

MONGOOSE MINING LTD.

- and -

FOGLER, RUBINOFF LLP

SUBSCRIPTION RECEIPT AGREEMENT

**Providing for the Issue of
Subscription Receipts**

Dated:

October 27, 2021

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SUBSCRIPTION RECEIPT AGREEMENT

THIS SUBSCRIPTION RECEIPT AGREEMENT made as of the 27th day of October, 2021.

AMONG:

MONGOOSE MINING LTD. (hereinafter referred to as "**Mongoose**" or the "**Corporation**")

AND

FOGLER, RUBINOFF LLP (hereinafter referred to as the "**Escrow Agent**")

WHEREAS Mongoose is proposing to create, issue and sell Subscription Receipts (as defined herein), each of which shall be converted into one (1) FT Common Share, upon satisfaction of certain conditions;

AND WHEREAS:

- (a) pending the occurrence of the Escrow Release Event (as defined herein), the Proceeds (as defined herein) are to be delivered to and held by the Escrow Agent on behalf of the holders of Subscription Receipts (as defined herein) in the manner set forth herein;
- (b) upon receipt of the Escrow Release Notice (as defined herein), the Escrow Agent shall release the Released Amount (as defined herein) to Mongoose;
- (c) if the Escrow Release Event occurs by the Escrow Release Deadline (as defined herein), then each Subscription Receipt shall be automatically converted or exercised on the Conversion Date (as defined herein) into one (1) FT Common Share (as defined herein) without additional consideration or further action by the holder of a Subscription Receipt, subject to adjustment as contemplated herein; and
- (d) if the Escrow Release Event does not occur by the Escrow Release Deadline, the subscription for FT Common Shares represented by each Subscription Receipt shall be automatically terminated and cancelled and each holder of Subscription Receipts shall be entitled to receive from the Escrow Agent an amount equal to the Issue Price (as defined herein) in respect of each Subscription Receipt held;

AND WHEREAS all things necessary have been done and performed to make the Subscription Receipts, when issued as provided in this Agreement, legal, valid and binding obligations of Mongoose with the benefits and subject to the terms of this Agreement;

AND WHEREAS the foregoing recitals are statements made by Mongoose, and not by the Escrow Agent;

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration mutually given and received, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed and declared as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement and the recitals, unless there is something in the subject matter or context inconsistent therewith or unless otherwise expressly provided, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) "**Agreement**" means this agreement, as amended, supplemented or otherwise modified from time to time in accordance with the provisions hereof;
- (b) "**Business Day**" means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open, in Toronto, Ontario for the transaction of banking business;
- (c) "**Closing Date**" means October 27, 2021;
- (d) "**Closing Time**" means 10:00 a.m. (Toronto time) on the Closing Date;
- (e) "**Common Share**" means a common share in the capital of Mongoose;
- (f) "**Consolidation**" means the consolidation of the Common Shares on the basis of one post-consolidation common share for every 2.85 pre-consolidation Common Shares;
- (g) "**Conversion Date**" means on or before 5:00 p.m. (Toronto time) on the first Business Day after the issuance of the Escrow Release Notice;
- (h) "**Designated Office**" means Suite 3000, 77 King Street W. , Toronto, Ontario M5K 1G8;
- (i) "**Earned Interest**" means the interest or other income actually earned on the investment of the Escrowed Funds between the date hereof and the date on which funds are released in accordance with this Agreement;
- (j) "**Escrow Agent**" means Fogler, Rubinoff LLP or its successors from time to time under this Agreement;
- (k) "**Escrowed Funds**" means the Proceeds together with any Earned Interest thereon;
- (l) "**Escrow Release Conditions**" means all of the following conditions:
 - (i) the conditions to the completion of the Share Exchange have been satisfied; and
 - (ii) Mongoose having delivered to the Escrow Agent a notice confirming that the conditions set forth in (i) have been satisfied;
- (m) "**Escrow Release Deadline**" means 5:00 p.m. (Toronto time) on December 31, 2021;
- (n) "**Escrow Release Event**" means the satisfaction of the Escrow Release Conditions on or prior to the Escrow Release Deadline;
- (o) "**Escrow Release Notice**" means a notice executed by Mongoose certifying that the Escrow Release Conditions have been satisfied, substantially in the form set forth in Schedule "B" hereto;

- (p) "**FT Common Share**" means a post- Consolidation Common Share, which shall, for the purposes of the Tax Act, be designated as a "flow through share";
- (q) "**Issue Price**" means the sum of \$0.30 per Subscription Receipt;
- (r) "**Mongoose**" means Mongoose Mining Ltd.;
- (s) "**Mongoose Shares**" means the common shares in the capital of Mongoose;
- (t) "**Offering**" means the offering of Subscription Receipts;
- (u) "**Person**" means any individual, association, body corporate, trustee, executor, administrator, legal representative, government, regulatory authority or other entity;
- (v) "**Proceeds**" means the proceeds from the sale of Subscription Receipts;
- (w) "**Purchaser**" means a purchaser of Subscription Receipts;
- (x) "**Receptholders**", or "**holders**" means the persons who are the registered owners of Subscription Receipts;
- (y) "**Receptholders' Request**" means an instrument signed in one or more counterparts by Receptholders holding not less than 25% of the then outstanding Subscription Receipts, requesting the Escrow Agent to take some action or proceeding specified therein;
- (z) "**Released Amount**" has the meaning ascribed thereto in Subsection 3.1(a);
- (aa) "**Share Exchange**" means the share exchange pursuant to which the holders of Common Shares will exchange their Common Shares for Mongoose Shares on the basis of one Mongoose Share for each Common Share;
- (bb) "**Shareholders**" means the holders from time to time of Common Shares;
- (cc) "**Subscription Receipt Certificates**" means certificates evidencing Subscription Receipts issued to Purchasers, in the form attached as Schedule "A" hereto;
- (dd) "**Subscription Receipts**" means subscription receipts issued and certified hereunder and from time to time outstanding, each such subscription receipt to be automatically exchanged into a FT Common Share upon the satisfaction of the Escrow Release Conditions prior to the Escrow Release Deadline;
- (ee) "**Tax Act**" means the Income Tax Act (Canada), as amended and all regulations thereunder
- (ff) "**Taxes**" means all taxes, charges, fees, imposts, duties, levies, withholdings or other assessments imposed by any governmental authority having jurisdiction thereof, and any interest, fines, penalties or additions to tax attributable to or imposed on or with respect to any such assessment;
- (gg) "**Termination Date**" means the Escrow Release Deadline if the Escrow Release Event has not occurred;
- (hh) "**Termination Payment Time**" means on or before 4:00 p.m. (Toronto time) on the fifth Business Day after the Termination Date; and

- (ii) "**written request of Mongoose**" and "**certificate of Mongoose**" mean, respectively, a written request and certificate signed in the name of Mongoose by any one of its officers and may consist of one or more instruments so executed.

1.2 Headings

The headings, the table of contents and the division of this Agreement into Articles and Sections are for convenience of reference only and shall not affect the interpretation of this Agreement.

1.3 References

Unless otherwise specified in this Agreement:

- (a) references to Articles, Sections, and Schedules are to Articles, Sections, and Schedules in this Agreement; and
- (b) "**hereto**", "**herein**", "**hereby**", "**hereunder**", "**hereof**" and similar expressions, without reference to a particular provision, refer to this Agreement.

1.4 Certain Rules of Interpretation

Unless otherwise specified in this Agreement:

- (a) the singular includes the plural and *vice versa*; and
- (b) references to any gender shall include references to all genders.

1.5 Day Not a Business Day

In the event that any day on or before which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken at or before the requisite time on the next succeeding day that is a Business Day.

1.6 Applicable Law

This Agreement and the Subscription Receipts shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

1.7 Conflict

In the event of a conflict or inconsistency between a provision in the body of this Agreement and in any Subscription Receipt Certificate issued hereunder, the provision in the body of this Agreement shall prevail to the extent of the inconsistency.

1.8 Currency

All dollars amounts expressed in this Agreement and in the Subscription Receipts are in lawful money of Canada and all payments required to be made hereunder or thereunder shall be made in Canadian dollars.

