

## AGENCY AGREEMENT

June 11, 2019

Mongoose Mining Ltd.  
215 Edward Street  
Victoria, BC V9A 3E4

**Attention: John Van Driesum  
Chief Executive Officer**

Dear Sir:

We understand that Mongoose Mining Ltd. (the “**Company**”) wishes to appoint Canaccord Genuity Corp. (the “**Agent**”) to act as sole and exclusive agent on a commercially reasonable efforts basis for an offering by the Company of a minimum of 5,000,000 Common Shares (as defined herein) (the “**Offered Shares**”) at a price of \$0.10 per Offered Share (the “**Offering Price**”), representing aggregate gross proceeds of a minimum of \$500,000. The Offered Shares proposed to be issued and sold (the “**Offering**”) will be distributed to the public by way of long-form prospectus filed with the appropriate securities regulatory authorities in each of British Columbia, Alberta, Saskatchewan, Yukon and other Canadian jurisdictions as may be determined by prior written agreement of the Company and the Agent (the “**Qualifying Jurisdictions**”) and by way of private placement in such offshore jurisdictions as may be determined by prior written agreement of the Company and the Agent (the “**Offshore Jurisdictions**”) and, together with the Canadian Jurisdictions, the “**Offering Jurisdictions**”).

Subject to the terms and conditions set forth in this Agreement, the Company hereby appoints the Agent, and the Agent accepts such appointment, to act as the Company’s sole and exclusive agent on a commercially reasonable efforts basis to sell the Offered Shares pursuant to the Offering in the Offering Jurisdictions, and to act as the Company’s exclusive lead manager and sole bookrunner for the Offering. The Company acknowledges and agrees that the Agent is under no obligation to purchase any of the Offered Shares, although the Agent may purchase Offered Shares if it so desires.

In addition, the Company hereby grants to the Agent an option (the “**Over-Allotment Option**”) for the purpose of satisfying over-allocations, if any, and for market stabilization purposes by the Agent. The Over-Allotment Option shall entitle the Agent to offer for purchase and sale, in the Agent’s sole discretion and on the basis set forth below, 750,000 additional Common Shares (the “**Over-Allotment Shares**”) from the Company at a price per Over-Allotment Share equal to the Offering Price and on the same basis as the Offering. The Over-Allotment Option shall be exercisable, in whole or in part, and at any time and from time to time, until 4:00 p.m. (Calgary time) (the “**Over-Allotment Option Expiry Time**”) on the 60<sup>th</sup> day following the Closing Date (as defined herein). If the Agent elects to exercise the Over-Allotment Option, the Agent shall provide written notice (the “**Exercise Notice**”) to the Company prior to the Over-Allotment Option Expiry Time, which Exercise Notice shall specify the number of Over-Allotment Shares to be offered by the Agent and the date on which such Over-Allotment Shares are to be offered (the “**Over-Allotment Option Closing Date**”). The Over-Allotment Option Closing Date may

be the same as the Closing Date, but not earlier than the Closing Date, and shall be at least two (2) Business Days (as defined below), but not more than five (5) Business Days, after the date on which the Exercise Notice is delivered to the Company. The Company acknowledges and agrees that the Agent is under no obligation to purchase any of the Over-Allotment Shares, although the Agent may purchase Over-Allotment Shares if it so desires.

The Offered Shares and the Over-Allotment Shares are hereinafter collectively referred to as the “**Offered Shares**”. Unless the context otherwise requires, all references to the Offered Shares and to the Offering shall assume the exercise of the Over-Allotment Option and all references to the Offering shall include the issuance and sale of Over-Allotment Shares, if any.

In consideration for the Agent’s services hereunder, the Company agrees to pay the Agent:

- (a) a fee (“**Agent’s Fee**”) of 10% of the gross proceeds from the sale of the Offered Shares, payable in cash or Common Shares issued at the Offering Price (the “**Agent’s Fee Shares**”), or any combination of cash or Agent’s Fee Shares, at the option of the Agent. The option granted to the Agent to receive Agent’s Fee Shares is referred to herein as the “**Agent’s Fee Option**”;
- (b) warrants (the “**Agent’s Warrants**”) entitling the Agent to subscribe for that number of Common Shares (each an “**Agent’s Warrant Share**”) as is equal to 10% of the aggregate number of Offered Shares sold pursuant to the Offering. Each Agent’s Warrant is exercisable to purchase one Agent’s Warrant Share at the Offering Price for a period of 24 months following the Listing Date (as defined herein); and
- (c) a corporate finance fee (the “**Agent’s Corporate Finance Fee**”) of \$25,000 payable in cash, half of which being due upon the execution of the Engagement Letter and half of which shall be deducted from the net proceeds on the earliest Closing Date (as defined herein).

The terms and conditions among the Company and the Agent are set forth below.

## 1. Definitions

In this Agreement:

“**Agent**” has the meaning given above;

“**Agent’s Compensation**” means, collectively, the Agent’s Fee, the Agent’s Warrants and the Agent’s Corporate Finance Fee;

“**Agent’s Corporate Finance Fee**” has the meaning given above;

“**Agent’s Fee**” has the meaning given above;

“**Agent’s Fee Option**” has the meaning given above;

“**Agent’s Fee Option Cash**” has the meaning given to it in Section 15(a)(ii)

“**Agent’s Fee Option Exercise Notice**” has the meaning given to it in Section 15(a);

“**Agent’s Fee Option Expiry Time**” has the meaning given to it in Section 15(a);

“**Agent’s Fee Shares**” has the meaning given above;

“**Agent’s Information**” has the meaning given to it in Section 7(a);

“**Agent’s Warrant Certificate**” means the certificate representing and setting out the terms and conditions of the Agent’s Warrants, in form and content satisfactory to the Agent;

“**Agent’s Warrant Share**” has the meaning given above;

“**Agent’s Warrants**” has the meaning given above;

“**Agreement**” means this Agency Agreement, as amended from time to time;

“**Alternative Transaction**” has the meaning given to it in Section 30(c);

“**Applicable Law**” means, in relation to any person or persons, the Applicable Securities Laws and all other statutes, regulations, rules, orders, by-laws, codes, ordinances, decrees, the terms and conditions of any grant of approval, permission, authority or licence, or any judgment, order, decision, ruling, award, policy or guidance document, of any Governmental Authority that are applicable to such person or persons or its or their business, undertaking, property or securities and emanate from a Governmental Authority, having jurisdiction over the person or persons or its or their business, undertaking, property or securities;

“**Applicable Securities Laws**” means all applicable corporate and securities laws in each of the Qualifying Jurisdictions and the respective rules, regulations, instruments, blanket orders and blanket rulings under such laws together with applicable published policies, policy statements and notices of the Canadian Securities Administrators;

“**Audit Committee**” means the audit committee of the Board;

“**Board**” means the board of directors of the Company;

“**Business Day**” means any day, other than a Saturday or Sunday, on which commercial banks in Calgary, Alberta are open for commercial banking business during normal banking hours;

“**Chu Chua Gold Property**” or “**Property**” means the ten contiguous claims totalling 909.5 hectares and located 16 km northeast of the town of Barriere, British Columbia;

“**Claim**” has the meaning given to it in Section 20(c);

“**Closing**” means the completion of the issue and sale by the Company, and the sale by the Agent, of the Offered Shares (or any portion thereof) pursuant to this Agreement;

“**Closing Date**” means the date as agreed to by the Company and the Agent;

“**Closing Time**” means 6:00 a.m. (Calgary time) on the Closing Date and, if applicable, on each Over-Allotment Option Closing Date;

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

“**Company**” has the meaning given above;

“**Company Experts**” has the meaning given to it in Section 4(b);

“**Company Financial Statements**” means, collectively, the Financial Statements and MD&A;

“**Contaminant**” means and includes, without limitation, any pollutants, hazardous wastes, hazardous materials, hazardous substances or contaminants or any other matter (including any of the foregoing), which is defined or described as such pursuant to any applicable Environmental Law;

“**distribution**” means “distribution” or “distribution to the public”, as the case may be, as defined under the Applicable Securities Laws of the Qualifying Jurisdictions; and “distribute” has a corresponding meaning;

“**Due Diligence Sessions**” has the meaning given to it in Section 4(b);

“**Engagement Letter**” means the engagement letter dated February 22, 2019 of the Agent, accepted by the Company on February 25, 2019;

“**Environmental Activity**” means and includes, without limitation, any past, present or future activity, event or circumstance by or in respect of a Contaminant, including, without limitation, the storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation thereof, or the release, escape, leaching, dispersal or migration thereof into the natural environment, including the movement through or in the air, soil, surface water or groundwater);

“**Environmental Laws**” means and includes, without limitation, any and all Applicable Laws relating to the environment, occupational health and safety, or any Environmental Activity;

“**Exchange**” means the Canadian Securities Exchange;

“**Exercise Notice**” has the meaning given above;

“**Final Prospectus**” means the (final) prospectus dated June 11, 2019 relating to the distribution of the Offered Shares;

“**Financial Statements**” means, collectively, the audited financial statements of the Company for the period from incorporation on January 16, 2019 and ended March 31, 2019, together with the notes thereto, and which are appended to the Prospectus;

“**Governmental Authorities**” means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts,

bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities: having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographical or political subdivision of any them; or exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

“**Governmental Licenses**” has the meaning given to it in Section 8(nnn);

“**Hazardous Materials or Conditions**” means any material, substance (including, without limitation, pollutants, contaminants, hazardous or toxic substances or wastes) or condition that is regulated by or may give rise to liability under any Environmental Laws;

“**Indemnified Party**” has the meaning given to it in Section 20(c);

“**knowledge**” means the knowledge, information and awareness of John van Driesum and Chris Allchorne, after having made due and applicable inquiries and investigations in connection with such facts and circumstances that would ordinarily be made by officers of mining companies of similar size to the Company in the discharge of their duties;

“**Lien**” means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature, or any other arrangement or condition which, in substance, secures payment or performance of an obligation;

“**Listing Date**” means the date that the Offered Shares and Agent’s Fee Shares are listed and posted for trading on the Exchange;

“**Material Adverse Effect**” or “**Material Adverse Change**” means any fact, effect, change, event, occurrence or development that, alone or in conjunction with any other fact, effect, change, event, occurrence or development: (i) is or is reasonably likely to be materially adverse to the results of operations, condition (financial or otherwise), assets, properties, capital, liabilities (contingent or otherwise), cash flows, income, prospects or business operations of the Company, or (ii) would result in the Preliminary Prospectus, the Prospectus or any Prospectus Amendment containing a misrepresentation;

“**marketing materials**” shall have the meaning ascribed thereto under the Applicable Securities Laws of the Qualifying Jurisdictions;

“**material change**” shall have the meaning ascribed thereto under the Applicable Securities Laws of the Qualifying Jurisdictions;

“**material fact**” shall have the meaning ascribed thereto under the Applicable Securities Laws of the Qualifying Jurisdictions;

“**MD&A**” means the management’s discussion and analysis of the financial condition and results of operations of the Company for the period ended March 31, 2019;

“**Mining Rights**” means all interests in mining claims, concessions, mining leases, leases of occupation, prospecting, exploration, exploitation, mining or extraction rights, participating

interests or other property interests or rights or similar rights, as applicable, relating to the Property;

“**misrepresentation**” shall have the meaning ascribed thereto under the Applicable Securities Laws of the Qualifying Jurisdictions;

“**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*;

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

“**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*;

“**notice**” has the meaning given to it in Section 27;

“**Offered Shares**” has the meaning given above;

“**Offering**” has the meaning given above;

“**Offering Documents**” means, collectively, the Prospectus and the Supplementary Material;

“**Offering Jurisdictions**” has the meaning given above;

“**Offering Price**” has the meaning given above;

“**Offshore Jurisdictions**” has the meaning given above;

“**Over-Allotment Option**” has the meaning given above;

“**Over-Allotment Option Closing**” means the completion of the sale by the Company to the Agent of the Over-Allotment Shares;

