

AGENCY AGREEMENT

October 15, 2020

Cascada Silver Corp.
Suite 1700, Park Place
666 Burrard Street
Vancouver, British Columbia
V6C 2X8

Attention: Carl Hansen, President and Chief Executive Officer

Mackie Research Capital Corporation (the “**Agent**”) understands that Cascada Silver Corp. (formerly 2773777 Ontario Inc.) (the “**Corporation**”) proposes to issue and sell up to 40,000,000 special warrants of the Corporation (“**Special Warrants**”) at a price of \$0.10 per Special Warrant (the “**Issue Price**”) for aggregate gross proceeds of up to \$4,000,000 (the “**Offering**”), and further that the Corporation wishes to appoint the Agent as agent for the Offering on an exclusive basis as set forth in this Agreement.

The Special Warrants will be issued under the Special Warrant Indenture (as defined below), and each Special Warrant will entitle the holder to receive (without further consideration) one unit of securities of the Corporation (a “**Unit**”) comprised of one common share of the Corporation (each, a “**Common Share**”, and the Common Share comprised in a Unit being a “**Unit Share**”) and one Common Share purchase warrant (each whole warrant, a “**Purchase Warrant**”), with each Purchase Warrant entitling the holder to acquire (subject to adjustment in accordance with the Purchase Warrant Indenture (as defined below)) one Common Share (a “**Warrant Share**”) at an exercise price of \$0.15 per share until the Warrant Expiry Time (as defined below). All unexercised Special Warrants will be deemed to have been exercised on the third Business Day (as defined below) after the Qualification Date (as defined below) and Listing (as defined below).

The Corporation has agreed to use its commercially reasonable efforts to cause the Qualification Date and Listing to occur as soon as reasonably possible following the Closing Date (as defined below). In the event that the Qualification Date and Listing have not occurred within 120 days following the Closing Date, each unexercised Special Warrant will thereafter entitle the holder to receive upon the exercise thereof, at no additional consideration, 1.10 Units (instead of one Unit) and thereafter at the end of each additional 30 day period prior to the occurrence of the Qualification Date and Listing each Special Warrant will be exercisable for an additional 0.02 of a Unit (the additional Unit Shares and Purchase Warrants to be issued in such circumstances being the “**Penalty Securities**”).

Upon and subject to the terms and conditions set out below, the Corporation hereby appoints the Agent, and the Agent agrees, to act as the Corporation’s exclusive agent and to use its commercially reasonable efforts to solicit subscriptions for the Special Warrants. For greater certainty, it is understood that the obligations of the Agent with respect to the sale of the Special Warrants will be limited to its commercially reasonable efforts, with no undertaking,

express or implied, nor commitment of the Agent to purchase or arrange for the purchase of any Special Warrants.

In addition, the Corporation also grants the Agent the option to increase the size of the Offering by up to an additional 6,000,000 Special Warrants. Such option will be exercisable, in whole or in part, at the sole discretion of the Agent, at any time up to 48 hours prior to the Closing (as defined below).

The Agent and the Corporation acknowledge that Schedules "A" forms part of this Agreement.

In consideration for its services hereunder, the Corporation agrees to pay and issue to the Agent the fees and other compensation set forth in this Agreement.

The following are the terms and conditions of the agreement between the Corporation and the Agent:

ARTICLE 1- INTERPRETATION

1.1 In this Agreement,

"Agency Fee" means the fee payable to the Agent as specified in Section 7.1 of this Agreement;

"Agent" has the meaning given to it in the first paragraph of this Agreement;

"Agent's Counsel" means McCarthy Tétrault LLP;

"Agreement" means this agreement, as it may be amended, modified or supplemented from time to time in accordance with its terms;

"Ancillary Documents" means the Subscription Agreements, the Special Warrant Indenture, the Purchase Warrant Indenture and all other agreements, certificates and documents executed and delivered, or to be executed and delivered, by the Corporation in connection with the transactions contemplated by this Agreement;

"Applicable Securities Laws" means, collectively, and, as the context may require, (i) all applicable securities Laws of each of the Qualifying Jurisdictions, together with the published regulations, rules, rulings and orders made under those securities Laws and forms prescribed thereunder together with all the applicable published policy statements, blanket orders and rulings of multilateral or national instruments and similar instruments issued or adopted by the Securities Commissions; and (ii) the securities Laws of each other relevant jurisdiction together with applicable published policy statements of the Securities Commission of such other relevant jurisdictions;

