

AGENCY OFFERING AGREEMENT

THIS AGREEMENT dated for reference February 14, 2017 is made

BETWEEN

NEXCO RESOURCES INC., Suite 200 – 551 Howe Street,
Vancouver, British Columbia, V6C 2C2

(the “**Issuer**”);

AND

CANACCORD GENUITY CORP., 2200-609 Granville Street,
Vancouver, British Columbia, V7Y 1H2

(the “**Agent**”).

WHEREAS:

A. The Issuer wishes to raise money for the purposes set forth in its Prospectus, which is to be filed by the Issuer with the Commissions and the Exchange, by offering for sale certain of its shares;

B. The Issuer wishes to appoint the Agent to distribute those shares and the Agent is willing to accept the appointment on the terms and conditions of this Agreement;

THE PARTIES to this Agreement therefore agree:

1. DEFINITIONS

In this Agreement:

- (a) “Agent’s Fee” means the fee which is set out in this Agreement and which is payable by the Issuer to the Agent in consideration of the services performed by the Agent under this Agreement;
- (b) “Agent’s Warrants” means the common share purchase warrants of the Issuer which will be issued as part of the Agent’s Fee and which have the terms provided in this Agreement and the certificates representing such common share purchase warrants;
- (c) “Agent’s Warrant Shares” means the previously unissued common shares in the capital of the Issuer issuable on exercise of the Agent’s Warrants;
- (d) “Applicable Legislation” means the securities acts in the Selling Provinces, the regulations and rules made thereunder, and all administrative policy statements, blanket orders, notices, directions and rulings issued by the Commissions;
- (e) “CDS” means CDS Clearing and Depository Services Inc.;
- (f) “Certificates” means the certificates representing the Shares (unless the Shares are issued electronically through CDS) and the Agent’s Warrants;

- (g) “Closing” means the closing of the purchase and sale, and the issuance by the Issuer, of the Shares;
- (h) “Closing Day” means the day which falls 10 business days after the Offering Day or such other day as may be agreed to by the Issuer and the Agent;
- (i) “Commissions” means the securities commissions in the Selling Provinces;
- (j) “Corporate Finance Fee” means the cash fee of \$25,000 to be paid to the Agent by the Issuer pursuant to section 7.1 in consideration of corporate finance and structuring services provided by the Agent;
- (k) “Distribution” means the distribution or sale of the Shares and the Agent’s Warrants pursuant to this Agreement;
- (l) “Effective Date” means the date on which the Final Receipt is issued;
- (m) “Exchange” means the Canadian Securities Exchange;
- (n) “Final Receipt” means the receipt issued for the final Prospectus by the Principal Regulator pursuant to National Policy 11-202 – Process for Prospectus Reviews in Multiple Jurisdictions (“**NP 11-202**”), representing a final receipt for the Prospectus in each of the Selling Provinces;
- (o) “Material Change” has the meaning defined in the Applicable Legislation;
- (p) “Material Fact” has the meaning defined in the Applicable Legislation;
- (q) “Misrepresentation” has the meaning defined in the Applicable Legislation;
- (r) “Offering” means the offering of the Shares under the Prospectus;
- (s) “Offering Day” means the day chosen by the Agent to contract the purchases of Shares by the purchasers;
- (t) “Offering Price” means \$0.15 per Share;
- (u) “Preliminary Receipt” means the receipt issued for the preliminary Prospectus by the Principal Regulator pursuant to NP 11-202;
- (v) “Principal Regulator” means the British Columbia Securities Commission;
- (w) “Proceeds” means the gross proceeds of the Offering, less:
 - (i) that portion of the Agent’s Fee which is payable in cash;
 - (ii) the Corporate Finance Fee;
 - (iii) the expenses of the Agent in connection with the Offering which have not been prepaid by the Issuer; and
 - (iv) any amount already received by the Issuer;
- (x) “Prospectus” means the preliminary prospectus and the final prospectus filed or intended to be filed by the Issuer with the Regulatory Authorities in connection

with the Offering and any amendments to the preliminary prospectus and final prospectus which may be filed with the Regulatory Authorities;

- (y) “Regulatory Authorities” means the Commissions and the Exchange;
- (z) “Securities” means the Shares, the Agent’s Warrants and the Agent’s Warrant Shares;
- (aa) “Selling Provinces” means British Columbia, Alberta and Saskatchewan or in such other provinces as may be agreed to by the Issuer and the Agent; and
- (bb) “Shares” means the previously unissued common shares in the capital of the Issuer to be offered by the Issuer pursuant to this Agreement having the terms provided in this Agreement.