“**Over-Allotment Option Closing Date**” has the meaning given above;

“**Over-Allotment Option Closing Time**” means 6:00 a.m. (Calgary time) on the Over-Allotment Option Closing Date;

“**Over-Allotment Option Expiry Time**” has the meaning given above;

“**Over-Allotment Shares**” has the meaning given above;

“**person**” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, company, limited liability company, unlimited liability company or Governmental Authority and, where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

“**Preliminary Prospectus**” means the preliminary prospectus relating to the distribution of the Offered Shares dated March 11, 2019;

“**Property Option Agreement**” means the option agreement dated January 24, 2019 made among the Issuer and Ken Ellerbeck and Gerald Locke with respect to the Chu Chua Gold Property;

“**Prospectus**” means, collectively, the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment;

“**Prospectus Amendment**” means any amendment to the Preliminary Prospectus or the Final Prospectus;

“**Purchaser**” means a purchaser of Offered Shares under the Offering;

“**Qualified Securities**” means the Qualified Shares and the Agent’s Warrants;

“**Qualified Shares**” means the Offered Shares and the Agent’s Warrant Shares;

“**Qualifying Jurisdictions**” means each of British Columbia, Alberta, Saskatchewan and Yukon;

“**Responses**” means the written and verbal responses provided by the Company at the Due Diligence Sessions;

“**Sales Tax**” has the meaning given to it in Section 15;

“**Sanctions**” has the meaning given to it in Section 8(kkk);

“**Securities Commissions**” means, collectively, the securities commission or securities regulatory authority in each of the Qualifying Jurisdictions, and “**Securities Commission**” means any one of them;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval;

“**Selling Firm**” has the meaning given to it in Section 5(a);

“**Stock Option Plan**” means the share option plan of the Company;

“**Subsidiary**” has the meaning ascribed thereto in the Applicable Securities Laws of the Province of British Columbia;

“**Supplementary Material**” means, collectively, any ancillary material, information, evidence, return, report, application, statement or document which may be filed by or on behalf of the Company under the Applicable Securities Laws of the Qualifying Jurisdictions relating to the distribution of the Qualified Securities;

“**Technical Report**” means the independent technical report entitled “Technical Report on the Chu Chua Gold Property, British Columbia, Canada”, prepared by Dr. R.I. Thomson Ph.D., P. Eng., dated February 15, 2019; and

“**template version**” has the meaning given to it in NI 41-101.

Unless otherwise expressly provided in this Agreement, words importing only the singular number include the plural and vice versa and words importing gender, include all genders. References to “Sections” are to the appropriate section of this Agreement.

All references to dollars or “\$” are to Canadian dollars unless otherwise expressed.

## **2. Appointment of Agent**

The Company appoints the Agent as its exclusive agent in respect of the Offering and the Agent accepts the appointment and agrees to act as the exclusive agent of the Company in respect of the Offering and to use its commercially reasonable efforts to sell the Offered Shares in the Offering Jurisdictions. The Agent agrees to use its commercially reasonable efforts to sell the Offered Shares, but it is hereby understood and agreed that the Agent shall act as agent only and are under no obligation to purchase any of the Offered Shares, although the Agent may subscribe for the Offered Shares if it so desires.

## **3. Compliance with Securities Laws**

The Company represents and warrants to the Agent that:

- (a) the Company has prepared and filed the Preliminary Prospectus and other related documents required by Applicable Securities Laws with the Securities Commissions and has obtained a receipt from the British Columbia Securities Commission for the Preliminary Prospectus;
- (b) pursuant to NP 11-202, a receipt for the Preliminary Prospectus is deemed to have been issued by the Securities Commission in each of the Qualifying Jurisdictions other than the Province of British Columbia. The Company will, forthwith after any comments of the Securities Commissions in respect of the Preliminary Prospectus have been addressed to the satisfaction of the Securities Commissions, prepare and file the Final Prospectus, in form and substance satisfactory to the Agent, acting reasonably, together with other related documents required by Applicable Securities Laws (including, without limitation, the template version of any marketing materials, as applicable), with the Securities Commissions and obtain a receipt from the British Columbia Securities Commission for the Final Prospectus as soon as possible after such filing, but in any event no later than 5:00 p.m. (Calgary time) on June 30, 2019. Pursuant to NP 11-202, a receipt for the Final Prospectus will be deemed to have been issued by the Securities Commission in each of the Qualifying Jurisdictions other than British Columbia;
- (c) The Company will promptly fulfil and comply with, to the satisfaction of the Agent, acting reasonably, all Applicable Securities Laws required to be fulfilled or complied with by the Company to enable:
  - (i) the Offered Shares to be lawfully distributed to the public in the Qualifying Jurisdictions through the Agent or any other investment dealers or brokers registered as such in the Qualifying Jurisdictions; and



- (ii) the Agent's Warrants, the Agent's Warrant Shares, the Agent's Fee Option and the Agent's Fee Shares to be lawfully distributed to the Agent in the Qualifying Provinces; and
- (d) Until the date on which the distribution of the Offered Shares is completed, the Company will promptly take, or cause to be taken, all additional steps and proceedings that may from time to time be required or desirable under Applicable Securities Laws to continue to qualify the distribution of the Qualified Securities in the Qualifying Jurisdictions. The Agent agrees to assist the Company in all reasonable respects to secure compliance with all regulatory requirements in connection with the Offering.

#### **4. Due Diligence**

- (a) Prior to the filing of the Final Prospectus, the Company shall permit the Agent to review and participate in the preparation of the Prospectus and shall allow the Agent to conduct any due diligence investigations which it requires in order to fulfil its obligations as an agent under Applicable Securities Laws and in order to enable it to responsibly execute the certificate in the Prospectus required to be executed by it.
- (b) Without limiting the generality of the foregoing, the Company shall make available its directors, senior management and Audit Committee, and shall use its commercially reasonable efforts to cause its auditors, independent geologists and legal counsel and other experts (collectively, the "**Company Experts**") to be available, to answer any questions which the Agent may have and to participate in one or more due diligence sessions to be held prior to the completion of the distribution of the Offered Shares (collectively, the "**Due Diligence Sessions**"). The Agent shall distribute the list of written questions to be answered in advance of each such Due Diligence Session and the Company shall provide written responses to such questions and shall use its commercially reasonable efforts to have the Company Experts provide written responses to such questions in advance of each of the Due Diligence Sessions.

#### **5. Restrictions on Sale and Certain Other Obligations**

- (a) The Agent will be permitted to appoint, at its sole expense, other registered dealers or brokers as its agents to assist in the distribution of the Offered Shares. The Agent shall comply, and shall require any such dealer or broker, other than the Agent, with which the Agent has a contractual relationship in respect of the distribution of the Offered Shares (a "**Selling Firm**"), to comply with Applicable Securities Laws in connection with the distribution of the Offered Shares and to offer the Offered Shares for sale to the public directly and through Selling Firms upon the terms and conditions set out in the Final Prospectus and this Agreement. The Agent shall, and shall require any Selling Firm to agree to, offer for sale to the public and sell the Offered Shares only in those Offering Jurisdictions where they may be lawfully offered for sale or sold.

- (b) From the date hereof until the later of the Closing Date or the Over-Allotment Option Closing Date, the Company and the Agent, covenant and agree:
  - (i) not to provide any potential investor of Offered Shares with any marketing materials unless a template version of such marketing materials has been: (i) approved in writing by the Company and the Agent, each acting reasonably, and (ii) filed by the Company with the Securities Commissions on or before the day such marketing materials are first provided to any potential investor of Offered Shares; and
  - (ii) not to provide any potential investor with any materials or information in relation to the distribution of the Offered Shares or the Company other than: (i) such marketing materials that have been approved and filed in accordance with this Section 5(b) and that are otherwise in compliance with Applicable Securities Laws; (ii) the Prospectus; and (iii) any standard term sheets approved in writing by the Company, such approval not to be unreasonably withheld.
- (c) The Agent shall be entitled to assume that the Qualified Securities are qualified for distribution in each of the Qualifying Jurisdictions unless otherwise notified in writing by the Company prior to the Closing Time.
- (d) The Company and the Agent hereby acknowledge that the Qualified Securities have not been and will not be registered under the U.S. Securities Act or any U.S. state securities or “blue sky” laws.

## **6. Delivery of Documents**

- (a) On or prior to the time of filing of the Final Prospectus, the Company shall deliver to the Agent (except to the extent such documents have been previously delivered to the Agent or are available on SEDAR):
  - (i) a copy of each of the Preliminary Prospectus and the Final Prospectus signed and certified by the Company as required by Applicable Securities Laws in the Qualifying Jurisdictions;
  - (ii) a copy of any other document required to be filed by the Company under Applicable Securities Laws;
  - (iii) a “long-form” comfort letter of MNP LLP, dated the date of the Final Prospectus (with the requisite procedures to be completed by such auditors no earlier than two (2) Business Days prior to the date of the Final Prospectus), addressed to the Agent, the Company and the directors of the Company, in form and substance satisfactory to the Agent, acting reasonably, with respect to certain financial and numerical information relating to the Company contained in the Final Prospectus, which letter shall be in addition to the auditors’ report contained in the Final

Prospectus and any auditors' comfort letter addressed to the Securities Commissions;

- (iv) a certificate, that is dated and signed, of each qualified person responsible for preparing or supervising the preparation of all or part of the Technical Report, pursuant to section 8.1 of NI 43-101;
  - (v) a statement of each qualified person responsible for preparing or supervising the preparation of all or part of the Technical Report, pursuant to section 8.3 of NI 43-101; and
  - (vi) a copy of the letter from the Exchange advising the Company that conditional approval of the listing of the Offered Shares, the Agent's Warrant Shares, and the Agent's Fee Shares has been granted by the Exchange, subject only to the satisfaction of customary conditions.
- (b) In the event that the Company is required by Applicable Securities Laws to prepare and file a Prospectus Amendment (including in the circumstances referred to in Section 13), the Company shall prepare and deliver promptly to the Agent signed and certified copies of such Prospectus Amendment. Any Prospectus Amendments shall be in form and substance satisfactory to the Agent, acting reasonably. Concurrent with the delivery of any Prospectus Amendment, the Company shall deliver to the Agent, with respect to such Prospectus Amendment, documents similar to those referred to in Section 6(a).

## **7. Representations as to Prospectus and Prospectus Amendments**

Filing of the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment shall constitute a representation and warranty by the Company to the Agent that, as at their respective dates:

- (a) the information and statements (except information and statements relating solely to the Agent which have been provided by the Agent to the Company in writing specifically for use in the Preliminary Prospectus, the Final Prospectus, or any Prospectus Amendment (collectively, "**Agent's Information**")) contained in the Preliminary Prospectus, the Final Prospectus, and any Prospectus Amendment are true and correct and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Company, the Qualified Securities and the Offering;
- (b) no material fact or information has been omitted from such disclosure (except for Agent's Information) that is required to be stated in such disclosure or that is necessary to make a statement contained in such disclosure not misleading in the light of the circumstances under which it was made; and
- (c) except with respect to any Agent's Information, such documents comply in all material respects with the requirements of Applicable Securities Laws.

Such filings shall also constitute the Company's consent to the Agent's use of the Preliminary Prospectus, the Final Prospectus, and any Prospectus Amendment in connection with the distribution of the Offered Shares in the Qualifying Jurisdictions in compliance with this Agreement.