1.9 Severability

Each of the provisions in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any of the other provisions hereof.

ARTICLE 2 ISSUE OF SUBSCRIPTION RECEIPTS

2.1 Payment Acknowledgement

- (a) The Escrow Agent hereby acknowledges receipt from the Purchasers of Escrowed Proceeds and confirms that such funds have been deposited in a segregated account in the name of Mongoose, and the Escrow Agent will retain such amount in accordance with the terms of this Agreement pending release of such amount in accordance with the terms of this Agreement.
- (b) Mongoose hereby irrevocably directs the Escrow Agent to retain such amount in accordance with the terms of this Agreement pending release of such amount in accordance with the terms of this Agreement.

2.2 Terms and Issue of Subscription Receipts

- (a) Each Subscription Receipt shall evidence: (i) if the Escrow Release Event occurs, the right of the holder, to receive on the Conversion Date, automatically without additional consideration or further action by such holder, and treated as a subscription by the holder thereof of one (1) FT Common Share; and (ii) if the Escrow Release Conditions are not satisfied by the Escrow Release Deadline, the right to receive FT Common Shares represented by such Subscription Receipts shall be automatically terminated and cancelled and each holder of Subscription Receipts shall be entitled to receive from the Escrow Agent an amount equal to the sum of the Issue Price in respect of each Subscription Receipt held, together with such holder's *pro rata* share of Earned Interest. For greater certainty, the Subscription Receipts shall not be exercisable prior to the Conversion Date.
- (b) 1,747,001 Subscription Receipts are hereby created and authorized to be issued.
- (c) The Subscription Receipt Certificates, including all replacements issued in accordance with this Agreement, shall be issued in certificated form registered in the name of the Receiptholder substantially in the form attached hereto as **Schedule "A"**, shall bear such distinguishing letters and numbers as Mongoose may, with the approval of the Escrow Agent prescribe, and shall be issuable in any whole number denominations.

2.3 Fractional Subscription Receipts

No fractional Subscription Receipts shall be issued or otherwise provided for hereunder.

2.4 Register for Subscription Receipts

The Corporation hereby appoints the Escrow Agent as registrar and transfer agent of the Subscription Receipts, and Mongoose shall cause to be kept by the Escrow Agent at the Designated Office, securities registers in which shall be entered the names and addresses of holders of Subscription Receipts and the other particulars, prescribed by law, of the Subscription Receipts held by them. The Corporation shall also cause to be kept by the Escrow Agent at the Designated Office the register of transfers, and may also cause to be kept by the Escrow Agent, branch registers of transfers in which shall be recorded the particulars of the transfers of Subscription Receipts registered in that branch register of transfers.

2.5 Registers Open for Inspection

The registers hereinbefore referred to shall be open at all reasonable times during regular business hours of the Escrow Agent on a Business Day for inspection by Mongoose, the Escrow Agent or any Receiptholder. The Escrow Agent shall, from time to time when requested to do so by Mongoose, furnish Mongoose with a list of the names and addresses of Receiptholders entered in the registers kept by the Escrow Agent and showing the number of Subscription Receipts held by each such holder.

2.6 Receiptholder not Shareholder

Nothing in this Agreement or in the holding of a Subscription Receipt evidenced by a Subscription Receipt Certificate or otherwise, shall confer, or be construed as conferring, upon a Receiptholder any right or interest whatsoever as a Shareholder, including, but not limited to, the right to vote at, to receive notice of, or to attend meetings of Shareholders, or the right to receive dividends or any continuous disclosure materials of Mongoose. Receiptholders are entitled to exercise the rights expressly provided for in the Subscription Receipts and this Agreement on the terms and conditions set forth herein.

2.7 Subscription Receipts to Rank *Pari Passu*

All Subscription Receipts shall rank *pari passu*, whatever may be the actual date of issue of same.

2.8 Signing of Subscription Receipt Certificates

The Subscription Receipt Certificates shall be signed by an officer of Mongoose. The signature of such officer may be mechanically reproduced in facsimile and Subscription Receipt Certificates bearing such facsimile signature shall be binding upon Mongoose as if they had been manually signed by such officer. Notwithstanding that the person whose manual or facsimile signature appears on any Subscription Receipt Certificate may no longer hold such position at the date of such Subscription Receipt Certificate or at the date of certification or delivery thereof, any Subscription Receipt Certificate signed as aforesaid shall be valid and binding upon Mongoose, and the holder thereof shall be entitled to the benefits of this Agreement.

2.9 Issue in Substitution for Subscription Receipt Certificates Lost, etc.

- (a) In case any Subscription Receipt Certificate shall become mutilated or be lost, destroyed or stolen, Mongoose, subject to applicable law and compliance with paragraph (b) below, shall issue and thereupon the Escrow Agent shall deliver, a new Subscription Receipt Certificate of like tenor as the one mutilated, lost, destroyed or stolen in exchange for and in place of and upon cancellation of such mutilated Subscription Receipt Certificate, or in lieu of and in substitution for such lost, destroyed or stolen Subscription Receipt Certificate, and the substituted Subscription Receipt Certificate shall be entitled to the benefits hereof and shall rank equally in accordance with its terms with all other Subscription Receipt Certificates issued or to be issued hereunder.
- (b) The applicant for the issue of a new Subscription Receipt Certificate pursuant to this Section 2.9 shall bear the cost of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to Mongoose and to the Escrow Agent such evidence of ownership and of the loss, destruction or theft of the Subscription Receipt Certificate so lost, destroyed or stolen as shall be satisfactory to Mongoose and to the Escrow Agent in their sole discretion, and such applicant may also be required to furnish an indemnity and surety bond in amount and form satisfactory to Mongoose and the Escrow Agent in their sole discretion and shall pay the reasonable charges of Mongoose and the Escrow Agent in connection therewith.

2.10 Exchange of Subscription Receipt Certificates

- (a) Subscription Receipt Certificates may, upon compliance with the reasonable requirements of the Escrow Agent, be exchanged for another Subscription Receipt Certificate or Subscription Receipt Certificates entitling the holder thereof to, in the aggregate, the same number of Subscription Receipts as represented by the Subscription Receipt Certificates so exchanged.
- (b) Subscription Receipt Certificates may be surrendered for exchange only at the Designated Office during regular business hours of the Escrow Agent.

2.11 Charges for Exchange

Except as otherwise herein provided, the Escrow Agent may charge to the holder requesting an exchange a reasonable sum for each new Subscription Receipt Certificate issued in exchange for Subscription Receipt Certificate(s). Payment of such charges and reimbursement of Mongoose or the Escrow Agent for any and all stamp taxes or governmental or other charges required to be paid shall be made by such holder as a condition precedent to such exchange.

2.12 Transfer and Ownership of Subscription Receipts

- (a) The Subscription Receipts may only be transferred on the register kept at the Designated Office by the holder or his legal representatives or his attorney duly appointed by an instrument in writing. Subject to Subsection 2.12(d), upon surrender for registration of transfer of Subscription Receipts at the Designated Office, Mongoose shall issue and thereupon the Escrow Agent shall certify and deliver a new Subscription Receipt Certificate of like tenor in the name of the designated transferee. If less than all the Subscription Receipts evidenced by the Subscription Receipt Certificate(s) so surrendered are transferred, the transferor shall be entitled to receive, in the same manner, a new Subscription Receipt Certificate registered in his name evidencing the Subscription Receipts not transferred. However, notwithstanding the foregoing, Subscription Receipts shall only be transferred upon:

- (i) payment to the Escrow Agent of a reasonable sum for each new Subscription Receipt Certificate issued upon such transfer, and reimbursement of Mongoose or the Escrow Agent for any and all stamp taxes or governmental or other charges required to be paid in respect of such transfer; and
- (ii) such reasonable requirements as the Escrow Agent may prescribe,

and all such transfers shall be duly noted in such register by the Escrow Agent. All transfers of Subscription Receipts shall be made in accordance with applicable securities law.