2. APPOINTMENT OF AGENT

The Issuer appoints the Agent as its exclusive agent and the Agent accepts the appointment and will act as the exclusive agent of the Issuer to offer 3,200,000 Shares for sale under the Prospectus at the Offering Price on a commercially reasonable efforts basis.

3. THE SHARES

The Shares will be issued and registered as directed by the Agent.

4. FILING OF PROSPECTUS

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

4.2 The Issuer will provide the Agent with as many copies of the Prospectus as the Agent reasonably requests.

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

4.4 The Issuer acknowledges that the Agent will be conducting a due diligence investigation of the Issuer’s business, securities, management and affairs and the Issuer covenants that it will afford the Agent with access to the contracts, properties, commitments, corporate records and other documents the Agent may reasonably request. The Issuer also covenants to use its reasonable best efforts to secure the cooperation of the Issuer’s professional advisors (including

its legal advisors and auditors) to participate in any due diligence conference calls required by the Agent, and the Issuer consents to the use and disclosure of information obtained during the course of the due diligence investigation where such disclosure is required by law or required by the Agent to maintain a defense to any regulatory or other civil action.

5. LISTING APPLICATION AND CONDUCT OF THE OFFERING

5.1 Prior to the Closing Day, the Issuer will make an application to list the Shares and the Agent's Warrant Shares on the Exchange and conditional approval of such application must be obtained from the Exchange prior to Closing.

5.2 Following the Effective Date, the Issuer and the Agent will set the Offering Day.

5.3 The Offering Day will be on or before the day which is:

- (a) 90 days after the Effective Date; or
- (b) if a receipt is issued for an amendment to the Final Prospectus, 90 days after the date of such receipt,

and in any event, no later than 180 days after the Effective Date.

5.4 Immediately after the Offering Day, the Issuer shall take all necessary steps to complete and file with the Exchange its application for listing with all other documentation required by the Exchange, to allow for the listing and posting for trading of the common shares of the Issuer on the Exchange, which is to occur on the Closing Day.

5.5 The Agent will advise the Issuer and its counsel in writing when the Distribution under the Prospectus is complete.

6. OPINIONS AND CERTIFICATES

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

- (a) a comfort letter from the auditor of the Issuer, dated as of the Effective Date and addressed to the Agent and its counsel, relating to the accuracy of the financial statements forming part of the Prospectus and the accuracy of the financial, numerical and certain other information disclosed in the Prospectus; and
- (b) any other certificates, comfort letters or opinions in connection with any matter related to the Prospectus which are reasonably requested by the Agent or its counsel.

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

- (a) evidence of the necessary approval of the Regulatory Authorities for the Offering;
- (b) an opinion of counsel for the Issuer, dated as of the Closing Day and addressed to the Agent and its counsel with respect to the Issuer's title to its material mineral property interest;

- (c) an opinion of counsel for the Issuer, dated as of the Closing Day and addressed to the Agent and its counsel, relating to any legal matter in connection with the creation, issuance and sale of the Securities for which the Agent may reasonably request an opinion;
- (d) an opinion of counsel for the Issuer, dated as of the Closing Day and addressed to the Agent and its counsel, as to the accuracy of statements under the heading “Eligibility for Investment” in the Final Prospectus;
- (e) a certificate of the Issuer, dated as of the Closing Day and signed by the chief executive officer and chief financial officer of the Issuer or such other officers approved by the Agent, certifying certain facts relating to the Issuer and its affairs (the “**Officers’ Certificate**”); and
- (f) any other certificates, comfort letters or opinions in connection with any matter related to the Offering which are reasonably requested by the Agent or its counsel.