## **8. Additional Representations and Warranties of the Company**

The Company represents and warrants to the Agent, and acknowledges that the Agent is relying upon such representations and warranties, that:

- (a) the Company has been duly incorporated or organized and is validly existing as a corporation in good standing under the laws of the Province of British Columbia, and has the corporate power, capacity and authority to own, lease and operate its property and assets, to conduct its business as now conducted and as currently proposed to be conducted and to carry out the provisions hereof;
- (b) the Company, where required, has been duly qualified as an extra-provincial or foreign corporation for the transaction of business and is in good standing under the laws of each jurisdiction in which it owns or leases property, or conducts any business unless, in each case, the failure to so qualify in any such jurisdiction would not have a Material Adverse Effect;
- (c) the Company has no Subsidiary and no investment in any person which in either case is or could be material to the business and affairs of the Company;
- (d) the Company is conducting and has conducted its business in compliance in all material respects with all Applicable Laws of each jurisdiction in which its business is carried on and 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 Applicable Laws;
- (e) the Company is not in breach or violation of any judgment, order or decree of any Governmental Authority or court having jurisdiction over the Company;
- (f) the Company has not been served with or otherwise received notice of any legal proceeding, action, suit or inquiry or governmental proceedings and there are no legal proceedings, actions, suits, or inquiries or governmental proceedings (whether or not purportedly on behalf of the Company) pending to which the Company is a party or of which any property or assets of the Company is the subject which is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect, or which might reasonably be expected to materially and adversely affect the consummation by the Company of the transactions contemplated by this Agreement, and, to the knowledge of the Company, no such proceedings, actions, suits or inquiries have been threatened or contemplated by any Governmental Authority or any other persons;
- (g) the only mineral properties or interest in any mineral properties of the Company that is material to the Company is the Property. The description of the Property and the Mining Rights as set out in the Prospectus constitutes a complete and

accurate description, in all material respects, of the Property and the Mining Rights;

- (h) the Company is the legal and beneficial owner of and has good, valid and marketable title in fee simple to, or has valid rights to lease or otherwise use, all Mining Rights that are material to the business of the Company as currently conducted or proposed to be conducted as set out in the Prospectus, in each case free and clear of all liens, encumbrances, charges, claims, defects and imperfections of title except as disclosed in the Prospectus;
- (i) the Mining Rights are, in all material respects, in good standing, valid and enforceable, and no royalty, commission or similar payment is payable in respect of any of them, other than as set out in the Prospectus;
- (j) no property rights other than the Mining Rights are necessary for the conduct of the Company's business at the Property as currently conducted or proposed to be conducted as set out in the Prospectus. The Mining Rights cover the areas required by the Company for such purposes;
- (k) there are no expropriations or similar proceedings or any challenges, including by Indigenous groups, to title or ownership, actual or threatened, of which the Company or any of its subsidiaries has received notice against the Mining Rights or any part thereof and, to the knowledge of the Company, no such expropriations, proceedings or challenges are contemplated, which could reasonably be expected to have a Material Adverse Effect;
- (l) except as may be required by Applicable Law, there are no material restrictions on the ability of the Company to use, transfer or otherwise exploit any of the Mining Rights, and the Company does not know of any claim or basis for a claim that may adversely affect such rights;
- (m) the Company is not a party to any agreement restricting the Company to or from operating within a particular area;
- (n) other than as set out in the Prospectus, the Company has not granted any person any earn-in, option, right of first refusal or any other right to acquire the Mining Rights or any portion of the Mining Rights;
- (o) the Company has complied with the requirements of NI 43-101 in all material respects, and the Technical Report accurately and completely sets forth all material facts relating to the Property as at the date of such report and there is no new material scientific or technical information nor any other fact or circumstance that has triggered or would trigger any requirement to prepare or file updated reports;
- (p) the information set forth in the Prospectus relating to the estimates of the mineral resources and reserves of the Property has been prepared in accordance with Canadian industry standards set forth in NI 43-101 and the method of estimating the mineral resources and reserves has been verified, to the extent required by

Law, by “qualified persons” (as such term is defined in NI 43-101) and the information upon which such estimates were based, was, at the time of delivery thereof, complete and accurate in all material respects and there have been no Material Adverse Changes to such information since the date of delivery or preparation thereof;

- (q) no proposed acquisition by the Company has progressed to a state where a reasonable person would believe that the likelihood of the Company completing the acquisition is high and that, if completed by the Company at the date of the Final Prospectus, would be a significant acquisition for the purposes of Applicable Securities Laws, in each case, that would require the prescribed disclosure in the Prospectus pursuant to such laws;
- (r) the Financial Statements:
  - (i) have been prepared in accordance with Applicable Securities Laws and International Financial Reporting Standards, applied on a consistent basis throughout the periods referred to therein, except as otherwise disclosed therein;
  - (ii) present fairly, in all material respects, the financial position and condition of the Company as at the respective dates thereof and the results of its operations and the changes in its shareholder’s equity and cash flows for the period ended, and do not contain a misrepresentation; and
  - (iii) have been audited (in the case of the annual financial statements comprising the Financial Statements) or will have been reviewed by the filing of the Prospectus (in the case of the interim financial statements comprising the Financial Statements) by independent public accountants within the meaning of Applicable Securities Laws and the rules of the Canadian Institute of Chartered Accountants;
- (s) there has not been any reportable disagreement or event (within the meaning of NI 51-102) with the auditors of the Company;
- (t) the Audit Committee is not reviewing or investigating, and neither the Company’s auditors nor its internal accountants have recommended that the Audit Committee review or investigate, (i) adding to, deleting, changing the application of, or changing the Company’s disclosure with respect to, any of the Company’s material accounting policies; or (ii) any matter which could result in a restatement of the Company’s financial statements comprising the Company Financial Statements;
- (u) the Audit Committee’s responsibilities and composition comply with National Instrument 52-110 - *Audit Committees* of the Canadian Securities Administrators;
- (v) the Company has established and maintains a system of disclosure controls and procedures and internal control over financial reporting, and has: (i) designed such disclosure controls and procedures, or caused them to be designed under

management's supervision, to provide reasonable assurance that material information relating to the Company is made known to management by others, particularly during the period in which the financial statements are being prepared; and (ii) designed such internal control over financial reporting, or caused it to be designed under management's supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards;

- (w) the Company does not have any material liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Financial Statements;
- (x) the Company does not have any loans or other indebtedness outstanding which have been made to or from any of its shareholders, officers, directors or employees or any other person not dealing at arm's length with it;
- (y) other than this Agreement or agreements entered into in the ordinary course of business, including, without limitation, agreements for financial advisory services in respect of the arrangement of debt or equity funding (copies of which have been provided to the Agent), the Company is not a party to or bound by any agreement of guarantee, indemnification (other than an indemnification of directors and officers in accordance with its by-laws and indemnity agreements entered into among the Company and its directors and officers) or any other like commitment in respect of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (z) other than as disclosed in the Prospectus, no officer, director, employee or any other person not dealing at arm's length with the Company or, to the knowledge of the Company, any associate or affiliate of any such person, owns, has or is entitled to any royalty, net profits, interest, carried interest or any other encumbrances or claim of any nature whatsoever, which are based on production from the Company's properties or assets, including the Property (or the Company's proposed properties or assets) or any revenue or rights attributed thereto;
- (aa) other than as disclosed in the Prospectus, no director or officer, former director or officer, or shareholder or employee of, or any other person not dealing at arm's length with the Company will continue after the Closing to be engaged in any transaction or arrangement with or to be a party to a contract with, or has any indebtedness, liability or obligation to, the Company, except for employment or consulting arrangements with employees or consultants or those serving as a director or officer of the Company as described in the Final Prospectus and for indemnity agreements to which the Company and current or former officers or directors are party, copies of which have been previously provided to the Agent's legal counsel;

- (bb) to the knowledge of the Company, no officer, director, employee of or consultant to the Company is subject to any limitations or restrictions on their activities or investments, including any non-competition provisions, that would materially limit or restrict their involvement with the Company or the business and affairs of the Company;
- (cc) except as disclosed in the Prospectus, none of the directors, officers or shareholders who beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the outstanding Common Shares or any known associate or affiliate of any such person, had or has any material interest, direct or indirect, in any transaction or any proposed transaction (including, without limitation, any loan made to or by any such person) with the Company which, as the case may be, materially affects, is material to or will materially affect the Company;
- (dd) to the knowledge of the Company, none of its directors or officers, is subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange;
- (ee) to the knowledge of the Company, no insider (as such term is defined in the Applicable Securities Laws) of the Company has a present intention to sell any securities of the Company held by it;
- (ff) the Company has duly and on a timely basis filed all foreign, federal, state, provincial and municipal tax returns required to be filed by it, has paid all taxes due and payable by the Company and has paid all assessments and reassessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which are claimed by any Governmental Authority to be due and owing and adequate provision has been made for taxes payable for any completed fiscal period for which tax returns are not yet required to be filed;
- (gg) there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return or payment of any tax, governmental charge or deficiency by the Company;
- (hh) at the Closing Time, the Company will be a reporting issuer in each of the Qualifying Jurisdictions;
- (ii) the Company is not in default under the Applicable Securities Laws of any of the Qualifying Jurisdictions and is not on the list of defaulting issuers maintained by any Securities Commission in the Qualifying Jurisdictions;
- (jj) to the knowledge of the Company, no agreement is in force or effect which in any manner affects the voting or control of any of the securities of the Company;
- (kk) the authorized and issued Common Shares of the Company as at March 31, 2019 are as disclosed in the Prospectus under the heading "Consolidated Capitalization" and all such issued Common Shares are validly issued and



outstanding, and no person, firm or corporation has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming such a right, agreement or option or privilege (whether pre-emptive or contractual), for the issue or allotment of any unissued shares in the capital of the Company or any other security convertible into or exchangeable for any such shares, or to require the Company to purchase, redeem or otherwise acquire any of the outstanding securities in the capital of the Company, except as disclosed in the Prospectus;

- (ll) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its shares since incorporation;
- (mm) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all necessary corporate action of the Company and this Agreement has been duly executed and delivered by the Company and this Agreement constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, provided that enforcement hereof and thereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction and that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable;
- (nn) the execution and delivery of this Agreement, the fulfillment of the terms hereof by the Company and the issuance, creation, offer, sale and delivery, as the case may be, of the Qualified Securities, the Agent's Fee Option, and the Agent's Fee Shares does not and will not:
  - (i) require the consent, approval, authorization, registration or qualification of or with any Governmental Authority, stock exchange, Securities Commission or other third party, except such as have been obtained or will be obtained or such as may be required (and, other than the final listing approval of the Exchange once the Exchange's standard listing conditions are satisfied, which shall be obtained by the Company prior to the Closing Time) under Applicable Securities Laws or stock exchange regulations; or
  - (ii) result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with:
    - (A) any of the terms, conditions or provisions of the notice of articles, articles or resolutions of the shareholders, directors or any committee of directors of the Company;
    - (B) any indenture, agreement or instrument to which the Company is a party or by which it or they are contractually bound; or

- (C) any statute, rule, regulation or law applicable to the Company, including, without limitation, the Applicable Securities Laws, or any judgment, order or decree of any Governmental Authority or court having jurisdiction over the Company; and
- (iii) affect the rights, duties and obligations of any parties to any indenture, agreement or instrument to which the Company is a party, nor give a party the right to terminate any such indenture, agreement or instrument by virtue of the application of terms, provisions or conditions in such indenture, agreement or instrument;
- (oo) the Company has the corporate power, capacity and authority to issue the Qualified Securities, the Agent's Fee Option, and the Agent's Fee Shares and the Qualified Securities, the Agent's Fee Option, and the Agent's Fee Shares have been duly authorized, allotted and reserved for issuance;
- (pp) at the applicable Closing Time, the Offered Shares will be duly and validly issued and outstanding as fully paid and non-assessable Common Shares;
- (qq) at the applicable Closing Time, the Agent's Warrants will be duly and validly created and issued;
- (rr) at the applicable Closing Time, the Agent's Fee Option will be duly and validly created and issued;
- (ss) upon exercise of the Agent's Warrants in accordance with the terms of the Agent's Warrant Certificate, the Agent's Warrant Shares will be duly and validly issued and outstanding as fully paid and non-assessable Common Shares;
- (tt) upon exercise of the Agent's Fee Option in accordance with the terms of this Agreement, the Agent's Fee Shares will be duly and validly issued and outstanding as fully paid and non-assessable Common Shares;
- (uu) upon the issuance thereof, none of the Qualified Securities, the Agent's Fee Option, or the Agent's Fee Shares will have been issued in violation of or subject to any pre-emptive or contractual rights to purchase securities issued or granted by the Company;
- (vv) the Company has not taken, and will not take, directly or indirectly, any action which constitutes stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Shares;
- (ww) the Company is not currently prohibited, directly or indirectly, from paying any dividends, from making any other distribution on its capital stock, or other securities, or from paying any interest or repaying any loans, advances or other indebtedness of the Company, except as otherwise described in the Final Prospectus or as limited by applicable laws;