- (b) The Corporation and the Escrow Agent shall deem and treat the registered owner of any Subscription Receipt as the beneficial owner thereof for all purposes and neither Mongoose nor the Escrow Agent shall be affected by any notice to the contrary.
- (c) The transfer register in respect of Subscription Receipts shall be closed at 4:30 p.m. (Toronto time) at the Designated Office, on the earlier to occur of the Conversion Date and the Termination Date (subject to settlement). Trades settled after the Conversion Date will be completed by the delivery of FT Common Shares.
- (d) The Escrow Agent shall promptly advise Mongoose of any requested transfer of Subscription Receipts. The Corporation shall be entitled, and may direct the Escrow Agent, to refuse to recognize any transfer, or enter the name of any transferee, of any Subscription Receipts on the registers referred to in this Article, if such

transfer would constitute a violation of the securities laws of any jurisdiction or the rules, regulations or policies of any regulatory authority having jurisdiction.

- (e) Subject to the provisions of this Agreement and applicable law, a Receiptholder shall be entitled to the rights and privileges attaching to the Subscription Receipts. Either the issue and delivery of FT Common Shares as provided in Section 3.1(a) or the payment of the Issue Price and the Earned Interest, less applicable withholding taxes, as provided in Section 3.3, all in accordance with the terms and conditions herein contained, shall discharge all responsibilities of Mongoose and the Escrow Agent with respect to such Subscription Receipts and neither Mongoose nor the Escrow Agent shall be bound to inquire into the title of a Receiptholder or a transferee of Subscription Receipts who surrenders a Subscription Receipt Certificate.

2.13 Resale Restrictions and Legends

- (a) The parties to this Agreement acknowledge that the Subscription Receipts, have been issued pursuant to exemptions from prospectus requirements of applicable securities laws and each Subscription Receipt issued to a person shall bear a legend to the following effect:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE DISTRIBUTION DATE]."

- (b) If Subscription Receipt Certificates bearing a legend are presented to the Escrow Agent for exchange, the Escrow Agent shall deliver to the holder thereof new certificates bearing the legends set out in Section 2.13(a) in the name requested, representing the appropriate aggregate number of securities.

2.14 No Listing of Subscription Receipts

The parties to this Agreement acknowledge that the Subscription Receipts will not be listed and posted for trading on any stock exchange.

ARTICLE 3 SATISFACTION OF ISSUANCE RIGHT OR TERMINATION PAYMENT RIGHT

3.1 Escrow Release Notice, Issue of FT Common Shares and Release of Funds

- (a) If the Escrow Release Event occurs, Mongoose shall issue and deliver to the Escrow Agent: (i) the Escrow Release Notice with instructions to pay the Proceeds (the "**Released Amount**"); and (ii) FT Common Shares to be delivered to the Receiptholders.
- (b) Upon receipt of the Escrow Release Notice, the Escrow Agent shall (i) deliver the FT Common Shares to the Receiptholders; and (ii) release the Released Amount to Mongoose. Any Earned Interest on the Proceeds shall be released to Mongoose.

3.2 Cancellation of Subscription Receipts

- (a) Effective immediately after the FT Common Shares have been issued as contemplated in Subsection 3.1(a), the Subscription Receipts relating thereto shall be void and of no value or effect.

3.3 Payment on Termination

- (a) If the Escrow Release Conditions are not satisfied on or before the Escrow Release Deadline, (a) Mongoose shall forthwith notify the Escrow Agent thereof; and (b) the conversion or exercise for FT Common Shares, as applicable, evidenced by each Subscription Receipt shall be automatically terminated and cancelled and each Receiptholder shall be paid, no later than the Termination Payment Time, a payment in the aggregate amount of (i) the aggregate Issue Price in respect of each of such holder's Subscription Receipts; and (ii) such holder's *pro rata* share of the Earned Interest less applicable withholding taxes, if any. The amount paid to each Receiptholder under (i) and (ii) shall be satisfied by the Escrowed Funds. The Escrow Agent agrees to cause any amounts to be paid to the holders of Subscription Receipts pursuant to this Section 3.3 no later than the Termination Payment Time.
- (b) If the Escrow Release Conditions are not satisfied on or before the Escrow Release Deadline, registers for the Subscription Receipts shall be closed at the close of business on the Termination Date.
- (c) The obligation to make the payment of the amount specified in Subsection 3.3(a) shall be satisfied by mailing or delivering payment by cheque or wire transfer to the registered holders of the Subscription Receipts at their respective registered addresses.
- (d) Upon the mailing or delivery of any cheque or wire transfer as provided in Subsection 3.3(c) (and provided such cheque has been honoured for payment, if presented for payment within six months of the date thereof) all rights evidenced by the Subscription Receipts relating thereto shall be satisfied and such Subscription Receipts shall be void and of no value or effect. For greater certainty, any Escrowed Funds, interest or other monies held by the Escrow Agent pursuant hereto after the cheque or wire transfer for the amount specified in Subsection 3.3(c) have been mailed or delivered, as the case may be, shall be delivered to Mongoose as soon as reasonably practicable thereafter.

3.4 Cancellation of Surrendered Subscription Receipt Certificates

All Subscription Receipt Certificates surrendered to the Escrow Agent pursuant to Sections 2.9 and 2.10 shall be returned to or received by the Escrow Agent for cancellation and, if required by Mongoose, the Escrow Agent shall furnish Mongoose with a cancellation certificate identifying the Subscription Receipt Certificates so cancelled and the number of Subscription Receipts evidenced thereby.

3.5 Earned Interest

To the extent that Mongoose or the Receiptholder, as the case may be, receive a payment in respect of Earned Interest, as provided for in Article 3, Mongoose or the Receiptholder, as the case may be, shall be deemed to have earned such Earned Interest for the purposes of the reporting or the withholding of Taxes, if any, and the parties shall report the earning of such Earned Interest for income tax purposes in a manner consistent with the foregoing.

ARTICLE 4 INVESTMENT OF PROCEEDS AND PAYMENT OF INTEREST

4.1 Investment of Proceeds

Pending disbursement of the Escrowed Funds, the Escrow Agent shall hold, invest and reinvest the Escrowed Funds on behalf of the Receiptholders and Mongoose in short-term interest bearing obligations of, or guaranteed by, the Government of Canada or a province, or a Canadian bank, as directed in writing by Mongoose.

Written instructions must be received by the Escrow Agent no later than 9:00 a.m. on the day the investment is to be made. Instructions received after this time will be deemed to be given prior to 9:00 a.m. on the next Business Day. The Escrow Agent shall bear no responsibility for any gains or losses resulting from investments made in accordance with this Section 4.1, including losses on investments liquidated prior to maturity.

4.2 Segregation of Proceeds

The Escrowed Funds received by the Escrow Agent and any securities or other instruments received by the Escrow Agent upon the investment or reinvestment of such Escrowed Funds, shall be received by the Escrow Agent, as agent for, and shall be segregated and kept apart by the Escrow Agent as agent for, the Receiptholders and Mongoose, as the case may be.

ARTICLE 5 COVENANTS

5.1 General Covenants of Mongoose

- (a) The Corporation covenants with the Escrow Agent that so long as any Subscription Receipts remain outstanding:
- (i) it will use its best efforts to maintain its existence;
 - (ii) generally, it will well and truly perform and carry out all of the acts or things to be done by it as provided in this Agreement;
 - (iii) prior to the earlier of the Conversion Date or the Termination Date, it will not sell all or substantially all of the assets of Mongoose; and
 - (iv) it will reserve and keep available a sufficient number of Common Shares for the purpose of enabling it to satisfy its obligations to issue FT Common Shares pursuant to the Subscription Receipts.
- (b) In addition, Mongoose covenants with the Escrow Agent that, from the date hereof to the earlier of the Escrow Release Event and the Termination Date, it will not complete any of the following transactions: (i) subdivide the outstanding Common Shares into a greater number of shares; (ii) reduce, combine or consolidate the outstanding Common Shares into a smaller number of shares (other than the Consolidation); or (iii) issue Common Shares to holders of all or substantially all of the outstanding Common Shares by way of a dividend or distribution (other than the issue of Common Shares to holders who have elected to receive dividends or distributions in the form of Common Shares in lieu of cash dividends paid in the ordinary course of the Common Shares).