7. AGENT’S FEE

7.1 In consideration of the services performed by the Agent under this Agreement, the Issuer agrees to:

- (a) pay the Agent a commission of 8% of the Offering Price per Share sold under the Offering;
- (b) pay the Agent the Corporate Finance Fee, consisting of a cash payment of \$25,000; and
- (c) issue Agent’s Warrants to the Agent, or to members of its selling group as directed by the Agent, entitling the Agent to purchase that number of Agent’s Warrant Shares equal to 8% of the Shares sold under the Offering.

(together, the “**Agent’s Fee**”)

7.2 One Agent’s Warrant will entitle the holder to purchase one Agent’s Warrant Share at anytime up to the close of business two years from the date of listing of the Shares on the Exchange, at a price of \$0.15 per Agent’s Warrant Share.

7.3 In the event the Agent is willing to proceed with the Offering but the Issuer precludes the Agent from completing the Offering, notwithstanding anything else in this Agreement, the Corporate Finance Fee shall be paid to the Agent.

7.4 The Agent’s Warrants will be represented by certificates, and will be non-transferable except as permitted by the Applicable Legislation, the policies of the Exchange and any order granted by the Commissions.

7.5 The terms governing the Agent’s Warrants will include, among other things, provisions for the appropriate adjustment in the class, number and price of the Agent’s Warrant Shares upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the shares, the payment of stock dividends or the amalgamation of the Issuer.

7.6 The issue of the Agent's Warrants will not restrict or prevent the Issuer from obtaining any other financing, or from issuing additional securities or rights during the period within which the Agent's Warrants are exercisable.

8. CLOSING

8.1 The Closing will take place on the Closing Day.

8.2 On Closing the Issuer will deliver the Certificates to the Agent and provide satisfactory confirmation that any Shares not represented by Certificates, if any, have been delivered in electronic book entry form through CDS (the "**Confirmation**"), against payment of the Proceeds.

8.3 If the Issuer has satisfied all of its obligations under this Agreement, for Closing, the Agent will pay the Proceeds to the Issuer against delivery of the Certificates and receipt of the Confirmation, as applicable.

8.4 The obligation of the Agent to pay the Proceeds to the Issuer shall be subject to the following conditions precedent:

- (a) completion by the Agent of due diligence on the Issuer to its reasonable satisfaction;
- (b) the Issuer shall have performed or complied with each covenant and obligation herein provided on its part to be performed or complied with;
- (c) each of the representations and warranties of the Issuer herein shall continue to be true, and the Officer's Certificate shall contain certification to that effect; and
- (d) the Issuer shall have, to the satisfaction of the Agent and its counsel, taken or caused to be taken all steps and proceedings which may be requisite under the Applicable Legislation to qualify the Distribution of the Shares to the public in the Selling Provinces through registrants who have complied with the provisions of the Applicable Legislation and to qualify the Distribution of the Agent's Warrants to the Agent, including the filing and the obtaining of the Preliminary Receipt and the Final Receipt.

9. MATERIAL CHANGES

9.1 If, after the Prospectus is filed with the Regulatory Authorities but before the conclusion of the Distribution, a Material Change or change in a Material Fact occurs in the affairs of the Issuer, the Issuer will:

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

9.2 The Issuer shall in good faith discuss with the Agent any fact or change in circumstances (actual and anticipated, contemplated or threatened, whether financial or otherwise) which is of

such a nature that there is reasonable doubt as to whether notice in writing need be given to the Agent pursuant to the previous Subsection.

10. TERMINATION

10.1 The Agent may terminate its obligations under this Agreement by notice in writing to the Issuer at any time before the Closing if:

- (a) there is an event, accident, governmental law or regulation or other occurrence of any nature which, in the opinion of the Agent, seriously affects or will seriously affect the financial markets or the business of the Issuer or the ability of the Agent to perform its obligations under this Agreement or an investor's decision to purchase Shares;
- (b) an adverse Material Change or change in a Material Fact relating to any of the Securities occurs or is announced by the Issuer;
- (c) following a consideration of the history, business, products, property or affairs of the Issuer or its principals and promoters, or the state of the financial markets in general, or the state of the market for the Issuer's securities in particular, or the possibility of investors exercising their statutory rights to withdraw from a purchase of the Issuer's securities, the Agent determines, in its sole discretion, that it is not in the interest of investors to complete the Offering;
- (d) the Securities cannot, in the opinion of the Agent, be marketed due to the state of the financial markets, or the market for the Shares in particular; or
- (e) an enquiry or investigation (whether formal or informal) in relation to the Issuer, or the Issuer's directors, officers or promoters, is commenced or threatened by an officer or official of any competent authority.