"Business Day" means a day other than a Saturday, Sunday or statutory or banking holiday in the Province of British Columbia;

“**Chilean Projects**” means the Agua Amarga and GEMA silver projects located in Region III, Chile;

“**Claim**” has the meaning given to it in Section 9.1 of this Agreement;

“**Closing**” means the closing of the Offering;

“**Closing Date**” means October 15, 2020, or such earlier or later date as the Agent and the Corporation may agree to;

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

“**Compensation Options**” has the meaning given to it in Section 7.2 of this Agreement;

“**Contract**” means any written or oral agreement, indenture, contract, lease, sublease, deed of trust, licence, option, or other legally enforceable obligation of or in favour of the applicable person;

“**Corporation**” has the meaning given to it in the first paragraph of this Agreement;

“**Corporation’s Counsel**” means Stikeman Elliott LLP;

“**Corporation’s Subsidiary**” means Atacama Silver SpA;

“**Environmental Laws**” has the meaning given to it in Section 3.2(l) of this Agreement;

“**Enforceability Qualifications**” means that enforceability is subject to bankruptcy, insolvency and other similar Laws affecting creditors’ rights generally and to general principles of equity;

“**Exchange**” means the exchange on which the Listing is achieved;

“**FCPA Legislation**” means all applicable foreign corrupt practice Laws, including the *Corruption of Foreign Public Officials Act* (Canada);

“**Final Prospectus**” means the final long form prospectus of the Corporation to be prepared and filed by the Corporation after the Closing Date relating to the distribution of the Unit Securities;

“**Final Receipt**” means a receipt for the Final Prospectus issued by the British Columbia Securities Commission, as principal regulator, on its own behalf and on behalf of each of the other Securities Commissions in the Qualifying Jurisdictions in which purchasers of Special Warrants reside;

“**Governmental Authority**” means any (i) multinational, federal, provincial, state, municipal, local or other governmental or public department, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the foregoing; (iii) any quasi-governmental, self-regulatory organization or private body exercising any regulatory, expropriation or taxing authority under or for the account of its members or any of the above (including the Exchange); or (iv) any arbitrator exercising jurisdiction over the affairs of the applicable person, asset, obligation or other matter;

“including” means including without limitation and shall not be construed to limit any general statement which it follows to the specific or similar items or matters immediately following it;

“Indemnified Party” has the meaning given to it in Section 9.1 of this Agreement;

“Issue Price” has the meaning given to it in the first paragraph of this Agreement;

“Law” means any federal, provincial, state or municipal law, statute, ordinance, regulation, rule, by-law, judgment, decree, order or award of any Governmental Authority of competent jurisdiction;

“Lien” means any encumbrance or title defect of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by Law (statutory or otherwise), including any mortgage, lien, charge, pledge or security interest, whether fixed or floating, or any assignment, lease, option, right of pre-emption, privilege, encumbrance, easement, hypothec, pledge, title retention agreement, reservation of title, servitude, right of way, restrictive covenant, right of use or any matter capable of registration against title or any other right or claim of any kind or nature whatever which affects ownership or possession of, or title to, any interest in, or the right to use or occupy property or assets;

“Listing” means the listing and posting for trading of the Common Shares on a recognized Canadian exchange;

“Material Adverse Effect” means the effect resulting from any event or change which has a material and adverse effect on the consolidated business, affairs, capital, operations or assets of the Corporation;

“material change” has the meaning ascribed to such term in NI 51-102;

“material fact” means a material fact for the purposes of the Applicable Securities Laws or any of them or where undefined under the Applicable Securities Laws of a jurisdiction means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the Common Shares;

“Mining Claims” has the meaning given to it in Section 3.2(aa) of this Agreement;

“misrepresentation” means a misrepresentation as defined under the Applicable Securities Laws or any of them or, where undefined under the Applicable Securities Laws of a jurisdiction, means (i) an untrue statement of a material fact, or (ii) an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made;

“NI 45-102” means National Instrument 45-102 *Resale of Securities*;

