights pursuant to this Compensation Option Certificate, including the Exercise Price and the number or class of shares or other securities which are to be received upon the exercise thereof, the Corporation shall take any corporate action which may, in the opinion of counsel, be necessary in order that the Corporation have unissued and reserved Shares in its authorized capital, and may validly and legally issue as fully paid and non-assessable all the shares or other securities which the Holder of such Compensation Option Certificate is entitled to receive on the full exercise thereof in accordance with the provisions hereof.
- (g) For the purposes of this Compensation Option Certificate, “Current Market Price” of a Share at any date shall be calculated as the price per share equal to the weighted average price at which the Shares have traded in the principal Canadian stock exchange or, if the Shares are not listed, the over-the-counter market, on

which the Shares are then listed or posted for trading during the 20 consecutive trading days ending not more than five trading days immediately prior to such date as reported by such exchange or market in which the Shares are then trading or quoted. If the Shares are not then traded in the over-the-counter market or on a recognized Canadian stock exchange, the Current Market Price of the Shares shall be the fair market value of the Shares as determined in good faith by a nationally or internationally recognized and independent investment dealer, investment banker or firm of chartered accountants.

- (h) In the absence of a resolution of the board of directors of the Corporation fixing a record date for any Share Reorganization referred to in subsection 4(a)(i) or any Rights Offering or Special Distribution, the Corporation shall be deemed to have fixed as the record date therefor the date on which such Share Reorganization, Rights Offering or Special Distribution is effected.
 - (i) Any dispute that at any time or from time to time arises with respect to the amount of any adjustment to the Exercise Price or other adjustments pursuant to Section 4 shall be conclusively determined by the auditors of the Corporation or if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be selected by the directors of the Corporation and shall be binding upon the Corporation and the Holder, absent manifest error. Notwithstanding the foregoing, such determination shall be subject to the prior written approval of the principal Canadian stock exchange or over-the-counter market on which the Shares are then listed or quoted for trading if required by such stock exchange or over-the-counter market. In the event that any such determination is made, the Corporation shall notify the Holder in the manner contemplated in Section 15 describing such determination.
6. On the happening of each and every such event set out in Section 4, the applicable provisions of this Compensation Option Certificate, including the Exercise Price, shall, *ipso facto*, be deemed to be amended accordingly and the Corporation shall take all necessary action so as to comply with such provisions as so amended.
7. In any case in which Section 4 shall require that an adjustment shall be effective immediately after a record date for an event referred to herein, the Corporation may defer, until the occurrence of such an event:
- (a) issuing to the holder of any Compensation Option exercised after such record date and before the occurrence of such event, the additional Shares issuable upon such exercise by reason of the adjustment required by such event, and
 - (b) delivering to such holder any distributions declared with respect to such additional Shares after such Exercise Date and before such event;

provided, however, that the Corporation shall deliver or cause to be delivered to such holder, an appropriate instrument evidencing such holder's right, upon the occurrence of the event requiring the adjustment, to an adjustment in the Exercise Price and/or the

number of Shares purchasable on the exercise of any Compensation Option and to such distributions declared with respect to any additional Shares issuable on the exercise of any Compensation Option.