10.2 The Agent may terminate its obligations under this Agreement at any time if:

- (a) any order to cease trading (including communicating with persons in order to obtain expressions of interest) in the securities of the Issuer is made by a competent regulatory authority and that order is still in effect;
- (b) the Issuer is in breach of any term of this Agreement; or
- (c) the Agent determines that any of the representations or warranties made by the Issuer in this Agreement is false or has become false.

10.3 If the Agent exercises its right to terminate this Agreement, then the Issuer will immediately issue a press release setting out particulars of the termination.

11. WARRANTIES AND REPRESENTATIONS

11.1 The Issuer warrants and represents to the Agent that:

- (a) the Issuer is a valid and subsisting corporation duly incorporated and in good standing under the laws of the jurisdiction in which it is incorporated, continued or amalgamated;

- (b) the Issuer is duly registered and licensed to carry on business in the jurisdictions in which it carries on business or owns property where so required by the laws of that jurisdiction and is not otherwise precluded from carrying on business or owning property in such jurisdictions by any other commitment, agreement or document;
- (c) the Issuer has full corporate power and authority to carry on its business as now carried on by it and to undertake the Offering and this Agreement has been, or will be by the Closing, duly authorized by all necessary corporate action on the part of the Issuer;
- (d) all of the material transactions of the Issuer have been promptly and properly recorded or filed in its books or records and its minute books or records contain all records of the meetings and proceedings of its directors, shareholders, and other committees, if any, since inception;
- (e) the authorized capital of the Issuer is as disclosed in the Prospectus and the issued and outstanding common shares of the Issuer are fully paid and non-assessable and, except as disclosed in the Prospectus, no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming such a right, agreement or option, for the issue or allotment of any unissued shares in the capital of the Issuer or any other security convertible into or exchangeable for any such shares, or to require the Issuer to purchase, redeem or otherwise acquire any of the issued and outstanding shares in its capital;
- (f) the Issuer has no subsidiaries;
- (g) the Issuer will reserve or set aside sufficient common shares in its treasury to issue the Shares and the Agent's Warrant Shares;
- (h) except as qualified by the Prospectus, the Issuer is the legal and beneficial owner of and has good and marketable title to the properties, business and assets or the interests in the properties, business or assets referred to in the Prospectus; all agreements by which the Issuer holds an interest in a property, business or asset are in good standing according to their terms, and the properties are in good standing under the applicable laws of the jurisdictions in which they are situated and all filings and work commitments required to maintain the properties in good standing have been properly recorded and filed in a timely manner with the appropriate regulatory body and there are no mortgages, liens, charges, encumbrances or any other interests in or on such properties;
- (i) the Prospectus will contain full, true and plain disclosure of all Material Facts in relation to the Issuer, its business and its securities, will contain no Misrepresentations, will be accurate in all material respects and will omit no fact, the omission of which will make such representations misleading or incorrect;
- (j) the financial statements of the Issuer which form part of the Prospectus have been prepared in accordance with International Financial Reporting Standards, present fairly, in all material respects, the financial position and all material liabilities (accrued, absolute, contingent or otherwise) of the Issuer as at the date of the financial statements and there have been no adverse material changes in the financial position of the Issuer since the date thereof, and the business of the

Issuer has been carried on in the usual and ordinary course consistent with past practice except as fully and plainly disclosed in the Prospectus;