- (xx) there is no legislation or governmental regulations in effect or, to the knowledge of the Company, proposed which would have or would be reasonably expected to have a Material Adverse Effect;
- (yy) no default exists under and no event has occurred which, after notice or lapse of time or both, or otherwise, constitutes a default under or breach of, by the Company or any other person, any material obligation, agreement, covenant or condition contained in any material contract, indenture, trust, deed, mortgage, loan agreement, note, lease or other agreement or instrument to which the Company is a party or by which it or any of its properties may be bound;
- (zz) no order, ruling or determination having the effect of suspending the sale or ceasing the trading of the Qualified Securities, the Agent's Fee Option, the Agent's Fee Shares or any other security of the Company has been issued or made by any Securities Commission or stock exchange or any other regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated or threatened by any such authority or under any Applicable Securities Laws;
- (aaa) except for the Agent as provided herein, there is no person, firm or corporation acting for the Company entitled to any brokerage or finder's fee in connection with this Agreement or any of the transactions contemplated hereunder;
- (bbb) the Offered Shares qualify as eligible investments as described in the Preliminary Prospectus under the heading "Eligibility for Investment" and the Company will not take or permit any action within its control which would cause the Offered Shares to cease to be qualified, during the period of distribution of the Offered Shares, as eligible investments to the extent so described in the Prospectus;
- (ccc) the minute books and records of the Company made available to the Agent and its counsel in connection with the Agent's due diligence investigation of the Company for the periods from its date of incorporation to the date of examination thereof are all of the minute books and records of the Company and contain copies of all material proceedings (or certified copies thereof) of the shareholders, the Board and all committees of the Board to the date of review of such corporate records and minute books and there have been no other meetings, resolutions or proceedings of the shareholders, Board or any committees of the Board to the date of review of such corporate records and minute books not reflected in such minute books and other records, other than those which are not material to the Company;
- (ddd) the Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged, and the Company has no reason to believe that it will not be able to renew the existing insurance coverage of the Company as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost as would not have a Material Adverse Effect;

- (eee) the Company:
- (i) and the property, assets and operations thereof comply, to the best of the Company's knowledge, in all material respects with all applicable Environmental Laws;
  - (ii) does not have any knowledge of, and has not received any notice of, any material claim, judicial or administrative proceeding, pending or threatened against, or which may materially adversely affect, the Company or any of the property, assets or operations thereof, relating to, or alleging any violation of any Environmental Laws, the Company is not aware of any facts which could give rise to any such claim or judicial or administrative proceeding and, to the best of the Company's knowledge, neither the Company nor any of the property, assets or operations thereof, is the subject of any investigation, evaluation, audit or review by any Governmental Authority to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is needed in connection with a release of any Contaminant into the environment, except for compliance investigations conducted in the normal course by any Governmental Authority;
  - (iii) has not given or filed any notice under any federal, state, provincial or local law with respect to any Environmental Activity, the Company does not, to the best of the Company's knowledge, have any liability (whether contingent or otherwise) in connection with any Environmental Activity and the Company is not aware of any notice being given under any federal, state, provincial or local law or of any liability (whether contingent or otherwise) with respect to any Environmental Activity relating to or affecting either the Company or the property, assets, business or operations thereof;
  - (iv) has not stored any hazardous or toxic waste or toxic substance on the property thereof and neither has disposed of any hazardous or toxic waste, in each case in a manner contrary to any Environmental Laws, and, to the best of the Company's knowledge, there are no Contaminants on any of the premises at which the Company carries on business, in each case other than in compliance with Environmental Laws; and
  - (v) is not, to the best of the Company's knowledge, subject to any contingent or other liability relating to the restoration or rehabilitation of land, water or any other part of the environment or relating to non-compliance with Environmental Laws;
- (fff) the Company is in compliance with all Applicable Laws respecting employment and employment practices, terms and conditions of employment, pay equity and wages, except where such non-compliance would not constitute a Material Adverse Effect concerning the Company or result in an adverse material change to the Company and has not and is not engaged in any unfair labour practice, there

is no labour strike, dispute, slowdown, stoppage, complaint or grievance pending or, to the best of the knowledge of the Company after due inquiry, threatened against the Company, no union representation question exists respecting the employees of the Company and no collective bargaining agreement is in place or currently being negotiated by the Company, the Company has not received any notice of any unresolved matter and there are no outstanding orders under the *Employment Standards Act* (British Columbia), the *Human Rights Code* (British Columbia), the *Occupational Health and Safety Act* (British Columbia) or the *Workers' Compensation Act* (British Columbia) or any other similar legislation in any jurisdiction in which the Company carries on business and, other than as set out in the Prospectus, no employee has any agreement as to the length of notice required to terminate his or her employment with the Company in excess of twelve months or equivalent compensation and all benefit or pension plans of the Company are funded in accordance with Applicable Laws and no past service funding liability exist thereunder;

- (ggg) at the time of delivery thereof to the Agent:
- (i) the Preliminary Prospectus complied, and the Prospectus and all Supplementary Material, if any, will comply, fully with the requirements of Applicable Securities Laws;
  - (ii) the Preliminary Prospectus provided, and the Prospectus and all Supplementary Material, if any, will provide, full, true and plain disclosure of all material facts relating to the Company and the Qualified Securities; and
  - (iii) the Preliminary Prospectus did not, and the Prospectus and all Supplementary Material, if any, will not, contain any misrepresentation;
- (hhh) the form and terms of the certificate representing the Common Shares have been approved and adopted by the Board and the form and terms of the certificate representing the Common Shares do not and will not conflict with any Applicable Laws or the rules and by-laws of the Exchange;
- (iii) Odyssey Trust Company, at its principal offices in Vancouver, British Columbia has been duly appointed as the registrar and transfer agent for the Common Shares;
- (jjj) neither the Company nor any of its affiliates, nor any of their directors, officers, employees or agents, has made any bribe, payoff, influence payment, kickback or unlawful contribution or other payment to any official of, or candidate for, any federal, state, provincial or foreign office, or failed to disclose fully any contribution, in violation of any Applicable Law, or made any payment to any foreign, Canadian, United States, or provincial or state governmental officer or official or other person charged with similar public or quasi-public duties, violated or is in violation of any provision of the *Corruption of Foreign Public Officials Act* (Canada), the *Foreign Corrupt Practices Act of 1977* (United

States), as amended, or any similar law, regulation or statute in any applicable jurisdictions;

- (kkk) neither the Company nor, to the knowledge of the Company, any director, officer, agent, employee or representative of the Company or the subsidiaries, is an individual or entity that is, or is owned or controlled by a person that is: (i) the subject of any sanctions administered or enforced by the U.S. government (including, without limitation, the U.S. Department of Treasury's Office of Foreign Assets Control or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), by the Office of the Superintendent of Financial Institutions in Canada, the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority having jurisdiction over the Company or the subsidiaries (collectively, "**Sanctions**"); or (ii) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Cuba, Iran, North Korea, Sudan, the Crimean region and Syria);
- (lll) the operations of the Company have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements of applicable anti-money laundering statutes of jurisdictions where the Company and the subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any applicable governmental agency having jurisdiction over the Company;
- (mmm) since March 31, 2019, there has been no Material Adverse Change (actual, anticipated, contemplated or threatened) in the business, assets (including intangible assets), affairs, operations, prospects, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise) or results of operations of the Company, and the business and material property and assets of the Company conform in all material respects to the descriptions thereof contained in the Prospectus;
- (nnn) the Company possesses such permits, certificates, licences, approvals, registrations, qualifications, consents and other authorizations (collectively, "**Governmental Licences**") issued by the appropriate Governmental Authorities necessary to conduct the business now operated by it in all jurisdictions in which it carries on business, that are material to the conduct of the business of the Company (as such business is currently conducted); the Company is in material compliance with the terms and conditions of all such Governmental Licences; all of such Governmental Licences are in good standing, valid and in full force and effect; the Company has not received any notice of proceedings relating to the revocation, suspension, termination or modification of any such Governmental Licences, and there are no facts or circumstances including, without limitation, facts or circumstances relating to the revocation, suspension, modification or termination of any Governmental Licenses held by others, known to the Company, that could lead to the revocation, suspension, modification or

termination of any such Governmental Licenses if the subject of an unfavourable decision, ruling or finding, except where such revocation, suspension, modification or termination is not in respect of a material Governmental Licence or where such revocation, suspension, modification or termination would not, individually or in the aggregate, have a Material Adverse Effect; the Company is not in default with respect to filings to be effected or conditions to be fulfilled in order to maintain such Governmental Licenses in good standing; none of such Governmental Licenses contains any term, provision, condition or limitation which has or would reasonably be expected to affect or restrict in any material respect the operations or the business of the Company as now carried on or proposed to be carried on; and the Company has no reason to believe that any party granting any such Governmental Licenses is considering limiting, suspending, modifying, withdrawing or revoking the same in any material respect;

- (ooo) the statistical, industry and market related data included in the Prospectus are derived from sources which the Company reasonably believes to be accurate, reasonable and reliable, such data agrees with the sources from which it was derived and the Company has obtained consent for such inclusion to the extent required by Applicable Law; and
- (ppp) the responses given by the Company and its officers at the Due Diligence Sessions, as they relate to matters of fact, shall be true and correct in all material respects as at the time such responses are given and such responses taken as a whole shall not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given; and where the responses reflect the opinion or view of the Company or its officers (including responses or portions of such responses which are forward-looking or otherwise relate to projections, forecasts, or estimates of future performance or results (operating, financial or otherwise)), such opinions or views are subject to the qualifications and assumptions set forth in such responses believed to be reasonable at the time they are given.

## **9. Covenants of the Company**

The Company covenants with the Agent that:

- (a) it will advise the Agent, promptly after receiving notice thereof, of the time when the Final Prospectus or any Prospectus Amendment has been filed and when the receipt(s) in respect thereof, if any, have been obtained and will provide evidence satisfactory to the Agent of each filing and the issuance or deemed issuance of receipts from all of the Securities Commissions;
- (b) it will advise the Agent promptly after receiving notice or obtaining knowledge of: (i) the issuance by any Securities Commission of any order suspending or preventing the use of the Preliminary Prospectus, the Prospectus or any Supplementary Material or suspending or seeking to suspend the trading of the Offered Shares, the Agent's Fee Shares, or the Agent's Warrant Shares; (ii) the suspension of the qualification of the Qualified Securities for issuance, offering or

sale in any of the Qualifying Jurisdictions; (iii) the institution, threatening or contemplation of any proceeding for any such purposes; or (iv) any requests made by any Securities Commission for amending or supplementing the Preliminary Prospectus or the Prospectus or any Supplementary Material or for additional information, and will use its commercially reasonable efforts to prevent the issuance of any order referred to in (i) or (ii) above and, if any such order is issued, to obtain the withdrawal thereof as promptly as possible;

- (c) it will use its commercially reasonable efforts to promptly do, make, execute, deliver or cause to be done, made executed or delivered, all such acts, documents and things as the Agent may reasonably require from time to time for the purpose of giving effect to this Agreement and take all such steps as may be reasonably within their power to implement to their full extent the provisions of this Agreement;
- (d) the Company will apply the net proceeds from the issue and sale of the Offered Shares substantially in accordance with the disclosure under the heading “*Use of Proceeds*” in the Final Prospectus;
- (e) it shall use its reasonable commercial efforts to maintain its status as a “reporting issuer” (or the equivalent thereof) not in default of the requirements of the Applicable Securities Laws to the date which is two years following the latest Closing Date; and
- (f) it shall use its reasonable commercial efforts to maintain the listing of the Common Shares on the Exchange or such other recognized stock exchange or quotation system as the Agent may approve, acting reasonably, to the date that is two years following the latest Closing Date.