5.2 Escrow Agent's Remuneration, Expenses and Indemnification

- (a) Mongoose covenants that it will pay to the Escrow Agent from time to time reasonable remuneration for its services hereunder and will pay or reimburse the Escrow Agent upon its request for all reasonable expenses, disbursements and advances incurred or made by the Escrow Agent in the administration or execution of this Agreement (including the reasonable compensation and the disbursements of its counsel and all other advisers and assistants not regularly in its employ) both before any default hereunder and thereafter until all duties of the Escrow Agent hereunder shall be finally and fully performed, except any such expense, disbursement or advance as may arise out of or result from the Escrow Agent's gross negligence, wilful misconduct or bad faith. Any amount owing hereunder and remaining unpaid after 30 days from the invoice

date will bear interest at the then current rate charged by the Escrow Agent against unpaid invoices and shall be payable on demand.

- (b) Mongoose hereby indemnifies and saves harmless the Escrow Agent and its officers, directors, employees and agents from and against any and all liabilities, losses, costs, claims, actions or demands whatsoever which may be brought against the Escrow Agent or which it may suffer or incur as a result or arising out of the performance of its duties and obligations under this Agreement, save only in the event of the gross negligence, wilful misconduct or bad faith of the Escrow Agent. It is understood and agreed that this indemnification shall survive the termination or the discharge of this Agreement or the resignation or replacement of the Escrow Agent.

5.3 Performance of Covenants by Escrow Agent

If Mongoose shall fail to perform any of its covenants contained in this Agreement, the Escrow Agent, upon becoming aware of such failure, shall notify the Receiptholders of such failure on the part of Mongoose or may itself perform any of the covenants capable of being performed by it, but shall be under no obligation to perform such covenants or to notify the Receiptholders of such performance by it. All sums expended or advanced by the Escrow Agent in so doing shall be repayable as provided in Section 5.2. No such performance, expenditure or advance by the Escrow Agent shall relieve Mongoose of any default hereunder or of its continuing obligations under the covenants contained herein.

5.4 Accounting

The Escrow Agent shall maintain accurate books, records and accounts of the transactions effected or controlled by the Escrow Agent hereunder and the receipt, investment, reinvestment and disbursement of the Escrowed Funds, and shall provide to Mongoose records and statements thereof periodically upon written request.

5.5 Payments by Escrow Agent

The Escrow Agent will disburse monies according to this Agreement only to the extent that monies have been deposited with it.

5.6 Regulatory Matters

The Corporation shall file all such documents, notices and certificates and take such steps and do such things as may be necessary under applicable securities laws to permit the issuance of the FT Common Shares in the circumstances contemplated by Section 3.1(a) such that such issuance will comply with the prospectus and registration requirements of applicable securities laws.

ARTICLE 6 ENFORCEMENT

6.1 Suits by Receiptholders

All or any of the rights conferred upon any Receiptholder by any of the terms of the Subscription Receipt Certificates or of this Agreement, or of both, may be enforced by the Receiptholder by appropriate proceedings but without prejudice to the right which is hereby conferred upon the Escrow Agent to proceed in its own name to enforce each and all of the provisions contained herein for the benefit of the Receiptholders.

6.2 Immunity of Shareholders, etc.

The Escrow Agent and, by the acceptance of the Subscription Receipt Certificates and as part of the consideration for the issue of the Subscription Receipts, the Receiptholders hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any past, present or future Shareholder, director, officer, employee or agent of Mongoose for the issue of the FT Common Shares pursuant to any Subscription Receipt or on any covenant, agreement, representation or warranty by Mongoose contained herein or in the Subscription Receipt Certificates.

6.3 Limitation of Liability

The obligations hereunder are not personally binding upon, nor shall resort hereunder be had to, the private property of any of the past, present or future Shareholders, directors, officers or employees of Mongoose or any successor entity or any of the past, present or future officers, employees or agents of Mongoose or of any successor entity, but only the property of Mongoose or any successor entity shall be bound in respect hereof.

ARTICLE 7 MEETINGS OF RECEIPTHOLDERS

7.1 Right to Convene Meetings

The Escrow Agent may at any time and from time to time, and shall on receipt of a written request of Mongoose or of a Receiptholders' Request and upon being indemnified to its reasonable satisfaction by Mongoose or by the Receiptholders signing such Receiptholders' Request against the cost which may be incurred in connection with the calling and holding of such meeting, convene a meeting of the Receiptholders. In the event of the Escrow Agent failing to so convene a meeting within ten (10) days after receipt of such written request of Mongoose or such Receiptholders' Request and indemnity given as aforesaid, Mongoose or such Receiptholders, as the case may be, may convene such meeting. Every such meeting shall be held in the City of Toronto or at such other place as may be determined by the Escrow Agent and approved by Mongoose.

7.2 Notice

At least ten (10) Business Days prior notice of any meeting of Receiptholders shall be given to the Receiptholders in the manner provided for in Section 10.2 and a copy of such notice shall be sent by mail to the Escrow Agent (unless the meeting has been called by the Escrow Agent) and to Mongoose (unless the meeting has been called by Mongoose). Such notice shall state the date (which must be a Business Day) and time when, and the place where the meeting, is to be held, shall state briefly the general nature of the business to be transacted thereat and shall contain such information as is reasonably necessary to enable the Receiptholders to make a reasoned decision on the matter, but it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article 7.

7.3 Chairman

An individual (who need not be a Receiptholder) designated in writing by the Escrow Agent shall be chairman of the meeting and if no individual is so designated, or if the individual so designated is not present within fifteen (15) minutes from the time fixed for the holding of the meeting, the Receiptholders present in person or by proxy shall choose some individual present to be chairman.

7.4 Quorum

Subject to the provisions of Section 7.11, at any meeting of the Receiptholders a quorum shall consist of not less than two (2) Receiptholders present in person or by proxy and holding not less than 25% of the then outstanding Subscription Receipts. If a quorum of the Receiptholders shall not be present within thirty (30) minutes from the time fixed for holding any meeting, the meeting, if summoned by the Receiptholders or on a Receiptholders' Request, shall be dissolved; but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day, in which case it shall be adjourned to the next following Business Day) at the same time and place and no notice of the adjournment need be given. Any business may be brought before or dealt with at an adjourned meeting that might have been dealt with at the original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting unless a quorum is present at the commencement of business. At the adjourned meeting the Receiptholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened notwithstanding that they may not hold at least 25% of the then outstanding Subscription Receipts.

7.5 Power to Adjourn

The chairman of any meeting at which a quorum of the Receiptholders is present may, with the consent of the meeting, adjourn any such meeting and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.

7.6 Show of Hands

Every question submitted to a meeting shall be decided in the first place by a majority of the votes given on a show of hands except that votes on an extraordinary resolution shall be given in the manner hereinafter provided. At any such meeting, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

7.7 Poll and Voting

On every extraordinary resolution, and on any other question submitted to a meeting and after a vote by show of hands when demanded by the chairman or by one or more of the Receiptholders acting in person or by proxy and holding at least 5% of the then outstanding Subscription Receipts, a poll shall be taken in such manner as the chairman shall direct. Questions other than those required to be determined by extraordinary resolution shall be decided by a majority of the votes cast on the poll.

On a show of hands, every person who is present and entitled to vote, whether as a Receiptholder or as proxy for one or more absent Receiptholders, or both, shall have one vote. On a poll, each Receiptholder present in person or represented by a proxy duly appointed by instrument in writing shall be entitled to one vote in respect of each Subscription Receipt(s) then held or represented by him. A proxy need not be a Receiptholder. In the case of joint holders, any of them present in person or by proxy at the meeting may vote in the absence of the other or others; but in case more than one of them shall be present in person or by proxy, they shall vote together in respect of Subscription Receipts of which they are joint registered holders. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Subscription Receipts, if any, held or represented by him.