8. At least 21 days prior to the effective date or record date, as the case may be, of any event which requires or might require adjustment in any of the subscription rights pursuant to this Compensation Option Certificate, including the Exercise Price and the number of Shares which are purchasable upon the exercise thereof, or such longer period of notice as the Corporation shall be required to provide holders of Shares in respect of any such event, the Corporation shall notify the Holder of the particulars of such event and, if determinable, the required adjustment and the computation of such adjustment. In case any adjustment for which such notice has been given is not then determinable, the Corporation shall promptly after such adjustment is determinable notify the Holder of the adjustment and the computation of such adjustment.
9. Where the Holder is entitled to receive on the exercise or partial exercise of its Compensation Options a fraction of a Share, such right may only be exercised in respect of such fraction in combination with another Compensation Option or Compensation Options which in the aggregate entitle the Holder to receive a whole number of Shares. If a Holder is not able to, or elects not to, combine Compensation Options so as to be entitled to acquire a whole number of Shares, the Holder may not exercise the right to acquire a fractional Share, and, does not have the right to receive a cash equivalent in lieu thereof equal to such fraction of a Share multiplied by the Current Market Price.
10. Subject as herein provided, all or any of the rights conferred upon the Holder by the terms hereof may be enforced by the Holder by appropriate legal proceedings.
11. The Holder may at any time up to and including the Expiry Time, upon the surrender hereof to the Corporation at its principal office, exchange this Compensation Option Certificate for one or more Compensation Option Certificates entitling the Holder to subscribe in the aggregate for the same number of Shares as is expressed in this Compensation Option Certificate. Any Compensation Option Certificate tendered for exchange shall be surrendered to the Corporation and cancelled. It is understood that the Corporation shall be entitled to impose any terms as it, in its discretion, acting reasonably, deems necessary to effect any such exchange.
12. If this Compensation Option Certificate becomes stolen, lost, mutilated or destroyed, the Corporation shall, on such terms as it may in its discretion acting reasonably impose, issue and deliver to the Holder a new Compensation Option Certificate of like denomination, tenor and date as the Compensation Option Certificate so stolen, lost, mutilated or destroyed.
13. Nothing contained herein shall confer any right upon the Holder hereof or any other person to subscribe for or purchase any Shares of the Corporation at any time subsequent to the Expiry Time. After the Expiry Time this Compensation Option Certificate and all rights hereunder shall be void and of no value.

14. Except as expressly set out herein, the holding of this Compensation Option Certificate shall not constitute the Holder a holder of Shares of the Corporation nor entitle it to any right or interest in respect thereof.
15. All notices or other communications to be given under this Compensation Option Certificate shall be delivered by hand or by telecopier and, if delivered by hand, shall be deemed to have been given on the delivery date and, if sent by telecopier, on the date of transmission if sent before 4:00 p.m. on a business day or, if such day is not a business day, on the first business day following the date of transmission.

Notices to the Corporation shall be addressed to:

Lamêlée Iron Ore Ltd.

1155 University Street

Suite 812

Montréal, Québec H3B 3A7

Attention: Mr. Hubert Vallée, President and Chief Executive Officer

Tel.: 514 798-1290

Facsimile No.: 514 787-1457

Email: HVallee@LameleeIron.com

Notices to the Holder shall be addressed to:

●

Attention: ●

Tel.: ●

The Corporation or the Holder may change its address for service by notice in writing to the other of them specifying its new address for service under this Compensation Option.

16. This Compensation Option Certificate and the Compensation Options represented hereby are not transferable and are not assignable.
17. Time is of the essence hereof.
18. This Compensation Option Certificate is binding upon the Corporation and its successors and assigns.
19. This Compensation Option Certificate and the Compensation Options represented hereby shall be governed by the laws of the Province of Québec and the federal laws of Canada applicable therein.
20. The Corporation and the Holder have expressly agreed that the Compensation Option Certificate and all notices and documents relating thereto be drawn up in the English language only. *Lamêlée Iron Ore Ltd. et le porteur de ce certificat ont expressément exigé que le présent certificat et tout avis ou document y afférant soient rédigés en langue anglaise seulement.*

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF this Compensation Option Certificate has been executed on behalf of Lamêlée Iron Ore Ltd. as of the ____th day of July, 2014.

LAMÊLÉE IRON ORE LTD.

Per: _____
Name:
Title:
Authorized Officer

[Signature Page – Compensation Option Certificate]

SUBSCRIPTION NOTICE

TO: LAMÉLÉE IRON ORE LTD. (the “Corporation”)

All capitalized terms not defined herein shall have the meanings set forth in the attached Compensation Options Certificate.

The undersigned holder of Compensation Options hereby irrevocably exercises the right of such holder to be issued and hereby subscribes for Shares at the Exercise Price referred to in the attached Compensation Options Certificate on the terms and conditions set forth in such certificate and encloses herewith cash or a certified cheque, bank draft or money order payable at par in the City of Montréal, in the Province of Québec to the order of the Corporation in payment in full of the subscription price of the Shares hereby subscribed for.