- (k) the auditors of the Issuer who audited the financial statements of the Issuer for the most recent financial year-end and who provided their audit report thereon are independent public accountants as required under Applicable Legislation and there has never been a reportable event (within the meaning of National Instrument 51-102) with the present auditors of the Issuer;
- (l) the Issuer has complied and will comply fully with the requirements of all applicable corporate and securities laws, regulations and administrative policies and directions, including, without limitation, Applicable Legislation and its regulations and the *Business Corporations Act* (British Columbia) in relation to the issue and trading of its securities and in all matters relating to the Offering;
- (m) the Issuer is in compliance with all applicable laws, regulations and statutes in relation to its business (including all environmental laws and regulations) in the jurisdictions in which it carries on business and which may materially affect the Issuer, has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations and statutes, and is not aware of any pending change or contemplated change to any applicable law or regulation or governmental position that would materially affect the business of the Issuer or the business or legal environment under which the Issuer operates;
- (n) the Issuer has not caused or permitted the release, in any manner whatsoever, of any pollutants, contaminants, chemicals or industrial toxic or hazardous waste or substances (collectively, the “**Hazardous Substances**”) on or from any of its properties or assets nor has it received any notice that it is potentially responsible for a clean-up site or corrective action under any applicable laws, statutes, ordinances, by-laws, regulations, or any orders, directions or decisions rendered by any government, ministry, department or administrative regulatory agency relating to the protection of the environment, occupational health and safety or otherwise relating to dealing with Hazardous Substances;
- (o) the issue and sale of the Securities by the Issuer does not and will not conflict with, and does not and will not result in a breach of, or constitute a default under (A) any statute, rule or regulation applicable to the Issuer including, without limitation, the Applicable Legislation; (B) the constating documents, by-laws or resolutions of the Issuer which are in effect at the date hereof; (C) any agreement, debt instrument, mortgage, note, indenture, instrument, lease or other document to which the Issuer is a party or by which it is bound; or (D) any judgment, decree or order binding the Issuer or the property or assets of the Issuer;
- (p) the Issuer is not a party to any actions, suits or proceedings which could materially affect its business or financial condition, and to the knowledge of the Issuer, no such actions, suits or proceedings are contemplated or have been threatened;
- (q) there are no judgments against the Issuer which are unsatisfied, nor are there any consent decrees or injunctions to which the Issuer is subject;

- (r) there is not presently, and will not be until the conclusion of the Distribution, any Material Change or change in any Material Fact relating to the Issuer which has not been or will not be fully disclosed in the Prospectus;
- (s) no order ceasing, halting or suspending trading in securities of the Issuer nor prohibiting the sale of such securities has been issued to and is outstanding against the Issuer or its directors, officers or promoters or against any other companies that have common directors, officers or promoters and no investigations or proceedings for such purposes are pending or threatened;
- (t) the Issuer has complied with all requirements of National Instrument 43-101, including but not limited to the preparation and filing of technical reports;
- (u) the Issuer has filed all federal, provincial, local and foreign tax returns which are required to be filed, or has requested extensions thereof, and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, or any amounts due and payable to any governmental authority, to the extent that any of the foregoing is due and payable;
- (v) the Issuer has established on its books and records reserves which are adequate for the payment of all taxes not yet due and payable and there are no liens for taxes on the assets of the Issuer except for taxes not yet due, and there are no audits of any of the tax returns of the Issuer which are known by the Issuer's management to be pending, and there are no claims which have been or may be asserted relating to any such tax returns which, if determined adversely, would result in the assertion by any governmental agency of any deficiency which would have a material adverse effect on the properties, business or assets of the Issuer;
- (w) the Issuer does not have any 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" (as such term is used in the *Income Tax Act* (Canada));
- (x) the Issuer shall not take any action which would be reasonably expected to result in the delisting or suspension of its common shares on or from the Exchange or on or from any stock exchange, market or trading or quotation facility on which its common shares are listed or quoted and the Issuer shall comply, in all material respects, with the rules and regulations thereof;
- (y) other than the Agent, no person, firm or corporation acting or purporting to act at the request of the Issuer is entitled to any brokerage, agency or finder's fee in connection with the transactions described herein; and
- (z) the warranties and representations in this Subsection are true and correct and will remain so as of the conclusion of the distribution under the Prospectus.

11.2 The Agent warrants and represents to the Issuer that:

- (a) it is a valid and subsisting corporation under the law of the jurisdiction in which it was incorporated, continued or amalgamated;
- (b) it is a member in good standing of the Exchange; and

- (c) it has complied with and will fully comply with the requirements of all Applicable Legislation, its rules and regulations and the by-laws and rules of the Exchange, in relation to trading in the Securities and all matters relating to the Offering.