## **10. Commercial Copies**

The Company shall cause commercial copies of the Final Prospectus to be delivered to the Agent without charge, in such quantities and in such cities as the Agent may reasonably request by written or oral instructions to the printer of such documents. Such delivery of the Final Prospectus, if applicable, shall be effected as soon as possible after filing thereof with the Securities Commissions, in electronic and printed form, but in any event on or before 5:00 p.m. (Calgary time) on the day that is 5 Business Days after filing (for the electronic form and for deliveries in Calgary) and on or before noon (local time) on the day that is 7 Business Days after filing (for deliveries other than in Calgary).

## **11. Change of Closing Date**

Subject to the termination provisions contained in Section 19, if a material change or a change in a material fact occurs prior to the Closing Date or the Over-Allotment Option Closing Date, if the Over-Allotment Option is exercised, the Closing Date or the Over-Allotment Option Closing Date, as applicable, shall be, unless the Company and the Agent otherwise agree in writing or unless otherwise required under Applicable Securities Laws, the sixth Business Day following the later of:



- (a) the date on which all applicable filings or other requirements of Applicable Securities Laws with respect to such material change or change in a material fact have been complied with in all Qualifying Jurisdictions and any appropriate receipt(s) obtained for such filings and notice of such filings from the Company or its counsel have been received by the Agent; and
- (b) the date upon which the commercial copies of any Prospectus Amendments have been delivered in accordance with Section 10.

## **12. Completion of Distribution**

The Agent shall: (i) use its commercially reasonable efforts to complete and cause each Selling Firm to complete the distribution of the Offered Shares as soon as reasonably practicable after the Closing Time; (ii) promptly notify the Company when, in the opinion of the Agent, the Agent and the Selling Firms have completed distribution of the Offered Shares, including notice of the total proceeds realized or number of Offered Shares sold in each of the Offering Jurisdictions, and provide all such other notices and documents as may be required by the Securities Commissions or the Exchange in connection with the sale of the Offered Shares pursuant to the Prospectus and this Agreement; (iii) use their reasonable commercial efforts to ensure that the float and distribution requirements set forth in section 1.2 of Policy 2 – *Qualifications for Listing* of the Exchange are satisfied at Closing; and (iv) offer and sell the Offered Shares only in the Offering Jurisdictions.

## **13. Material Change or Change in Material Fact During Distribution**

- (a) During the period from the date of this Agreement to the later of the Closing Date and the date of completion of distribution of the Offered Shares under the Final Prospectus, the Company shall promptly notify the Agent in writing of:
  - (i) any of the representations or warranties made by the Company in this Agreement no longer being true and correct in all material respects at any particular time (but following the Closing Time, after giving effect to the transactions contemplated by this Agreement), except in respect of any representations and warranties that are to be true and correct as of a specified date (in which case the Company shall notify the Agent if the representations or warranties are no longer true and correct as of that date), and except in respect of any representations and warranties that are subject to a materiality qualification, in which case they will be true and correct in all respects;
  - (ii) any filing made by the Company of information relating to the offering of the Offered Shares with any securities exchange or Governmental Authority in Canada or the United States or any other jurisdiction;
  - (iii) any material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise), capital or prospects of the Company;

- (iv) any material fact, within the meaning of Applicable Securities Laws, which has arisen or has been discovered and would have been required to have been stated in the Final Prospectus had the fact arisen or been discovered on, or prior to, the date of such document; and
  - (v) any change in any material fact within the meaning of Applicable Securities Laws (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the Final Prospectus, or any Prospectus Amendment which fact or change is, or may be, of such a nature as to render any statement in the Final Prospectus, or any Prospectus Amendment misleading or untrue in any material respect or which would result in a misrepresentation (within the meaning of Applicable Securities Laws) in the Final Prospectus or any Prospectus Amendment, which would result in the Final Prospectus or any Prospectus Amendment containing any untrue statement of a material fact or omitting any statement that is necessary to make a statement contained in such disclosure not misleading in light of the circumstances under which it was made or which would result in the Final Prospectus or any Prospectus Amendment not complying (to the extent that such compliance is required) with Applicable Securities Laws, in each case, as at any time up to and including the later of the Closing Date and the date of completion of the distribution of the Offered Shares.
- (b) The Company shall promptly, and in any event within any applicable time limitation, comply, to the satisfaction of the Agent, acting reasonably, with all applicable filings and other requirements under Applicable Securities Laws as a result of a fact or change referred to in Section 13(a), provided that the Company shall not file any Prospectus Amendment or other document without first obtaining from the Agent the approval of the Agent, after consultation with the Agent with respect to the form and content thereof, which approval will not be unreasonably withheld. The Company shall in good faith discuss with the Agent any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt whether written notice need be given under this Section 13.

#### **14. Change in Applicable Securities Laws**

If during the period of distribution of the Offered Shares there shall be any change in Applicable Securities Laws which requires the filing of a Prospectus Amendment, the Company shall, to the satisfaction of the Agent, acting reasonably, promptly prepare and file such Prospectus Amendment with the appropriate securities regulatory authority in each of the Qualifying Jurisdictions where such filing is required.

#### **15. Agent's Compensation and Tax Matters**

In consideration of the Agent's agreement to sell the Offered Shares, the Company agrees to pay the Agent's Compensation to the Agent at the Closing Time. The portion of the Agent's Compensation represented by the Agent's Fee shall be paid pursuant to the following terms:

- (a) the Agent's Fee Option shall be exercisable, in whole or in part, and at any time and from time to time, until 5:00 p.m. (Calgary time) (the "**Agent's Fee Option Expiry Time**") on the day that is two days before the Closing Date. If the Agent elects to exercise the Agent's Fee Option, the Agent shall provide written notice ("**Agent's Fee Option Exercise Notice**") to the Company prior to the Agent's Fee Option Expiry Time, which Agent's Fee Option Exercise Notice shall specify:
  - (i) the number of Agent's Fee Shares to be delivered by the Company to the Agent (or at the direction of the Agent) at the Closing Time; and
  - (ii) if applicable, the amount of the remaining Agent's Fee to be payable in cash in Canadian dollars by wire transfer of immediately available funds (subject to the right of the Agent's to net such funds as set out below), net of any withholding, stamp, value added or other taxes ("**Agent's Fee Option Cash**"), at the Closing Time; and
- (b) if the Agent fails to deliver the Agent's Fee Option Exercise Notice prior to the Agent's Fee Option Expiry Time, the Agent shall be deemed to have elected to receive the entire Agent's Fee in Agent's Fee Option Cash at the Closing Time.

Fees and other amounts payable under this Agreement may be subject to goods and services tax, harmonized sales tax, value added tax, sales tax or other similar tax ("**Sales Tax**"). If Sales Tax is applicable, an additional amount equal to the Sales Tax will be charged to and will be payable by the Company. Where the Agent claims reimbursement of out-of-pocket expenses the Sales Tax component of such expenses (if any) will be recharged to the Company only to the extent the Agent is unable to obtain an input tax credit or refund in relation to that Sales Tax component. If any fee or other amount payable under this Agreement is deemed by the *Excise Tax Act* (Canada) or similar federal or provincial legislation to include Sales Tax, the fee or other amount payable shall be increased accordingly. For purposes of calculating any amounts payable under this Agreement, if the applicable amount is denominated in a currency other than Canadian dollars, then the Canadian dollar equivalent of any such amount shall be calculated by the Agent by reference to the exchange rate between the Canadian dollar and the relevant currency on the date the applicable amount is due under this Agreement, as quoted by a reputable published source. The Company also agrees to pay the Agent's expenses as set forth in Section 21. The Company acknowledges that the Agent's Fee Option Cash and the Agent's expenses may, at the option of the Agent, on behalf of the Agent, be deducted from the amount paid by the Agent to the Company in respect of the gross proceeds from the sale of the Offered Shares to be delivered pursuant to Section 16.

## **16. Delivery of Offering Price, Offered Shares and Agent's Compensation**

- (a) The purchase and sale of the Offered Shares shall be completed at the Closing Time (and, if applicable, at each Option Closing Time) at the offices of DLA Piper (Canada) LLP in Calgary, Alberta or at such other place as the Agent and the Company may agree upon.

- (b) At the applicable Closing Time, the Company shall duly and validly cause the deposit of the Offered Shares, in uncertificated form to the CDS account of the Agent, or in the manner directed by the Agent in writing, registered in the name of “CDS & Co.” or in such other name or names as the Agent may direct the Company in writing not less than 24 hours prior to the Closing Time. Alternatively, if requested by the Agent, at the applicable Closing Time, the Company shall duly and validly deliver to the Agent one or more definitive share certificate(s) representing the Offered Shares registered in the name of “CDS & Co.” or in such other name or names as the Agent may direct the Company in writing not less than 24 hours prior to such applicable Closing Time;
- (c) In either case, delivery by the Company of the Offered Shares and payment of the applicable Agent’s Compensation (as set out below) shall be against payment by the Agent to the Company of the aggregate Offering Price for the Offered Shares (which, for greater certainty, shall be net of both the Agent’s Expenses described in Section 21 and, if applicable, the aggregate amount of Agent’s Fee Option Cash payable pursuant to Section 15) by wire transfer of immediately available funds together with a receipt signed by the Agent for such Offered Shares and acknowledging receipt of payment of the Agent’s Compensation.
- (d) In addition, at the applicable Closing Time, the Company shall deliver to the Agent or as otherwise directed by the Agent:
  - (i) Agent’s Warrant Certificates representing the aggregate number of Agent’s Warrants deliverable pursuant to this Agreement;
  - (ii) the Agent’s Corporate Finance Fee; and
  - (iii) if applicable, Agent’s Fee Shares representing the aggregate number of Agent’s Fee Shares deliverable pursuant to Section 15.

**17. Delivery of Offered Shares**

- (a) The Company shall, prior to each Closing Date, make all necessary arrangements for the preparation and electronic deposit (and, in the case of definitive certificates, execution and delivery of such definitive certificate(s) representing the Offered Shares) of the Offered Shares on the Closing Date in Calgary, Alberta.
- (b) The Company shall pay all fees and expenses payable to its registrar and transfer agent in connection with the preparation and electronic deposit (and, in the case of definitive certificates, execution and delivery of such definitive certificate(s) representing the Offered Shares) of the Offered Shares contemplated by this Section 17 and the fees and expenses payable to such transfer agent and registrar as may be required in the course of the distribution of the Offered Shares.
- (c) All transfer, documentary, sales, use, stamp, registration and other such taxes and fees (including any penalties, additions to tax and interest) incurred in connection

with the delivery of the Offered Shares shall be paid by the Company, and the Company shall indemnify and hold harmless the Agent in the event that the payment of any such taxes, or the receipt of indemnification payments under this Section 17, results in any tax incurred by the Agent.