“NI 45-106” means National Instrument 45-106 *Prospectus Exemptions*;

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

“NP 11-202” means National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions*;

“**Offering**” means the offer to issue and sell the Special Warrants pursuant to this Agreement;

“**Outstanding Convertible Securities**” means all options (whether put or call options), including options granted or proposed to be granted to officers, directors, employees or consultants, share purchase or acquisition rights or warrants and other convertible securities outstanding, whether issued pursuant to an established plan or otherwise;

“**Penalty Securities**” has the meaning given to it the third paragraph of this Agreement;

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

“**Preliminary Prospectus**” means the preliminary long form prospectus of the Corporation, to be prepared and filed by the Corporation after the Closing Date relating to the distribution of the Unit Securities;

“**Project Option Agreements**” means, collectively, the following agreements in respect of the Chilean Projects; (i) the option agreements between Audentis Resources SpA and SBX Asesorías e Inversiones Limitada, (ii) the assignment agreements between SBX Asesorías e Inversiones Limitada and the Corporation’s Subsidiary and, (iii) the option agreement between Aragonita Asesorías Limitada and the Corporation’s Subsidiary;

“**Project Option Grantors**” means the parties to the Project Option Agreements other than the Corporation’s Subsidiary;

“**Prospectus**” means, as applicable, the Preliminary Prospectus, the Final Prospectus or any amendment thereto;

“**Purchase Warrant**” has the meaning given to it in the second paragraph of this Agreement;

“**Purchase Warrant Agent**” means Computershare Trust Company of Canada, in its capacity as Purchase Warrant agent;

“**Purchase Warrant Indenture**” means the indenture to be entered into on or about the Closing Date between the Corporation and the Purchase Warrant Agent governing the Purchase Warrants;

“**Qualification Date**” means the date on which the Final Receipt is issued, or deemed to be issued, for the Final Prospectus by the last of the Securities Commissions in the Qualifying Jurisdictions in which purchasers of Special Warrants reside;

“**Qualifying Jurisdictions**” means each of the provinces of Canada other than Québec;

“**SEC**” means the United States Securities Exchange Commission;

“**Securities Commissions**” means, collectively, the securities commissions or similar regulatory authorities in each of the Qualifying Jurisdictions and each other relevant jurisdiction and “**Securities Commission**” means a securities commission or other securities regulatory

authority in any one Qualifying Jurisdiction or other relevant jurisdiction, as the context may require;

“**Special Warrant**” has the meaning given to it in the first paragraph of this Agreement;

“**Special Warrant Agent**” means Computershare Trust Company of Canada, in its capacity as Special Warrant agent;

“**Special Warrant Indenture**” means the indenture to be entered into on or about the Closing Date between the Corporation and the Special Warrant Agent governing the Special Warrants;

“**Subscribers**” means, collectively, the subscribers for Special Warrants under the Offering;

“**Subscription Agreements**” means the separate subscription agreements to be entered into between the Subscribers and the Corporation in respect of the Offering;

“**subsidiary**” has the meaning given to such term under NI 45-106;

“**Tax Act**” means the *Income Tax Act* (Canada), as amended, re-enacted or replaced from time to time;

“**Time of Closing**” means 8:30 am (Toronto time) on the Closing Date, or such other time on the Closing Date as may be agreed to by the Corporation and the Agent;

“**Title Opinion**” has the meaning given to it in Section 5.1(f);

“**United Kingdom**” means the United Kingdom of Great Britain and Northern Ireland;

“**Underlying Shares**” means the Unit Shares and the Warrant Shares;

“**Unit**” has the meaning given to it in the second paragraph of this Agreement;

“**Unit Securities**” means the Unit Shares and the Purchase Warrants, including for greater certainty any Penalty Securities;

“**Unit Share**” has the meaning given to it in the second paragraph of this Agreement;

“**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

“**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended;

“**Warrant Expiry Time**” means 4:30 pm (Toronto time) on the earlier of (i) June 30, 2024; or (ii) the date that is 36 months following Listing; and

“**Warrant Share**” has the meaning given to it in the second paragraph of this Agreement.