12. EXPENSES OF AGENT

12.1 The Issuer will pay all of the reasonable expenses of the Offering and all the expenses reasonably incurred by the Agent in connection with the Offering including, without limitation, the reasonable fees and disbursements of the solicitors for the Agent, together with all applicable taxes.

12.2 The Issuer will pay the expenses referred to in the previous Subsection even if the Prospectus and this Agreement are not accepted by the Regulatory Authorities or the transactions contemplated by this Agreement are not completed or this Agreement is terminated, unless the failure of acceptance or completion or the termination is the result of a breach of this Agreement by the Agent.

12.3 The Agent may, from time to time, render accounts to the Issuer for its expenses for payment on the dates set out in the accounts.

12.4 The Issuer authorizes the Agent to deduct its reasonable expenses in connection with the Offering from the proceeds of the Offering, including expenses for which an account has not yet been rendered to the Issuer, and the Agent acknowledges receipt of \$10,000 from the Issuer to be credited against the amount of these expenses.

13. CONSENT TO ISSUE SECURITIES

The Issuer agrees not to directly or indirectly issue, sell or grant or agree to announce any intention to issue, sell or grant any additional equity or quasi-equity securities for a period of 120 days from the Closing Day without the prior written consent of the Agent (such consent not to be unreasonably withheld) except in conjunction with:

- (a) the grant or exercise of stock options and other similar issuances pursuant to the share incentive plan of the Issuer and other share compensation arrangements;
- (b) outstanding warrants;
- (c) obligations in respect of existing mineral property agreements; and
- (d) the issuance of securities in connection with property or share acquisitions in the normal course of business.

14. INDEMNITY

14.1 The Issuer hereby agrees to indemnify and save harmless to the maximum extent permitted by law, the Agent, its affiliates and selling group members and their affiliates and their respective directors, officers, employees, partners, agents and advisors (collectively, the “**Indemnified Parties**” and individually, an “**Indemnified Party**”) from and against any and all losses, claims, actions (including shareholder actions, derivative actions or otherwise), suits, proceedings, investigations, damages, liabilities or expenses of whatsoever nature or kind (excluding loss of profits) whether joint or several, including the aggregate amount paid in reasonable settlement, provided the Issuer has agreed to such settlement, of any actions, suits,

proceedings, investigations or claims and the reasonable fees, disbursements and taxes of their counsel in connection with any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this indemnity (each a “**Claim**” and, collectively, the “**Claims**”) to which an Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the performance of services rendered by the Indemnified Parties in connection with this Agreement whether performed before or after the execution of the Agreement by the Issuer, and to reimburse each Indemnified Party forthwith, upon demand, for any legal or other expenses reasonably incurred by such Indemnified Party in connection with any Claim.

14.2 If and to the extent that a court of competent jurisdiction, in a final non-appealable judgment in a proceeding in which an Indemnified Party is named as a party, determines that a Claim was caused by or resulted from an Indemnified Party's gross negligence, wilful misconduct or fraudulent act, this indemnity shall cease to apply to such Indemnified Party in respect of such Claim and such Indemnified Party shall reimburse any funds advanced by the Issuer to the Indemnified Party pursuant to this indemnity in respect of such Claim. The Issuer agrees to waive any right the Issuer might have of first requiring the Indemnified Party to proceed against or enforce any other right, power, remedy or security or claim payment from any other person before claiming under this indemnity.

14.3 If any Claim is brought against an Indemnified Party or an Indemnified Party has received notice of the commencement of any investigation in respect of which indemnity may be sought against the Issuer, the Indemnified Party will give the Issuer prompt written notice of any such Claim of which the Indemnified Party has knowledge, and, throughout the course of such Claim, provide copies to the Issuer of all relevant documentation and the Issuer will undertake the investigation and defence thereof on behalf of the Indemnified Party, including the prompt employment of counsel acceptable to the Indemnified Parties affected and the payment of all reasonable expenses. Failure by the Indemnified Party to so notify shall not relieve the Issuer of their obligation of indemnification hereunder.