7.8 Regulations

The Escrow Agent or Mongoose, with the approval of the Escrow Agent, may from time to time make and from time to time vary such regulations as it shall think fit for:

- (a) the setting of the record date for a meeting of holders of Subscription Receipts for the purpose of determining Receiptholders entitled to receive notice of and vote at such meeting;
- (b) the issue of voting certificates by any bank, trust company or other depository satisfactory to the Escrow Agent stating that the Subscription Receipt Certificates specified therein have been deposited with it by a named person and will remain on deposit until after the meeting, which voting certificate shall entitle the persons named therein to be present and vote at any such meeting and at any adjournment thereof or to appoint a proxy or proxies to represent them and vote for them at any such meeting and at any adjournment thereof in the same manner and with the same effect as though the persons so named in such voting certificates were the actual holders of the Subscription Receipt Certificates specified therein;
- (c) the deposit of voting certificates and instruments appointing proxies at such place and time as the Escrow Agent, Mongoose or the Receiptholders, convening the meeting, as the case may be, may in the notice convening the meeting direct;
- (d) the deposit of voting certificates and instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed or sent by facsimile before the meeting to Mongoose or to the Escrow Agent at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting;
- (e) the form of the instrument of proxy; and
- (f) generally for the calling of meetings of Receiptholders and the conduct of business thereat.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide, the only persons who shall be recognized at any meeting as a Receiptholder, or be entitled to vote or be present at the meeting in respect thereof (subject to Section 7.9), shall be Receiptholders or their counsel, or duly appointed proxies of Receiptholders.

7.9 Mongoose and Escrow Agent may be Represented

Mongoose and the Escrow Agent, by their respective authorized agents, employees and the counsel for Mongoose and for the Escrow Agent may attend any meeting of the Receiptholders, but shall have no vote as such unless in their capacity as Receiptholder or a proxy holder.

7.10 Powers Exercisable by Extraordinary Resolution

In addition to all other powers conferred upon them by any other provisions of this Agreement or by law, the Receiptholders at a meeting shall, subject to the provisions of Section 7.11, have the power, subject to all applicable regulatory and exchange approvals, exercisable from time to time by extraordinary resolution:

- (a) to agree to any modification, abrogation, alteration, compromise or arrangement of the rights of Receiptholders or the Escrow Agent against Mongoose or against its undertaking, property and assets or any part thereof whether such rights arise under this Agreement or the Subscription Receipt Certificates or otherwise;
- (b) to amend, alter or repeal any extraordinary resolution previously passed or sanctioned by the Receiptholders;
- (c) to direct or to authorize the Escrow Agent to enforce any of the covenants on the part of Mongoose contained in this Agreement or the Subscription Receipt Certificates or to enforce any of the rights of the

Receiptholders in any manner specified in such extraordinary resolution or to refrain from enforcing any such covenant or right;

- (d) to waive, and to direct the Escrow Agent to waive, any default on the part of Mongoose in complying with any provisions of this Agreement or the Subscription Receipt Certificates either unconditionally or upon any conditions specified in such extraordinary resolution;
- (e) to restrain any Receiptholder from taking or instituting any suit, action or proceeding against Mongoose for the enforcement of any of the covenants on the part of Mongoose in this Agreement or the Subscription Receipt Certificates or to enforce any of the rights of the Receiptholders;
- (f) to direct any Receiptholder who, as such, has brought any suit, action or proceeding to stay or to discontinue or otherwise to deal with the same upon payment of the costs, charges and expenses reasonably and properly incurred by such Receiptholder in connection therewith;
- (g) to assent to any modification of, change in or omission from the provisions contained in the Subscription Receipt Certificates and this Agreement or any ancillary or supplemental instrument which may be agreed to by Mongoose, and to authorize the Escrow Agent to concur in and execute any ancillary or supplemental agreement embodying the change or omission;
- (h) with the consent of Mongoose (such consent not to be unreasonably withheld), to remove the Escrow Agent or its successor in office and to appoint a new escrow agent to take the place of the Escrow Agent so removed;
- (i) to assent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with holders of any Common Shares or other securities of Mongoose; and
- (j) to assent to any modification of the Articles of Mongoose in circumstances where, had the Common Shares then been outstanding, an extraordinary resolution of the holders of Common Shares would have been required.

7.11 Meaning of Extraordinary Resolution

- (a) The expression "extraordinary resolution" when used in this Agreement means, subject as hereinafter provided in this Section 7.11 and in Section 7.14, a resolution proposed at a meeting of Receiptholders duly convened for that purpose and held in accordance with the provisions of this Article 7 at which there are present in person or by proxy at least two (2) Receiptholders holding more than 25% of the then outstanding Subscription Receipts and passed by the affirmative votes of Receiptholders holding not less than 66 2/3% of the then outstanding Subscription Receipts represented at the meeting and voted on the poll upon such resolution.
- (b) If, at any meeting called for the purpose of passing an extraordinary resolution, at least two (2) Receiptholders holding more than 25% of the then outstanding Subscription Receipts are not present in person or by proxy within thirty (30) minutes after the time appointed for the meeting, then the meeting, if convened by Receiptholders or on a Receiptholders' Request, shall be dissolved; but in any other case it shall stand adjourned to such day, being not less than fourteen (14) or more than thirty (30) days later, and to such place and time as may be appointed by the chairman. Not less than seven (7) days prior notice shall be given of the time and place of such adjourned meeting in the manner provided for in Section 10.2. Such notice shall state that at the adjourned meeting the Receiptholders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting:

- (i) if the extraordinary resolution purports to exercise any of the powers conferred pursuant to Subsection 7.10 (a), (d), (g) or (i) or purports to change the provisions of this Section 7.11 or of Section 7.14 or purports to amend, alter or repeal any extraordinary resolution previously passed or sanctioned by the Receiptholders in exercise of the powers referred to in this paragraph, a quorum for the transaction of business shall consist of Receiptholders holding more than 25% of the then outstanding Subscription Receipts present in person or by proxy; and
 - (ii) in any other case, a quorum for the transaction of business shall consist of such Receiptholders as are present in person or by proxy.
- (c) At any such adjourned meeting and subject to the provisions in Subsection 7.11(b)(i), any resolution passed by the requisite votes as provided in Subsection 7.11(a) shall be an extraordinary resolution within the meaning of this Agreement notwithstanding that Receiptholders holding more than 25% of the then outstanding Subscription Receipts are not present in person or by proxy at such adjourned meeting.
- (d) Votes on an extraordinary resolution shall always be given on a poll and no demand for a poll on an extraordinary resolution shall be necessary.

7.12 Powers Cumulative

Any one or more of the powers or any combination of the powers in this Agreement stated to be exercisable by the Receiptholders by extraordinary resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers or any combination of powers from time to time shall not be deemed to exhaust the right of the Receiptholders to exercise such power or powers or combination of powers then or thereafter from time to time.

7.13 Minutes

Minutes of all resolutions and proceedings at every meeting of Receiptholders shall be made and duly entered in books to be provided from time to time for that purpose by the Escrow Agent at the expense of Mongoose, and any such minutes as aforesaid, if signed by the chairman or the secretary of the meeting at which such resolutions were passed or proceedings had or by the chairman or secretary of the next succeeding meeting held shall be prima facie evidence of the matters therein stated and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes shall have been made shall be deemed to have been duly convened and held, and all resolutions passed thereat or proceedings taken shall be deemed to have been duly passed and taken.

7.14 Instruments in Writing

All actions which may be taken and all powers that may be exercised by the Receiptholders at a meeting held as provided in this Article 7 may also be taken and exercised by an instrument in writing signed in one or more counterparts by such Receiptholders in person or by attorney duly appointed in writing, by Receiptholders holding at least: (i) a majority of the then outstanding Subscription Receipts with respect to a resolution which is not an extraordinary resolution; and (ii) 66⅔% of the then outstanding Subscription Receipts with respect to an extraordinary resolution, and the expression "**extraordinary resolution**" when used in this Agreement shall include an instrument so signed by Receiptholders holding at least 66⅔% of the then outstanding Subscription Receipts.