## **18. Conditions to Agent's Obligation to Purchase**

The Agent's obligation hereunder shall be subject to the representations and warranties of the Company contained in this Agreement being accurate as of the date of this Agreement and as of the Closing Date, to the Company having performed all of its obligations under this Agreement, to the receipt of all required regulatory approvals, and to the following additional conditions:

(a) Delivery of Opinions

- (i) The Agent shall have received at the Closing Time a legal opinion dated the Closing Date, subject to customary qualifications, in form and substance satisfactory to the Agent, acting reasonably, addressed to the Agent and counsel to the Agent from DLA Piper (Canada) LLP, as to the laws of Canada and the Qualifying Jurisdictions, which counsel in turn may rely upon the opinions of local counsel where it deems such reliance proper as to the laws other than those of Canada and of British Columbia and upon the opinions of tax counsel where it deems such reliance proper, and all of such counsel may rely as to matters of fact, on certificates of Governmental Authorities and officers of the Company and letters from stock exchange representatives and transfer agents, with respect to the following matters and substantially in the following form:
- (A) the Company has been duly incorporated and is validly subsisting under the laws of the jurisdiction of its incorporation and has all the requisite corporate capacity, power and authority to carry on its business as conducted by it and as proposed to be conducted by it, and to own the properties and assets owned by it or proposed to be owned by it, in each case as described in the Final Prospectus;
  - (B) the Company has the corporate capacity, power and authority to enter into this Agreement and to perform its obligations set out herein (including to file the Prospectus and to issue and deliver to the Agent the Offered Shares) and this Agreement has been duly authorized, executed and delivered by the Company and constitutes legal, valid and binding obligations of the Company enforceable against the Company in accordance with their terms;
  - (C) the execution and delivery of this Agreement and the fulfillment of the terms hereof by the Company do not and will not result in a breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or constitute a default under:

- (I) any applicable laws of the Province of British Columbia or the federal laws of Canada applicable therein;
  - (II) any term or provision of the articles or notice of articles of the Company or, of which counsel is aware, any resolutions of the shareholders or directors (or any committee thereof) of the Company;
  - (III) of which counsel is aware, any written agreement or other document to which the Company is a party on the Closing Date; or
  - (IV) of which counsel is aware, any judgment, decree or order of any court, governmental agency or body or regulatory authority, in each case in British Columbia, having jurisdiction over the Company or its properties or assets;
- (D) the authorized, issued and outstanding share capital of the Company;
- (E) the Offered Shares, the Agent's Warrants, the Agent's Warrant Shares underlying the Agent's Warrants, the Agent's Fee Option and the Agent's Fee Shares underlying the Agent's Fee Option have been duly and validly authorized and, if applicable, reserved for issuance and, if applicable, created; and when the Offered Shares, Agent's Warrant Shares underlying the Agent's Warrants, and, if applicable, the Agent's Fee Shares underlying the Agent's Fee Option have been delivered and paid for in accordance with this Agreement or the Agent's Warrant Certificate on the applicable Closing Date or date of exercise, as applicable, such shares will be, validly issued as fully paid and non-assessable Common Shares;
- (F) the rights, privileges, restrictions and conditions attaching to the Common Shares are accurately summarized in all material respects in the Prospectus;
- (G) the form and terms of any definitive certificates representing the Offered Shares, Agent's Warrant Shares, and Agent's Fee Shares and the Agent's Warrant Certificate have been duly approved by the Board and comply in all material respects with the provisions of the *Business Corporations Act* (British Columbia) and the written policies of the Exchange, as applicable;
- (H) all necessary corporate action has been taken by the Company to authorize the execution of each of the Preliminary Prospectus, the Final Prospectus and, if applicable, any Prospectus Amendments

and the filing of such documents under Applicable Securities Laws in each of the Qualifying Jurisdictions;

- (I) the Offered Shares are eligible investments as set out under the heading “Eligibility for Investment”;
- (J) Odyssey Trust Company at its principal offices in the city of Vancouver, British Columbia has been duly appointed as the transfer agent and registrar for the Common Shares;
- (K) all documents have been filed by the Company, all requisite proceedings have been taken by the Company and all approvals, permits and consents of the appropriate regulatory authorities in the Qualifying Jurisdictions have been obtained by the Company under Applicable Securities Laws to qualify the Offered Shares for distribution and sale to the public in each of the Qualifying Jurisdictions through registrants properly registered under the applicable laws of the Qualifying Jurisdictions who have complied with the relevant provisions of such Applicable Securities Laws as well as the distribution of the Agent’s Warrants;
- (L) the Offered Shares, the Agent’s Warrant Shares underlying the Agent’s Warrants, and, if applicable, the Agent’s Fee Shares underlying the Agent’s Fee Option have been conditionally approved for listing by the Exchange, subject to the fulfilment of the terms set forth in the Exchange’s letter dated June 10, 2019;
- (M) the Company is a “reporting issuer” in each of the Qualifying Jurisdictions; and
- (N) as to all other legal matters, including compliance by the Company with Applicable Securities Laws in the Qualifying Jurisdictions in any way connected with the creation, issuance, sale and delivery of the Offered Shares, the Agent’s Warrants, the Agent’s Warrant Shares underlying the Agent’s Warrants, the Agent’s Corporate Finance Fee Shares, the Agent’s Fee Option, and, if applicable, the Agent’s Fee Shares underlying the Agent’s Fee Option, as the Agent or the Agent’s counsel may reasonably request.

(b) Delivery of Comfort Letters at Closing

- (i) The Agent shall have received at the Closing Time a letter dated the Closing Date, in form and substance satisfactory to the Agent, addressed to the Agent, the Company and the directors of the Company, from MNP LLP, confirming the continued accuracy of the comfort letter to be delivered to the Agent pursuant to Section 6(a)(iii) with such changes as may be necessary to bring the information in such letter forward to a date

not more than two (2) Business Days prior to the Closing Date, provided such changes are acceptable to the Agent, acting reasonably.

(c) Delivery of Certificates

- (i) The Agent shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Agent and signed by an appropriate officer of the Company acceptable to the Agent, acting reasonably, with respect to the constating documents of the Company, all resolutions of the Board relating to this Agreement and the incumbency and specimen signatures of signing officers of the Company and such other matters as the Agent may reasonably request.
- (ii) The Agent shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Agent and signed on behalf of the Company by the Chief Executive Officer and the Chief Financial Officer, certifying for and on behalf of the Company and without personal liability, after having made due enquiry and after having read the Final Prospectus and any Prospectus Amendments:
  - (A) that since the respective dates as of which information is given in the Final Prospectus, as amended by any Prospectus Amendments:
    - (i) there has been no material change (actual, anticipated, contemplated or threatened, whether financial or otherwise) in the business, affairs, prospects, operations, assets, liabilities (contingent or otherwise) or capital of the Company; and
    - (ii) no transaction has been entered into by either the Company which is material to the Company, other than as disclosed in the Final Prospectus or the Prospectus Amendments, as the case may be;
  - (B) that the Prospectus does not contain a misrepresentation and contains full, true and plain disclosure of all material facts relating to the Offered Shares (other than any Agent's Information) and that the Prospectus did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;
  - (C) that no order, ruling or determination having the effect of suspending the sale or ceasing the trading of the Common Shares or any other securities of the Company has been issued by any Governmental 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 under any of Applicable Securities Laws or by any other Governmental Authority;



- (D) that the Company has complied with the terms and conditions of this Agreement on its part to be complied with at or prior to the Closing Time; and
- (E) that the representations and warranties of the Company contained in this Agreement and in any certificates or other documents delivered by the Company pursuant to or in connection with this Agreement are true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement, except in respect of any representations and warranties that are to be true and correct as of a specified date, in which case they will be true and correct as of that date only and in respect of any representations and warranties that are subject to a materiality qualification, in which case they will be true and correct in all respects, and each of such statements shall be true.

(d) Listing Approval

The Common Shares, the Agent's Warrant Shares, and the Agent's Fee Shares, as applicable, shall have been approved for listing on the Exchange on or before the Business Day immediately preceding the Closing Date, subject only to the satisfaction by the Company of customary post-closing conditions imposed by the Exchange in similar circumstances.

(e) Over-Allotment Shares Closing Documents

The sale of Over-Allotment Shares, if any, hereunder is subject to the delivery to the Agent on the Over-Allotment Option Closing Date of opinions, letters and certificates dated as at the Over-Allotment Option Closing Date substantially similar to the opinions, letters and certificates referred to in Sections 18(a), 18(a)(i)(A) and 18(c) and such other customary closing certificates and documents as the Agent may reasonably request with respect to the good standing of the Company and other matters related to the sale and issuance of the Over-Allotment Shares.

## 19. Rights of Termination

(a) Regulatory Proceedings Out

If, after the date hereof and prior to the Closing Time, any inquiry, action, suit, investigation or other proceeding, whether formal or informal, is instituted, announced or threatened or any order is made by any federal, provincial or other Governmental Authority in relation to the Company, or there is any change of law, or interpretation or administration thereof, or there is a suspension or material limitation, imposed by law or securities regulators, in trading in securities generally on the Exchange or a general moratorium on commercial

banking activities declared by Canadian or U.S. federal authorities or a material disruption in commercial banking or securities settlement or clearance services in Canada or the United States, which in any of such cases, in the reasonable opinion of the Agent, operates to prevent or restrict the distribution or trading of the Offered Shares or which, in the reasonable opinion of the Agent, might be expected to have a significant adverse effect on the market price or value of the Offered Shares, then the Agent shall be entitled, at its option and in accordance with Section 19(e), to terminate its obligations under this Agreement by notice to that effect given to the Company any time at or prior to the Closing Time.

(b) Disaster Out

If, after the date hereof and prior to the Closing Time, there should develop, occur or come into effect or existence any event, action, state, condition or occurrence of national or international consequence (including any natural catastrophe, any outbreak or escalation of war, hostilities or terrorism, or national emergency or similar event) or any governmental action, change of applicable law or regulation (or in the judicial interpretation thereof), inquiry or other occurrence of any nature whatsoever which, in the opinion of the Agent, acting reasonably, seriously adversely affects, or involves, or may seriously adversely affect, or involve the Canadian or U.S. financial markets or the business, operations or affairs of the Company, then the Agent shall be entitled, at its option and in accordance with Section 19(e), to terminate its obligations under this Agreement by written notice to that effect given to the Company at any time at or prior to the Closing Time.

(c) Market Out

If, after the date hereof and prior to the Closing Time, the state of financial markets in Canada or the United States is such that, in the opinion of the Agent, acting reasonably, the Offered Shares cannot be marketed profitably, then the Agent shall be entitled, at its option and in accordance with Section 19(e), to terminate their obligations under this Agreement by written notice to that effect given to the Company at any time at or prior to the Closing Time.

(d) Material Change or Change in Material Fact Out

If, after the date hereof and prior to the Closing Time, there shall occur, be discovered by the Agent or be announced by the Company any change, event, fact or circumstance (actual, contemplated or threatened) of the nature referred to in Section 13(a) hereof or any development that could result in such a change, event fact or circumstance, any of which, in the opinion of the Agent, acting reasonably, could be expected to have a material adverse effect on the business, operations, capital condition (financial or otherwise), properties, assets, liabilities, obligations or affairs of the Company or the market price or value or the marketability of the Offered Shares, then the Agent shall be entitled, at its option and in accordance with Section 19(e), to terminate their obligations under this Agreement by written notice to that effect given to the Company any time at or prior to the Closing Time.

(e) Exercise of Termination Rights

The rights of termination contained in Sections 19(a), 19(b), 19(c), 19(d) and 22 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 Company in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of the Agent to the Company or on the part of the Company to the Agent, except in respect of any liability which may have arisen prior to or may arise after such termination under Sections 20 and 21.