14.4 No admission of liability and no settlement, compromise or termination of any Claim, or investigation shall be made without the consent of the Issuer and the consent of the Indemnified Parties affected, such consents not to be unreasonably withheld or delayed. Notwithstanding that the Issuer will undertake the investigation and defence of any Claim, the Indemnified Parties will have the right to employ one separate counsel in each applicable jurisdiction with respect to such Claim and participate in the defence thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Parties unless:

- (a) employment of such counsel has been authorized in writing by the Issuer;
- (b) the Issuer has not assumed the defence of the action within a reasonable period of time after receiving notice of the claim;
- (c) the named parties to any such claim include the Issuer, and any of the Indemnified Parties, and the Indemnified Parties shall have been advised by counsel to the Indemnified Parties that there may be a conflict of interest between the Issuer and any Indemnified Party; or
- (d) there are one or more defences available to the Indemnified Parties which are different from or in addition to those available to the Issuer, as the case may be,

in which case such fees and expenses of such counsel to the Indemnified Parties will be for the account of the Issuer. The rights accorded to the Indemnified Parties hereunder shall be in addition to any rights the Indemnified Parties may have at common law or otherwise. Without limiting the generality of the foregoing, this Indemnity shall apply to all reasonable expenses (including legal expenses), losses, claims and liabilities that the Agent may incur as a result of any action, suit, proceeding or claim that may be threatened or brought against the Issuer.

14.5 If for any reason the foregoing indemnification is unavailable (other than in accordance with the terms hereof) to the Indemnified Parties (or any of them) or insufficient to hold them harmless, the Issuer agrees to contribute to the amount paid or payable by the Indemnified Parties as a result of such Claims in such proportion as is appropriate to reflect not only the relative benefits received by the Issuer or the Issuer's shareholders, and its constituencies on the one hand and the Indemnified Parties on the other, but also the relative fault of the parties and other equitable considerations which may be relevant. Notwithstanding the foregoing, the Issuer will in any event contribute to the amount paid or payable by the Indemnified Parties as a result of such Claim any amount in excess of the fees actually received by the Indemnified Parties hereunder.

14.6 The Issuer hereby constitutes the Agent as trustee for each of the other Indemnified Parties of the covenants of the Issuer under this indemnity with respect to such persons and the Agent agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

14.7 The Issuer agrees that, in any event, no Indemnified Party shall have any liability (either direct or indirect, in contract or tort or otherwise) to the Issuer or any person asserting claims on their behalf or in right for or in connection with the performance of services rendered by the Agent under this Agreement, except to the extent that any losses, expenses, claims, actions, damages or liabilities incurred by the Issuer are determined by a court of competent jurisdiction in a final judgement (in a proceeding in which an Indemnified Party is named as a party) that has become non-appealable to have resulted from the gross negligence, wilful misconduct or fraudulent act of such Indemnified Party.

14.8 The Issuer agrees to reimburse the Indemnified Parties monthly for the time spent by the Indemnified Party's personnel in connection with any Claim at reasonable per diem rates. The Issuer also agrees that if any action, suit, proceeding or claim shall be brought against, or an investigation commenced in respect of the Issuer and the Agent or selling group member by any domestic or foreign governmental commission, regulatory authority, stock exchange or other entity having regulatory authority, and personnel of such Agent or selling group member shall be required to testify, participate or respond in respect of or in connection with the performance of the services rendered by the Agent under this Agreement, each such Indemnified Party shall have the right to employ its own counsel in connection therewith and the Issuer will reimburse the Agent monthly for the time spent by its personnel in connection therewith at reasonable per diem rates together with such disbursements and reasonable out-of-pocket expenses as may be incurred, including reasonable fees and disbursements of such Indemnified Party's counsel.

14.9 The indemnity and contribution obligations of the Issuer shall be in addition to any liability which the Issuer may otherwise have shall extend upon the same terms and conditions to the Indemnified Parties and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Issuer and any Indemnified Party. The foregoing provisions shall survive the completion of professional services rendered under this Agreement or any termination of this Agreement.

15. RIGHT OF FIRST REFUSAL

15.1 The Issuer will notify the Agent of the terms of any further brokered equity financing (or securities convertible into equity) that it requires or proposes to obtain during the 12 months following the Closing and the Agent will have the right of first refusal to provide any such financing.