7.15 Binding Effect of Resolutions

Every resolution and every extraordinary resolution passed in accordance with the provisions of this Article 7 at a meeting of Receiptholders shall be binding upon all the Receiptholders, whether present at or absent from such meeting, and every instrument in writing signed by Receiptholders in accordance with Section 7.14 shall

be binding upon all the Receiptholders, whether signatories thereto or not, and each and every Receiptholder and the Escrow Agent (subject to the provisions for indemnity herein contained) shall be bound to give effect accordingly to every such resolution and instrument in writing.

7.16 Holdings by Corporation Disregarded

In determining whether Receiptholders holding the required number of Subscription Receipts are present at a meeting of Receiptholders for the purpose of determining a quorum or have concurred in any consent, waiver, extraordinary resolution, Receiptholders' Request or other action under this Agreement, Subscription Receipts owned legally or beneficially by Mongoose or any affiliated entity of Mongoose shall be disregarded in accordance with the provisions of Section 10.6.

ARTICLE 8 SUPPLEMENTAL AGREEMENTS

8.1 Provision for Supplemental Agreements for Certain Purposes

From time to time Mongoose and the Escrow Agent may, subject to the provisions hereof, and they shall, when so directed in accordance with the provisions hereof, execute and deliver by their proper officers, agreements supplemental hereto, which thereafter shall form part hereof, for any one or more or all of the following purposes:

- (a) adding to the provisions hereof such additional covenants and enforcement provisions as, in the opinion of Counsel, are necessary or advisable in the premises, provided that the same are not in the opinion of the Escrow Agent prejudicial to the interests of the Receiptholders;
- (b) giving effect to any extraordinary resolution passed as provided in Article 7;
- (c) making such provisions not inconsistent with this Agreement as may be necessary or desirable with respect to matters or questions arising hereunder, provided that such provisions are not, in the opinion of the Escrow Agent, prejudicial to the interests of the Receiptholders;
- (d) adding to or altering the provisions hereof in respect of the transfer of Subscription Receipts, making provision for the exchange of Subscription Receipt Certificates, and making any modification in the form of the Subscription Receipt Certificates which does not affect the substance thereof;
- (e) modifying any of the provisions of this Agreement, including relieving Mongoose from any of the obligations, conditions or restrictions herein contained, provided that such modification or relief shall be or become operative or effective only if, in the opinion of the Escrow Agent, such modification or relief in no way prejudices any of the rights of the Receiptholders or of the Escrow Agent, and provided further that the Escrow Agent may in its sole discretion decline to enter into any such supplemental agreement which in its opinion may not afford adequate protection to the Escrow Agent when the same shall become operative; and
- (f) for any other purpose not inconsistent with the terms of this Agreement, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions herein, provided that in the opinion of the Escrow Agent the rights of the Escrow Agent and of the Receiptholders are in no way prejudiced thereby.

ARTICLE 9
CONCERNING THE ESCROW AGENT

9.1 Rights and Duties of Escrow Agent

- (a) In the exercise of the rights and duties prescribed or conferred by the terms of this Agreement, the Escrow Agent shall exercise that degree of care, diligence and skill that a reasonably prudent escrow agent would exercise in comparable circumstances. No provision of this Agreement shall be construed to relieve the Escrow Agent from liability for its own gross negligent action, its own gross negligent failure to act, or its own wilful misconduct or bad faith.
- (b) The obligation of the Escrow Agent to commence or continue any act, action or proceeding for the purpose of enforcing any rights of the Escrow Agent or the Receiptholders hereunder shall be conditional upon the Receiptholders furnishing, when required by notice by the Escrow Agent, sufficient funds to commence or to continue such act, action or proceeding and an indemnity reasonably satisfactory to the Escrow Agent to protect and to hold harmless the Escrow Agent against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof. None of the provisions contained in this Agreement shall require the Escrow Agent to expend or to risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified as aforesaid.
- (c) The Escrow Agent may, before commencing or at any time during the continuance of any such act, action or proceeding, require the Receiptholders at whose instance it is acting to deposit with the Escrow Agent the Subscription Receipts held by them, for which Subscription Receipts the Escrow Agent shall issue receipts.
- (d) Every provision of this Agreement that by its terms relieves the Escrow Agent of liability or entitles it to rely upon any evidence submitted to it is subject to the provisions of this Section 9.1 and of Section 9.2.
- (e) The Escrow Agent shall have no duties except those expressly set forth herein, and it shall not be bound by any notice of a claim or demand with respect to, or any waiver, modification, amendment, termination or rescission of, this Agreement, unless received by it in writing and signed by the other parties hereto and, if its duties herein are affected, unless it shall have given its prior written consent thereto.
- (f) The Escrow Agent shall retain the right not to act and shall not be held liable for refusing to act unless it has received clear and reasonable documentation which complies with the terms of this Agreement, which documentation does not require the exercise of any discretion or independent judgment.
- (g) The Escrow Agent shall incur no liability whatsoever with respect to the delivery or non-delivery of any certificates whether delivery by hand, mail or any other means unless such delivery emanated from the Escrow Agent's instructions.
- (h) The Escrow Agent shall not be responsible or liable in any manner whatsoever for the deficiency, correctness, genuineness or validity of any securities deposited with it.

9.2 Evidence, Experts and Advisers

- (a) In addition to the reports, certificates, opinions and other evidence required by this Agreement, Mongoose shall furnish to the Escrow Agent such additional evidence of compliance with any provision hereof, and in such form, as the Escrow Agent may reasonably require by written notice to Mongoose.

- (b) In the exercise of its rights and duties hereunder, the Escrow Agent may, if it is acting in good faith, rely as to the truth of the statements and the accuracy of the opinions expressed in statutory declarations, opinions, reports, written requests, consents, or orders of Mongoose, certificates of Mongoose or other evidence furnished to the Escrow Agent pursuant to any provision hereof or pursuant to a request of the Escrow Agent.
- (c) Whenever it is provided in this Agreement that Mongoose shall deposit with the Escrow Agent resolutions, certificates, reports, opinions, requests, orders or other documents, it is intended that the trust, accuracy and good faith on the effective date thereof and the facts and opinions stated in all such documents so deposited shall, in each and every such case, be conditions precedent to the right of Mongoose to have the Escrow Agent take the action to be based thereon. In addition, the Escrow Agent may act and rely and shall be protected in acting and relying upon any resolutions, certificates, reports, opinions, requests, orders or other documents believed by it to be genuine and to have been signed, sent or presented by or on behalf of the proper party or parties.
- (d) Proof of the execution of an instrument in writing, including a Receiptholders' Request, by any Receiptholder may be made by the certificate of a notary public, or other officer with similar powers, that the person signing such instrument acknowledged to the officer the execution thereof, or by an affidavit of a witness to such execution or in any other manner which the Escrow Agent may consider adequate. The Escrow Agent shall not be responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of any instrument deposited with it, for the form or execution of such instruments, for the identity, authority or right of any Person executing or depositing such instruments or for determining or compelling compliance therewith, and shall not otherwise be bound thereby.
- (e) The Escrow Agent may employ or retain such Counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of discharging its duties hereunder and may pay reasonable remuneration for all services so performed by any of them, without taxation of costs of any Counsel, and shall not be responsible for any misconduct or negligence on the part of any such experts or advisers who have been appointed with due care by the Escrow Agent. The Escrow Agent may act and rely and shall be protected in acting or not acting and relying in good faith on the opinion or advice of or information obtained from any counsel, accountant or other expert or advisor, whether retained or employed by Mongoose or by the Escrow Agent, in relation to any matter arising in the administration of the duties and obligations hereof.

9.3 Documents, Monies, etc. Held by Escrow Agent

Any securities, documents of title or other instruments that may at any time be held by the Escrow Agent pursuant to this Agreement may be placed in the deposit vaults of the Escrow Agent or of any Canadian bank or deposited for safekeeping with any such bank. If the Escrow Agent has not received a direction under Section 4.1, any monies so held pending the application or withdrawal thereof under any provisions of this Agreement may be deposited in the name of the Escrow Agent in any Canadian bank, or in the deposit department of the Escrow Agent or any other loan or trust company authorized to accept deposits under the laws of Canada or a province thereof, at the rate of interest (if any) then current on similar deposits.