**20. Indemnity**

(a) Rights of Indemnity

The Company agrees to indemnify and save harmless the Agent and its subsidiaries and affiliates, and each of their respective directors, officers, partners, employees, agents and controlling persons (if any), and each shareholder of the Agent, and the successors and assigns of all the foregoing persons, from and against all liabilities (joint and several), claims (including, without limitation, securityholder or derivative actions, arbitration proceedings or otherwise), losses (other than losses of profit), costs, damages, expenses, proceedings, suits or actions (and to reimburse such parties for any legal and other expenses reasonably incurred by such parties in connection with investigating or defending any such action or claim as such expenses are incurred), in any way caused by, or arising directly or indirectly from, or in consequence of the engagement and activities of the Agent under this Agreement including, without limitation:

- (i) any information or statement (except any Agent's Information) contained in the Prospectus, any Prospectus Amendment or in any certificates of the Company, delivered pursuant to this Agreement which at the time and in light of the circumstances under which it was made contains or is alleged to contain a misrepresentation within the meaning of Applicable Securities Laws;
- (ii) any omission or alleged omission to state in the Prospectus, any Prospectus Amendment or any certificates of the Company delivered pursuant to this Agreement, any material fact (other than a material fact relating solely to any Agent's Information) required to be stated in such document or necessary to make any statement in such document not misleading in light of the circumstances under which it was made (including an omission or alleged omission that would be a misrepresentation within the meaning of Applicable Securities Laws);
- (iii) any misrepresentation or alleged misrepresentation (except a misrepresentation or alleged misrepresentation which is based upon information relating solely to the Agent and furnished in writing to the Company by the Agent or the Agent's counsel, as the case may be,

expressly for inclusion in the Preliminary Prospectus or the Final Prospectus) contained in or incorporated by reference into the Preliminary Prospectus, the Final Prospectus or any Prospectus Amendment or Supplementary Material or in any other document or material filed or delivered by or on behalf of the Company pursuant hereto or any other information filed with the Securities Commissions in compliance, or intended compliance, with any Applicable Securities Laws;

- (iv) any order made, prohibition or restriction in trading made, or enquiry, investigation or proceedings commenced or threatened by any court, securities commission, stock exchange or other competent authority based upon any actual or alleged untrue statement of a material fact or omission or alleged omission to state a material fact necessary to make any statement not misleading in the light of the circumstances under which it was made or any misrepresentation or alleged misrepresentation within the meaning of Applicable Securities Laws (in each case, other than relating solely to any Agent's Information) contained in or omitted from the Prospectus or any Prospectus Amendments or based upon any failure to comply with Applicable Securities Laws (other than any failure or alleged failure to comply by the Agent), or any change of law or the interpretation or administration thereof which operates to prevent or restrict the trading in or the sale or distribution of the Offered Shares in any of the Offering Jurisdictions;
- (v) the non-compliance or alleged non-compliance by the Company with any of Applicable Securities Laws in connection with the transactions contemplated by this Agreement, including the Company's non-compliance with any statutory requirement to make any document available for inspection; or
- (vi) any breach by the Company of its representations, warranties, covenants or obligations to be complied with under this Agreement or any other document to be delivered pursuant to this Agreement,

provided, however, that in the case of Sections 20(a)(i), 20(a)(v) or 20(a)(vi) only, no party shall be entitled, to the extent that a court of competent jurisdiction in a final judgement from which no appeal can be made has determined that the liabilities, claims, losses, costs, damages, expenses, proceedings, suits or actions were primarily caused by such party's breach of agreement, gross negligence, fraud or willful misconduct, to indemnification from any person who has not engaged in such breach of agreement, gross negligence, fraud or willful misconduct (provided that for greater certainty, the foregoing shall not disentitle the Agent from claiming indemnification hereunder to the extent that the negligence, if any, relates to the Agent's failure to conduct adequate "due diligence"), and in such case the indemnity provided for in this Section 20 shall cease to apply and the Indemnified Party (as defined herein) shall promptly reimburse the Company for any funds advanced to the Indemnified Party in

respect of such liabilities, claims, losses, costs, damages, expenses, proceedings, suits or actions.

(b) Limitations of Indemnity

An Indemnified Party shall cease to be entitled to the rights of indemnity and contribution contained in Section 20(a) if: (i) the Company has complied with the provisions of Section 6 and the person asserting the Claim for which indemnity would otherwise be available was not delivered a copy of the Final Prospectus, as applicable, or was not provided with a copy of an amendment which corrects any misrepresentation contained in the Final Prospectus, as applicable, which is the basis for such Claim and which Final Prospectus or Prospectus Amendment, as applicable, is required under Applicable Securities Laws or the terms of this Agreement to be delivered to such person by the Agent or members of any Selling Firm; and (ii) and to the extent that a court of competent jurisdiction in a final judgment from which no appeal can be made determines that a Claim to which such Indemnified Party is subject was caused by or resulted from the breach of agreement, gross negligence, fraud or willful misconduct of such Indemnified Party.

(c) Notification of Claims

If any matter or thing contemplated by Section 20(a) (any such matter or thing being referred to as a “**Claim**”) is asserted against any person or company in respect of which indemnification is or might reasonably be considered to be provided, such person or company (the “**Indemnified Party**”) will notify the Company in writing as soon as possible of the particulars of such Claim (but the omission so to notify the Company of any potential Claim shall not relieve the Company from any liability which it may have to any Indemnified Party and any omission so to notify the Company of any actual Claim shall affect the Company’s liability only to the extent that such omission prejudices the defence of such Claim or results in any material increase in the liability of the Company hereunder).

(d) Retaining Counsel

(i) The Company shall be entitled to assume the defence of any such action or proceeding brought to enforce such Claim, provided, however, that:

(A) the defence shall be conducted through legal counsel reasonably satisfactory to the Indemnified Party, and

(B) the Company shall not, without the written consent of the Indemnified Party, acting reasonably, effect the settlement or compromise of, or consent to the entry of any judgement with respect to, any pending or threatened Claim in respect of which indemnification or contribution may be sought under this Agreement (whether or not the Indemnified Party is an actual or

potential party to such Claim) unless such settlement, compromise or judgement: (i) includes an unconditional release of the Indemnified Party from all liability arising out of such Claim; and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any Indemnified Party.

- (ii) In any Claim, the Indemnified Party shall have the right to retain other counsel to act on his, her or its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party, unless:
  - (A) the Company and the Indemnified Party shall have mutually agreed to the retention of the other counsel;
  - (B) the Company shall have failed to retain counsel within fourteen days following receipt by the Company of notice of any such Claim from the Indemnified Party; or
  - (C) the Indemnified Party is advised by counsel that there is an actual or potential conflict in the Company's and its interests or additional defences are available to the Indemnified Party, which makes representation by the same counsel inappropriate,

in each of which cases, the Company shall not have the right to assume the defense of such proceedings on the Indemnified Party's behalf, and, in any such case, the reasonable fees and expenses of such Indemnified Party's counsel (on a solicitor and his client basis) shall be paid by the Company, provided that the Company shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one separate law firm (in addition to any local counsel) for all such Indemnified Parties.

(e) Reimbursement

The Company agrees to reimburse the Agent monthly for the reasonable time spent by the Agent's personnel in connection with any Claim at their normal per diem rates together with such reasonable disbursements and out-of-pocket expenses incurred by such personnel in connection therewith. The Company also agrees that if any Claim is brought against, or an investigation commenced in respect of, the Company or the Company and an Indemnified Party, and personnel of the Agent will be required to testify, participate or respond in respect of or in connection with this Agreement, the Agent will have the right to retain its own counsel (provided such counsel is acceptable to the Company, acting reasonably) in connection therewith and the Company will reimburse the Agent monthly for the reasonable time spent by their personnel in connection therewith at their normal per diem rates together with such reasonable disbursements and out-of-

pocket expenses as may be incurred, including reasonable fees and disbursements of the Agent's counsel.

(f) Contribution

- (i) In order to provide for a just and equitable contribution in circumstances in which the indemnity provided for above would otherwise be available in accordance with its terms but is, for any reason, held to be unavailable to or unenforceable by the Indemnified Party or enforceable otherwise than in accordance with its terms, the Company and the Indemnified Party shall contribute to the aggregate of all claims, expenses, costs and liabilities and all losses (other than loss of profits and other consequential damages relating to the offer by the Agent of the Offered Shares pursuant to this Agreement) in such proportion as is appropriate to reflect: (i) the relative benefits of the Company on the one hand and the Agent on the other hand from the Offering; or (ii) if the allocation provided by (i) above is not permitted by Applicable Law, not only the relative benefits of the Company on the one hand and the Agent on the other hand from the offering of Offered Shares as contemplated by this Agreement, but also the relative fault of the Company and the Agent with respect to such Claim, whether or not the Company has been sued together with the Agent or sued separately from the Agent, provided, however, that:
  - (A) the Agent shall not in any event be liable to contribute, in the aggregate, any amounts in excess of the aggregate fees actually received by the Agent from the Company under this Agreement (exclusive of amounts paid for reimbursement of expenses under this Agreement or amounts paid to an Indemnified Party under this Agreement); and
  - (B) no party who has been determined by a court of competent jurisdiction in a final judgement from which no appeal can be made to have engaged in any fraud, fraudulent misrepresentation or gross negligence shall be entitled to claim contribution from any other person who has not been so determined to have engaged in such fraud, fraudulent misrepresentation or gross negligence.
- (ii) The relative benefits received by the Company, on the one hand, and the Agent, on the other hand, shall be deemed to be in the same proportion that the total proceeds of the Offering received by the Company (net of fees actually received by the Agent but before deducting expenses) bear to the fees actually received by the Agent. The amount paid or payable by an Indemnified Party as a result of such losses, claims, damages, liabilities, costs or expenses (or Claims in respect thereof) referred to above, shall be deemed to include any reasonable legal or other expenses incurred by such Indemnified Party in connection with investigating or defending any such losses, claims, damages, liabilities, costs or reasonable expenses (or Claims in respect thereof), whether or not resulting in any such Claim.

- (iii) The Company hereby waives its rights to recover contribution from the Agent with respect to any liability of the Company by reason of or arising out of any misrepresentation in the Prospectus, any Prospectus Amendment or any certificates of the Company delivered pursuant to this Agreement; provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of any misrepresentation which is based solely upon any Agent's Information.
- (iv) Each of the Company and the Agent agree that it would not be just and equitable if contributions pursuant to this Agreement were determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to above.

(g) Right in Favour of Others

It is the intention of the Company to constitute the Agent as trustees for each of their respective subsidiaries and affiliates, and each of their respective directors, officers, partners, employees, agents and controlling persons (if any), and each shareholder of the Agent, and the successors and assigns of all the foregoing persons, of the covenants of the Company under this Section 20 and the Agent agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

(h) Waiver

The Company waives any right it may have of first requiring an Indemnified Party to proceed against or enforce any other right, power, remedy or security or claim or to claim payment from any other person before claiming under this indemnity. It is not necessary for an Indemnified Party to incur expense or make payment before enforcing such indemnity.

(i) No Derogation of Other Rights

The Agent shall be indemnified by the Company to the extent and manner as set out herein. Such indemnity shall be in addition to, and not in derogation or substitution for, any other liability that any party may have, or any right that any Indemnified Party may have, apart from that indemnity and shall be binding upon and enure to the benefit of any successors, permitted assigns, heirs and personal representatives of the Company, the Agent or any other Indemnified Party. The rights of contribution are in addition to and not in derogation or substitution of any other right to contribution which any Indemnified Party may have by statute or otherwise at law or equity.

## 21. Expenses

Whether or not the transactions contemplated by this Agreement shall be completed, all expenses of or incidental to the sale and delivery of the Offered Shares and all expenses of or incidental to all other matters in connection with the offering of the Offered Shares pursuant to the Prospectus



shall be borne by the Company including, without limitation, all fees and disbursements of all legal counsel to the Company, all fees and disbursements of the Company's accountants, engineers and auditors, all expenses related to roadshows, meetings and marketing activities, all printing costs incurred in connection with the offering of the Offered Shares, including preparation and printing of the Prospectus, Prospectus Amendments, meeting presentations, greensheets, certificates, if any, representing the Offered Shares, all prospectus filing and other filing fees, all fees and expenses relating to listing the Offered Shares on any exchanges, all fees and expenses of the Company's roadshow consultants, all transfer agent fees and expenses, and all fees and expenses in connection with sale and delivery of any Over-Allotment Shares. In addition, whether or not the transactions contemplated by this Agreement shall be completed, the Company shall reimburse the Agent for all reasonable out-of-pocket expenses incurred in connection with the offering of the Offered Shares, provided that such expenses are pre-approved by the Company, including without limitation, reasonable advertising, marketing, roadshow, printing, courier, telecommunications, data searches, presentations, travel, entertainment and other reasonable expenses incurred by them in connection with the offering of the Offered Shares, including the reasonable legal fees (which amount shall not exceed the amount set forth in the Engagement Letter) and disbursements of the Agent's counsel together with all related taxes on all of the foregoing (including, without limitation, provincial sales taxes and GST). The parties hereto agree that such pre-approved expenses may be netted off of the aggregated Offering Price delivered pursuant to Section 16 hereto. The remaining Agent's expenses shall be payable by the Company if required pursuant to this Section 21, whether or not the Offering is completed, immediately upon receiving an invoice therefor from the Agent: (i) at the Closing Time; (ii) upon the issuance of an invoice from the Agent; or (iii) upon the termination of the Offering.