15.2 The right of first refusal must be exercised by the Agent within 7 days following the receipt of the notice by notifying the Issuer that it will provide such financing on the terms set out in the notice.

15.3 If the Agent fails to give notice within the 7 days that it will provide such financing upon the terms set out in the notice, the Issuer will then be free to make other arrangements to obtain financing from another source on the same terms or on terms no less favourable to the Issuer, subject to obtaining the acceptance of the Regulatory Authorities.

15.4 The right of first refusal will not terminate if, on receipt of any notice from the Issuer under this Section, the Agent fails to exercise the right.

16. ASSIGNMENT AND SELLING GROUP PARTICIPATION

16.1 The Agent will not assign this Agreement or any of its rights under this Agreement or, with respect to the Securities, enter into any agreement in the nature of an option or a sub-option unless and until, for each intended transaction, the Agent has obtained the consent of the Issuer and notice has been given to and accepted by the Regulatory Authorities.

16.2 The Agent may offer selling group participation in the normal course of the brokerage business to selling groups of other licensed dealers, brokers and investments dealers, who may or who may not be offered part of the commissions or warrants to be received by the Agent pursuant to this Agreement.

17. ELIGIBILITY FOR INVESTMENT

17.1 The Issuer covenants that it will obtain confirmation from the Exchange that the Shares will be listed on the Exchange as of the Closing Day (the “**Eligibility Confirmation**”).

17.2 The Issuer acknowledges that the Agent is relying on the Eligibility Confirmation with respect to sales of the Shares into registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts (collectively, the “**Plans**”) and agrees that, if the Issuer has fulfilled its obligations under Section 17.1 by obtaining an Eligibility Confirmation and if the Exchange does not issue a bulletin in relation to the listing of the Shares at the close of market on the business day before the Closing, the Issuer will immediately notify the Agent and Closing may be delayed, at the sole discretion of the Agent.

18. NOTICE

18.1 Any notice under this Agreement will be given in writing and must be delivered by hand, e-mail or by fax to the parties at:

Issuer
Nexco Resources Inc.

Agent
Canaccord Genuity Corp.

200 – 551 Howe Street
Vancouver, BC V6C 2c2

Attention: Robert Coltura
Email: rcoltura@matalia.ca

2200 – 609 Granville Street
Vancouver, BC V7Y 1H2

Attention: Frank G. Sullivan
Email: frank.sullivan@canaccord.com

or to such other addresses as may be given in writing by the parties hereto in the manner provided for in this paragraph.

18.2 If notice is sent by facsimile transmission or is delivered, it will be deemed to have been given at the time of transmission or delivery.

18.3 If notice is mailed, it will be deemed to have been received 48 hours following the date of mailing of the notice.

18.4 If there is an interruption in normal mail service due to strike, labour unrest or other cause at or prior to the time a notice is mailed the notice will be sent by facsimile transmission or will be delivered.

19. TIME

Time is of the essence of this Agreement and will be calculated in accordance with the provisions of the *Interpretation Act* (British Columbia).

20. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

The representations, warranties, covenants and indemnities of the parties contained in this Agreement will survive the closing of the purchase and sale of the Securities.

21. LANGUAGE

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

22. ENUREMENT

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

23. HEADINGS

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

24. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement and supersedes any other previous agreement between the parties with respect to the Offering and there are no other terms, conditions, representations or warranties whether express, implied, oral or written by the Issuer or the Agent.

25. COUNTERPARTS

This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original and all of which will constitute one agreement, effective as of the reference date given above.

26. LAW

This Agreement and its application and interpretation will be governed exclusively by the laws prevailing in British Columbia. The parties to this Agreement consent to the jurisdiction of the courts of British Columbia, which courts shall have exclusive jurisdiction over any dispute of any kind arising out of or in connection with this Agreement.

This Agreement was executed and delivered as of the date given above.

NEXCO RESOURCES INC.

Per: "Robert Coltura"

Authorized Signatory

CANACCORD GENUITY CORP.

Per: "Frank G. Sullivan"

Authorized Signatory