9.4 Actions by Escrow Agent to Protect Interest

The Escrow Agent shall have power to institute and to maintain such actions and proceedings as it may consider necessary or expedient to preserve, protect or enforce its interests and the interests of the Receiptholders.

9.5 Escrow Agent not Required to Give Security

The Escrow Agent shall not be required to give any bond or security in respect of the execution of this Agreement or otherwise in respect of the premises.

9.6 Protection of Escrow Agent

By way of supplement to the provisions of any law for the time being relating to trustees it is expressly declared and agreed as follows:

- (a) the Escrow Agent shall not be liable for or by reason of any statements of fact or recitals in this Agreement or in the Subscription Receipt Certificates (except the representation contained in Section 9.8 or in the certificate of the Escrow Agent on the Subscription Receipt Certificates) or be required to verify the same, but all such statements or recitals are and shall be deemed to be made by Mongoose;
- (b) nothing herein contained shall impose any obligation on the Escrow Agent to see to or to require evidence of the registration or filing (or renewal thereof) of this Agreement or any instrument ancillary or supplemental hereto;
- (c) the Escrow Agent shall not be bound to give notice to any person or persons of the execution hereof; and
- (a) the Escrow Agent shall not incur any liability or responsibility whatever or be in any way responsible for the consequence of any breach on the part of Mongoose of any of the covenants herein contained or of any acts of any officers, employees, agents or servants of Mongoose.

9.7 Replacement of Escrow Agent; Successor by Merger

- (a) The Escrow Agent may resign its appointment and be discharged from all other duties and liabilities hereunder, subject to this Section 9.7, by giving to Mongoose not less than thirty (30) days prior notice in writing or such shorter prior notice as Mongoose may accept as sufficient. The Receiptholders by extraordinary resolution shall have power at any time to remove the existing Escrow Agent and to appoint a new escrow agent. In the event of the Escrow Agent resigning or being removed as aforesaid or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, Mongoose shall forthwith appoint a new escrow agent unless a new escrow agent has already been appointed by the Receiptholders; failing such appointment by Mongoose, the retiring Escrow Agent or any Receiptholder, at the expense of Mongoose, may apply to a justice of the Superior Court of Justice (Ontario) on such notice as such justice may direct, for the appointment of a new escrow agent; but any new escrow agent so appointed by Mongoose or by the Court shall be subject to removal as aforesaid by the Receiptholders. On any such appointment, the new escrow agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Escrow Agent hereunder. At the request of Mongoose or the new escrow agent, the retiring Escrow Agent, upon payment of the amounts, if any, due to it pursuant to Section 5.2, shall duly assign, transfer and deliver to the new escrow agent all property and money held and all records kept by the retiring Escrow Agent hereunder or in connection herewith.
- (b) Upon the appointment of a successor escrow agent, Mongoose shall promptly notify the Receiptholders thereof in the manner provided for in Article 10.
- (c) Any corporation into or with which the Escrow Agent may be merged or consolidated or amalgamated, or any corporation resulting therefrom to which the Escrow Agent shall be a party, or any corporation succeeding to the corporate trust business of the Escrow Agent shall be the successor to the Escrow Agent

hereunder without any further act on its part or any of the parties hereto, provided that such corporation would be eligible for appointment as a successor escrow agent under Subsection 9.7(a).

- (d) Any Subscription Receipt Certificates certified but not delivered by a predecessor escrow agent may be delivered by the successor escrow agent in the name of the predecessor or successor escrow agent.

9.8 Conflict of Interest

- (a) The Escrow Agent represents to Mongoose that at the time of execution and delivery hereof no material conflict of interest exists between its role as Escrow Agent hereunder and its role in any other capacity and agrees that in the event of a material conflict of interest arising hereafter it will, within thirty (30) days after ascertaining that it has such material conflict of interest, either eliminate the same or assign its appointment as escrow agent hereunder to a successor escrow agent approved by Mongoose and meeting the requirements set forth in Subsection 9.7(a). Notwithstanding the foregoing provisions of this Subsection 9.8(a), if any such material conflict of interest exists or hereafter shall exist, the validity and enforceability of this Agreement and the Subscription Receipt Certificates shall not be affected in any manner whatsoever by reason thereof.
- (b) Subject to Subsection 9.8(a), the Escrow Agent, in its personal or any other capacity, may buy, lend upon and deal in securities of Mongoose and generally may contract and enter into financial transactions with Mongoose or any affiliated entity of Mongoose without being liable to account for any profit made thereby.

9.9 Acceptance of Appointment

The Escrow Agent hereby accepts the appointment as Escrow Agent in this Agreement and agrees to perform its duties hereunder upon the terms and conditions herein set forth solely as custodian, bailee and agent. No trust is intended to be or will be created hereby.

9.10 Escrow Agent Not to be Appointed Receiver

The Escrow Agent and any person related to the Escrow Agent shall not be appointed a receiver, a receiver and manager or liquidator of all or any part of the assets or undertaking of Mongoose.

ARTICLE 10 GENERAL

10.1 Notice to Mongoose and Escrow Agent

- (a) Unless herein otherwise expressly provided, any notice to be given hereunder to Mongoose or the Escrow Agent shall be deemed to be validly given if delivered by hand courier or if transmitted by facsimile:
- (i) if to Mongoose:

MONGOOSE MINING LTD.
215 Edward Street, Victoria, BC V9A 3E4

Attention: Matthew Allas
Email: matthew.allas@gmail.com

(ii) if to the Escrow Agent:

Fogler, Rubinoff LLP
77 King Street West, Suite 3000
Toronto, Ontario
M5K 1G8

Attention: Eric Roblin
Email: eroblin@foglers.com

and any such notice delivered in accordance with the foregoing shall be deemed to have been received on the date of delivery or, if sent by facsimile on the day of transmission or, if such day is not a Business Day, on the first Business Day following the day of transmission.

- (b) The Corporation or the Escrow Agent, as the case may be, may from time to time notify the other in the manner provided in Subsection 10.1(a) of a change of address which, from the effective date of such notice and until changed by like notice, shall be the address of the Corporation or the Escrow Agent, as the case may be, for all purposes of this Agreement.

10.2 Notice to Receiptholders

- (a) Any notice to the Receiptholders under the provisions of this Agreement shall be valid and effective if delivered or sent by letter or circular through the ordinary post addressed to such holders at their post office addresses appearing on the register hereinbefore mentioned and shall be deemed to have been effectively given on the date of delivery or, if mailed, five (5) Business Days following actual posting of the notice.
- (b) If, by reason of a strike, lockout or other work stoppage, actual or threatened, involving postal employees, any notice to be given to the Receiptholders hereunder could reasonably be considered unlikely to reach its destination, such notice shall be valid and effective only if it is delivered personally to such Receiptholders or if delivered to the address for such Receiptholders contained in the register of Subscription Receipts maintained by the Escrow Agent.

10.3 Ownership and Transfer of Subscription Receipts

The Corporation and the Escrow Agent may deem and treat the registered owner of any Subscription Receipt Certificate or, in the case of a transferee who has surrendered a Subscription Receipt Certificate in accordance with and as contemplated in Sections 2.12, such transferee, as the absolute owner of the Subscription Receipt represented thereby for all purposes, and the Corporation and the Escrow Agent shall not be affected by any notice or knowledge to the contrary except where the Corporation or the Escrow Agent is required to take notice by statute or by order of a court of competent jurisdiction. A Receiptholder shall be entitled to the rights evidenced by such Subscription Receipt Certificate free from all equities or rights of set off or counterclaim between the Corporation and the original or any intermediate holder thereof and all persons may act accordingly and the receipt of any such Receiptholder for the FT Common Shares which may be acquired pursuant thereto shall be a good discharge to the Corporation and the Escrow Agent for the same and neither the Corporation nor the Escrow Agent shall be bound to inquire into the title of any such holder except where the Corporation or the Escrow Agent is required to take notice by statute or by order of a court of competent jurisdiction.