## **22. Conditions**

All of the terms, covenants and conditions contained in this Agreement to be satisfied by the Company prior to the Closing Time or the Option Closing Time, as applicable, shall be construed as conditions, and any breach or failure by the Company to comply with any of such terms and conditions at any time prior to the Closing Time or the Option Closing Time, as applicable, shall entitle the Agent to terminate its obligations hereunder by written notice to that effect given to the Company prior to the Closing Time or the Option Closing Time, as applicable. It is understood and agreed that the Agent may waive in whole or in part, or extend the time for compliance with, any of such terms, covenants and conditions without prejudice to its rights in respect of any such terms and conditions or any other or subsequent breach or non-compliance. If the Agent elects to terminate its obligations hereunder, the obligations of the Company hereunder shall be limited to the indemnity and contribution referred to in Section 20 and the payment of expenses referred to in Section 21 hereof.

## **23. Restrictions on Further Issues or Sales**

During the period beginning on the Closing Date and ending on the date that is 120 days after the Closing Date, the Company shall not, directly or indirectly, without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed, issue, offer or grant any option, warrant or other right to purchase or agree to issue or sell, in a public offering or by way of private placement or otherwise, any equity securities of the Company or other securities convertible into, exchangeable for, or otherwise exercisable into Common Shares or other equity

securities of the Company, or agree to do any of the foregoing or publicly announce any intention to do any of the foregoing, other than:

- (a) the Offered Shares;
- (b) the Agent's Warrants;
- (c) the Agent's Warrant Shares underlying the Agent's Warrants;
- (d) the Agent's Fee Option;
- (e) the Agent's Fee Shares underlying the Agent's Fee Option;
- (f) options granted under the Stock Option Plan and in compliance with the requirements of the Exchange, and Common Shares issuable upon exercise of such options;
- (g) the issuance of securities in connection with property or share acquisitions in the normal course of business (including, without limitation, pursuant to the Property Option Agreement).

#### **24. Survival of Representations and Warranties**

The representations, warranties, obligations and agreements of the Company contained in this Agreement (including, for greater certainty, the obligations and agreements of the Company contained in Section 20) and in any certificate delivered pursuant to this Agreement or in connection with the purchase and sale of the Offered Shares shall survive the purchase of the Offered Shares and shall continue in full force and effect and shall remain unaffected by any subsequent disposition by the Agent of the Agent's Warrant Shares underlying the Agent's Warrants, or, if applicable, the Agent's Fee Shares underlying the Agent's Fee Option, or the termination of the Agent's obligations and shall not be limited or prejudiced by any investigation made by or on behalf of the Agent in connection with the preparation of the Prospectus or the distribution of the Offered Shares; provided that, the representations and warranties of the Company shall continue in full force and effect for such maximum period of time as that during which a Purchaser may be entitled to commence an action, or exercise a right of rescission, with respect to a misrepresentation contained in the Prospectus, pursuant to Applicable Securities Laws in any Qualifying Jurisdiction. Notwithstanding the foregoing, in the case of any fraud or fraudulent misrepresentation of the Company, the representations, warranties, obligations and agreements of the Company contained in this Agreement or in agreements, certificates or other documents referred to in this Agreement or delivered pursuant to this Agreement shall survive the purchase and sale of the Offered Shares and the termination of this Agreement and shall continue in full force and effect indefinitely.

#### **25. Time**

Time is of the essence in the performance of the parties' respective obligations under this Agreement.

## 26. Governing Law

The Company and the Agent agree that any legal suit or proceeding arising with respect to this Agreement will be tried exclusively in the courts of the Province of British Columbia in Vancouver and the Company and the Agent agree to submit to the jurisdiction of, and to venue in, such courts. This Agreement shall be governed and construed in accordance with the laws of the Province of British Columbia and federal laws of Canada applicable therein, without regard to principles of conflicts of laws. Any right to trial by jury with respect to any action or proceeding arising in connection with or as a result of either our engagement or any matter referred to in this Agreement is hereby waived by the parties hereto.

## 27. Notice

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:

- (a) If to the Company, addressed and sent to:

Mongoose Mining Ltd.  
215 Edward Street  
Victoria, British Columbia V9A 3E4

Attention: John Van Driesum  
Email: john@iwinwcb.com

with a copy to:

DLA Piper (Canada LLP)  
Suite 1000, 250 – 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 0C1

Attention: Trevor Wong-Chor  
E-mail: trevor.wong-chor@dlapiper.com

- (b) If to Canaccord Genuity Corp., addressed and sent to:

Canaccord Genuity Corp.  
Suite 2400, 520 – 3<sup>rd</sup> Avenue S.W.  
Calgary, Alberta T2P 0R3

Attention: Jeff German  
E-mail: jgerman@canaccordgenuity.com

with a copy in each case to:

Fasken Martineau DuMoulin LLP  
3400 – 350, 7<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3N9

Attention: Sarah Gingrich  
E-mail: sgingrich@fasken.com

or to such other address as any of the parties may designate by giving notice to the others in accordance with this Section 27. Each notice shall be personally delivered to the addressee or sent by fax or e-mail to the addressee. A notice which is personally delivered or delivered by fax or e-mail shall, if delivered prior to 5:00 p.m. (Calgary time) 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.

## **28. Publicity**

Neither the Company nor the Agent shall make any public announcement concerning the appointment of the Agent or the Offering without the consent of the other parties, acting reasonably, and any public announcements shall be made in compliance with Applicable Securities Laws. After completion of the Offering, the Agent shall be entitled (for greater certainty, without the consent of the Company) to place advertisements in financial and other newspapers and journals at their own expense describing their services hereunder.

## **29. Agent's Activities**

The Company acknowledges that the Agent and its affiliates carry on a range of businesses, including providing institutional and retail brokerage, investment advisory, research, investment management, securities lending and custodial services to clients and trading in financial products as agent or principal. It is possible that the Agent, its divisions and other entities in its group that carry on those businesses may hold long or short positions in securities of companies or other entities, which are or may be involved in the transactions contemplated in this Agreement and effect transactions in those securities for their own account or for the account of their respective clients. The Company agrees that these divisions and entities may hold such positions and effect such transactions without regard to the Company's interest under this Agreement.

## **30. Future Financings and Business**

- (a) If at any time from the date hereof until the date that is one (1) year from the Closing Date, the Company (a) proposes to obtain additional debt or equity financing through a brokered financing, (b) decides to hedge, lock-in or swap any currency or interest rate exposure relating to its business, (c) proposes a material corporate transaction, such as an amalgamation, recapitalization, merger, take-over bid, joint venture, plan of arrangement or reorganization, or (d) receives an unsolicited take-over bid, and the Company requires the services of a lead manager, underwriter, private placement agent and/or exclusive financial advisor, or other professional services, sponsorship or advisory services performed (or normally performed) by a broker or investment dealer, the Company agrees to engage the Agent as its co-lead manager, underwriter, private placement agent and/or exclusive financial advisor (as the case may be, depending on the nature of the transaction) in connection with such transaction, subject to agreeing on mutually acceptable fee arrangements. The terms and conditions relating to any such services will be outlined in a separate engagement letter, underwriting

agreement or agency agreement and the fees for such services will be in addition to the fees payable pursuant to this Agreement, will be negotiated separately and in good faith and will be consistent with fees paid to North American investment bankers for similar services to similar companies.

- (b) Notwithstanding Section 30(a), if the Company receives an unsolicited offer to provide any such services from another lead manager, underwriter, private placement agent or exclusive financial advisor (as the case may be, depending on the nature of the transaction), professional services, sponsorship or advisory services performed (or normally performed) by a broker or investment dealer, the Company shall provide written notice to the Agent of the terms of the proposed transaction and the Agent will have the option to accept the mandate on substantially the same terms as set out in the notice within 48 hours of receiving the notice. Failure to respond within 48 hours shall deem the Agent to have declined its option under this Agreement. If the Agent declines to accept the terms of the offer from the Company, the Company may engage any other person as manager, underwriter, private placement agent and/or financial advisor, provided that such terms and conditions or any such engagement shall be no more favourable to such other person as the terms and conditions offered by the Company to the Agent. Where the Agent declines to accept the terms of the offer, the right shall be waived for that particular engagement only. If the Agent declines, in writing, or fails to respond within 48 hours of such notice, the Company may proceed with such offering through another agent or underwriter, provided the arrangements with such agent or underwriter are entered into within 30 days thereafter (it being acknowledged and agreed by the Agent that if the Company issues any securities to which the foregoing would apply, but does not retain or utilize a registered dealer as agent therefore, the foregoing shall not apply to such issuance, unless any of the subscribers to the issuance of such securities is a subscriber or beneficial purchaser of securities pursuant to the Offering).
- (c) If the Company does not complete the Offering, but the Company or any affiliate or subsidiary thereof completes any debt or equity financing transaction (excluding a bank loan from commercial bank lenders) prior to the date that is 180 days from the date hereof (any such transaction, an “**Alternative Transaction**”) in respect of which the Agent is not the sole underwriter, placement agent, arranger or initial purchaser, or in respect of which the Agent does not receive at least the same amount of compensation pursuant to the Alternative Transaction as to which they would have been entitled under the Offering, the Agent shall be entitled to receive, immediately upon the completion of such Alternative Transaction, the lesser of: (i) the amount of compensation assuming completion of the maximum Offering, and (ii) the commissions (including the Agent’s Fee and the Agent’s Corporate Finance Fee) and the Agent’s Warrants calculated based on the amount raised pursuant to the Alternative Transaction.

### **31. No Advisory or Fiduciary Responsibility**

The Company acknowledges and agrees that: (i) the offering and sale of the Offered Shares pursuant to this Agreement, including the determination of the Offering Price, is an arm's-length commercial transaction between the Company, on the one hand, and the Agent, on the other; (ii) in connection therewith and with the process leading to such transaction the Agent is acting solely as a principal and not the agent or fiduciary of the Company; (iii) the engagement by the Company of the Agent in connection with the Offering and the process leading thereto is as independent contractor and not in any other capacity; (iv) the Agent and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company; (v) the Agent has not assumed an advisory or fiduciary responsibility in favour of the Company with respect to the Offering or the process leading thereto (irrespective of whether the Agent has advised or is concurrently advising the Company on other matters) or any other obligation to the Company except the obligations expressly set forth in this Agreement; and (vi) the Company has consulted its own legal, regulatory, accounting, tax and financial advisors to the extent it deemed appropriate. The Company agrees that it will not claim that the Agent has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company in connection with such transaction or the process leading thereto.

### **32. Severability**

If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.

### **33. Entire Agreement**

This Agreement constitutes the entire agreement among the parties hereto relating to the Offering and the process leading thereto and supersedes all prior agreements between any of those parties with respect to their respective rights and obligations in respect of such transaction and the process leading thereto, including, without limitation, the Engagement Letter.

### **34. Counterparts**

This Agreement may be executed and delivered (including by facsimile transmission or portable document format (PDF)) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.

*[Remainder of page intentionally left blank]*

If the foregoing is in accordance with your understanding and is agreed to by you, please signify your acceptance by executing the enclosed copies of this letter where indicated below and returning the same to the Agent upon which this letter as so accepted shall constitute an Agreement among us.

Yours very truly,

**CANACCORD GENUITY CORP.**

(s) "Graham Saunders"  
Name: Graham Saunders  
Title: Vice Chairman, Managing Director,  
Head of Capital Markets Origination

The foregoing offer is accepted and agreed to as of the date first above written.

**MONGOOSE MINING LTD.**

(s) "John Van Driesum"  
Name: John Van Driesum  
Title: Chief Executive Officer