The undersigned hereby directs that the said Shares be issued as follows:

NAME(S) IN FULL	ADDRESS(ES)	NUMBER OF COMMON SHARES

(Please print. If the Shares are issued to a person other than the registered holder, the holder must pay to the Corporation all exigible taxes and the signature of the holder must be guaranteed by a Canadian chartered bank, or by a medallion signature guarantee from a member of a recognized Signature Medallion Guarantee Program).

DATED this _____ day of _____, _____.

Signature of Holder

Signature Guarantee

Print name

Address

[] **Please check this box if the Shares are to be delivered at the office where the Compensation Options are surrendered, failing which the securities will be mailed.**

SCHEDULE "B"

OFFSHORE PURCHASER CERTIFICATE FOR SUBSCRIBERS RESIDENT OUTSIDE OF CANADA AND THE UNITED STATES

TO: Lamêlée Iron Ore Ltd. (the "Corporation")

Secutor Capital Management Corporation (the "Agent")

RE: Offering of units (the "Units") and flow-through common shares ("FT Shares") of the Corporation, which terms and conditions are fully described in the Corporation's Preliminary Short Form Prospectus dated June 26, 2014 and the Final Short Form Prospectus (collectively, the "Prospectus") that have been receipted in Canada (the "Offering"). Each Unit is comprised of one common share in the capital of the Corporation ("Common Shares") and one-half of a Common Share purchase warrant ("Warrant") of the Corporation.

All capitalized terms herein have the meaning ascribed to them in the Prospectus.

The undersigned (the "Subscriber") represents, covenants and certifies to the Corporation and the Agent that:

- i. the Subscriber (and if the Subscriber is acting as agent for a disclosed principal, such disclosed principal) is not resident in Canada or the United States;
- ii. the Subscriber wishes to participate in the Offering and is aware that the Prospectus has not been filed with the securities regulatory authorities of nor receipted in the jurisdiction of its residence;
- iii. the Subscriber is knowledgeable of, or has been independently advised as to, the provisions of the securities laws of the jurisdiction of its residence which are applicable (the "Applicable Laws"), if any, in connection with its subscription in the Offering;
- iv. the issuance of the Common Shares and the Warrants issuable under the Units, of the Warrant Shares and of the FT Shares to the Subscriber (and if the Subscriber is acting as agent for a disclosed principal, such disclosed principal), as proposed, complies with the requirements of the Applicable Laws and does not required further action from the Corporation;
- v. the issuance of the Common Shares and the Warrant Shares issuable under the Over-Allotment Units, of the Over-Allotment FT Shares and of the Compensation Shares to the Agent, as proposed, complies with the requirements of the Applicable Laws and does not required further action from the Corporation;

- vi. the subscription of Units or FT Shares by the Subscriber, and (if applicable) each disclosed beneficial subscriber, does not require the Corporation to become subject to regulation in the Subscriber's or disclosed beneficial subscriber's jurisdiction, nor does it require the Corporation to attorn to the jurisdiction of any governmental authority or regulator in such jurisdiction or require any translation of documents by the Corporation;
- vii. the Subscriber will not sell, transfer or dispose of the Common Shares, the Warrant Shares or the FT Shares except in accordance with the Applicable Laws; and
- viii. the Subscriber will provide such evidence of compliance with all such matters as the Corporation or the Agent or its respective counsel may request.

The Subscriber acknowledges that the Corporation and the Agent are relying on this certificate to determine the Subscriber's suitability as a purchaser of securities of the Corporation. The Subscriber agrees that the representations, covenants and certifications contained in this certificate shall survive any issuance of Common Shares, Warrants, Warrant Shares or FT Shares of the Corporation to the Subscriber.

Dated: _____

Signed: _____

 Witness (If Subscriber is an Individual)

 Print the name of Subscriber

 Print Name of Witness

 If Subscriber is a corporation, print name and title of Authorized Signing Officer