10.4 Satisfaction and Discharge of Agreement

Upon the later of:

- (a) the issue of certificates representing the securities comprising the FT Common Shares; or
- (b) the payment of all monies required where the Escrow Release Event does not occur as provided in Subsection 3.3(a) and Section 3.5,

this Agreement shall cease to be of further effect. Notwithstanding the foregoing, the indemnities provided to the Escrow Agent by Mongoose hereunder shall remain in full force and effect and survive the termination of this Agreement.

10.5 Provisions of Agreement and Subscription Receipts for the Sole Benefit of Parties and Receiptholders

Nothing in this Agreement or in the Subscription Receipt Certificates, expressed or implied, shall give or be construed to give to any person other than the parties hereto and the Receiptholders any legal or equitable right, remedy or claim under this Agreement, or under any covenant or provision herein or therein contained, all such covenants and provisions being for the sole benefit of the parties hereto, the Receiptholders and such transferees.

10.6 Subscription Receipts Owned by Mongoose or their Subsidiaries - Certificate to be Provided

For the purpose of disregarding any Subscription Receipts owned legally or beneficially by Mongoose or any affiliated entity of Mongoose in Section 7.16, Mongoose shall provide to the Escrow Agent, from time to time, a certificate of Mongoose setting forth as at the date of such certificate the number of Subscription Receipts owned legally or beneficially by Mongoose or any affiliated entity of Mongoose, and the Escrow Agent, in making the computations in Section 7.16, shall be entitled to rely on such certificate without requiring further evidence thereof.

10.7 Escrow Agent – Acting Honestly and in Good Faith

In the exercise of the rights and duties prescribed or conferred by the terms of this Agreement, the Escrow Agent shall act honestly and in good faith with a view to the best interests of the Subscription Receiptholders and shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in performing the duties of an escrow agent in comparable circumstances. No provision of this Agreement shall be construed to relieve the Escrow Agent from, or require any other person to indemnify the Escrow Agent against liability for its own gross negligence, wilful misconduct or fraud.

10.8 Effect of Execution

Notwithstanding any provision of this Agreement, should any Subscription Receipt Certificates be issued and certified in accordance with the terms hereof prior to the actual time of execution of this Agreement by Mongoose and the Escrow Agent, any such Subscription Receipt Certificates shall be void and of no value and effect until such actual execution.

10.9 Time of Essence

Time is and shall remain of the essence of this Agreement.

10.10 Counterparts

This Agreement may be executed and delivered in counterparts, each of which when so executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution they shall be deemed to be dated as of the date hereof.

[signature page follows]

IN WITNESS WHEREOF the parties hereto have executed this Agreement under their respective corporate seals and the hands of their proper officers in that behalf.

MONGOOSE MINING LTD.

Per: "Chris Allchorne" (signed)

Name: Chris Allchorne

Title: CFO

FOGLER, RUBINOFF LLP

Per: "Eric Roblin" (signed)

Name: Eric Roblin

Title: Partner

SCHEDULE "A"

This is Schedule "A" to a Subscription Receipt Agreement made as of October 27, 2021 among Mongoose Mining Ltd. and Fogler, Rubinoff LLP, as Escrow Agent.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE DISTRIBUTION DATE].

FORM OF SUBSCRIPTION RECEIPT CERTIFICATE

MONGOOSE MINING LTD.

(a body corporate duly incorporated under the laws of British Columbia)

Number: _____

THIS IS TO CERTIFY THAT _____ (the "**holder**") is the registered holder of _____ Subscription Receipts represented hereby.

The Subscription Receipts represented by this Subscription Receipt certificate (this "**Certificate**") are issued pursuant to a Subscription Receipt Agreement (the "**Agreement**") dated October 27, 2021, among Mongoose Mining Ltd. (the "**Corporation**") and Fogler, Rubinoff LLP (the "**Escrow Agent**").

Capitalized terms used in the Agreement have the same meaning herein as therein, unless otherwise defined.

Under each Subscription Receipt:

- (a) if the Escrow Release Conditions are satisfied on or before the Escrow Release Deadline, each Subscription Receipt shall be automatically exercised on the Conversion Date, and treated as a subscription by the holder thereof, into a FT Common Share, without additional consideration or further action by the holder of a Subscription Receipt; and
- (b) if the Escrow Release Conditions are not satisfied on or before the Escrow Release Deadline, the conversion or exercise for a FT Common Share represented by each Subscription Receipt shall be automatically terminated and cancelled and each holder of Subscription Receipts shall be entitled to receive from Mongoose an amount equal to the Issue Price in respect of each Subscription Receipt held, together with such holder's *pro rata* share of Earned Interest, less any applicable withholding taxes, if any.

No fractional FT Common Shares will be issued pursuant to the Agreement. In the event that a holder of a Subscription Receipt is entitled to a fractional FT Common Share, such fractional FT Common Share will be rounded to the nearest whole number of FT Common Shares. For greater certainty, the number of FT Common Shares to be issued will be rounded down to the nearest whole number, without any additional compensation. In calculating such fractional interest, all Subscription Receipts registered in the name of or beneficially held by such shareholders or their nominee shall be aggregated.

Upon the delivery to the holder the securities comprising the FT Common Shares or the delivery of the amount equal to the sum of the aggregate Issue Price and such holder's share of Earned Interest, if any, all rights evidenced by the Subscription Receipts shall be satisfied and such Subscription Receipts shall be void and of no value or effect.

The Subscription Receipts represented hereby are issued under and pursuant to the Agreement. Reference is hereby made to the Agreement and any and all other instruments supplemental or ancillary thereto for a full description of the rights of the holders of the Subscription Receipts and the terms and conditions upon which such Subscription Receipts are, or are to be, issued and held, all to the same effect as if the provisions of the Agreement and all instruments supplemental or ancillary thereto were herein set forth, and to all of which provisions the holder by acceptance hereof assents. In the event of a conflict or inconsistency between the terms of the Agreement and this Certificate, the terms of the Agreement shall prevail.

The holding of the Subscription Receipts evidenced by this Certificate shall not constitute the holder hereof a Shareholder or entitle such holder to any right or interest in respect thereof except as herein and in the Agreement expressly provided.

The Agreement contains provisions making binding upon all holders of Subscription Receipts outstanding thereunder resolutions passed at meetings of such holders held in accordance with such provisions and by instruments in writing signed by the holders of a specified majority of the outstanding Subscription Receipts.

Subject to legends contained on the face of this certificate, the Subscription Receipts evidenced by this Certificate may be transferred on the register kept at the offices of the Escrow Agent by the registered holder hereof or his legal representatives or his attorney duly appointed by an instrument in writing in form and execution satisfactory to the Escrow Agent, only upon payment of the charges provided for in the Agreement and upon compliance with such reasonable requirements as the Escrow Agent may prescribe. The transfer register shall be closed at 4:30 p.m. (Toronto time) on the earlier to occur of the Conversion Date and the Termination Date (subject to settlement of trades).

This Certificate shall not be valid for any purpose whatever unless and until it has been countersigned by or on behalf of the Escrow Agent.

Time shall be of the essence hereof. This Certificate is governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF Mongoose has caused this Certificate to be signed by a duly authorized representative as of October 27, 2021.

MONGOOSE MINING LTD.

Per: _____
Authorized Signing Officer

SCHEDULE "B"

This is Schedule "B" to a Subscription Receipt Agreement made as of October 27, 2021 among Mongoose Mining Ltd. and Fogler, Rubinoff LLP, as Escrow Agent.

RELEASE NOTICE

TO: FOGLER, RUBINOFF LLP

This Escrow Release Notice is being provided pursuant to paragraph 3.1(a) of the Subscription Receipt Agreement (the "Subscription Receipt Agreement") dated October 27, 2021 between Mongoose Mining Ltd. (the "Corporation") and Fogler, Rubinoff LLP (the "Escrow Agent").

Capitalized terms which are not otherwise defined herein shall have the meanings ascribed to such terms in the Subscription Receipt Agreement.

The Escrow Agent is hereby notified by Mongoose that the Escrow Release Conditions have been satisfied all in accordance with the provisions of the Subscription Receipt Certificates and the Subscription Receipt Agreement.

DATED at Toronto, Ontario, this • day of •, 2021.

MONGOOSE MINING LTD.

Per: _____