1.2 The division of this Agreement into sections, subsections, paragraphs and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

- 1.3 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 “paragraph” and “Section” (unless otherwise indicated) are to the appropriate paragraphs and Sections of this Agreement. Unless the context otherwise requires, any reference to a statute shall be deemed to include regulations made pursuant thereto, all amendments in force from time to time and any statute or regulation that may be passed that has the effect of supplementing or superseding the statute or regulation referred to.
- 1.4 Any action or payment required or permitted to be taken or made hereunder on a day which is not a Business Day shall or may be, as the case may be, taken or made on the next succeeding Business Day, except when otherwise prescribed by Applicable Securities Laws or rules and policies of the Exchange, with the same force and effect as if taken or made within the period for the taking or making of such action.
- 1.5 This Agreement shall be governed by and construed in accordance with the internal laws of the Province of British Columbia and the federal laws of Canada applicable therein, without reference to conflicts of law rules.
- 1.6 All amounts expressed herein in terms of money refer to lawful currency of Canada and all payments to be made hereunder shall be made in such currency.
- 1.7 In this Agreement, a reference to “**knowledge**” of the Corporation means to the best of the knowledge of the senior officers of the Corporation, in each case having made due inquiry.
- 1.8 The following is the schedule attached to this Agreement, which schedule is deemed to be a part hereof and is hereby incorporated by reference herein:

Schedule “A” - Details of the Chilean Projects

ARTICLE 2- PURCHASE, SALE AND DISTRIBUTION

- 2.1 Subject to the terms and conditions of this Agreement, the Agent will use its commercially reasonable efforts to obtain offers and subscriptions to purchase Special Warrants under the Offering. The obligation of the Agent with respect to the sale of the Special Warrants will be limited to its commercially reasonable efforts with no undertaking, express or implied, nor commitment of the Agent to purchase or arrange for the purchase of any Special Warrants.
- 2.2 The Agent will provide such written information in respect of the distribution of the Special Warrants as may be required by the Securities Commission or the Exchange in connection with the distribution of the Unit Securities or the Listing.
- 2.3 Each Subscriber who is resident in one of the Qualifying Jurisdictions will purchase under one or more “private placement” exemptions so that the Corporation will be exempt from the prospectus requirements of the Applicable Securities Laws in Canada. The Corporation hereby agrees to use its commercially reasonable efforts to secure

compliance with all securities regulatory requirements on a timely basis in connection with the distribution of the Special Warrants to the Subscribers, including by filing within the periods stipulated under Applicable Securities Laws and at the Corporation's expense all private placement forms required to be filed by the Corporation in connection with the Offering and paying all filing fees required to be paid in connection therewith so that the distribution of the Special Warrants may lawfully occur without the necessity of filing a prospectus or any similar document under the Applicable Securities Laws (including so as to ensure that the requirements from the Closing Date under NI 45-102 that are within the Corporation's power to control are complied with by the Corporation. The Agent agrees to assist the Corporation in all reasonable respects to secure compliance with all regulatory requirements in connection with the Offering. The Agent will notify the Corporation with respect to the identity of each Subscriber and other necessary information respecting each Subscriber as soon as practicable, and with a view to leaving sufficient time to allow the Corporation to secure compliance with all relevant regulatory requirements under Applicable Securities Laws relating to the sale of the Special Warrants.

ARTICLE 3- REPRESENTATIONS, WARRANTIES AND COVENANTS

3.1 Representations, Warranties, Covenants and Acknowledgements of the Agent

The Agent hereby represents, warrants and covenants with the Corporation that:

- (a) it will conduct (and has conducted) activities in connection with arranging for the sale of the Special Warrants in compliance with the Applicable Securities Laws;
- (b) it will not solicit (and has not solicited) offers to purchase or sell the Special Warrants generally or so as to require registration of, or filing of a prospectus, offering memorandum or similar disclosure document with respect to, the Special Warrants under the laws of any jurisdiction, including the United States and the United Kingdom, and not, without the consent of the Corporation or as otherwise contemplated in this Agreement, solicit offers to purchase or sell the Special Warrants in any jurisdiction outside of the Qualifying Jurisdictions where the solicitation or sale of the Special Warrants would result in any ongoing disclosure requirements in such jurisdiction, any registration or filing requirements in such jurisdiction, or any requirement in such jurisdiction to deliver an offering memorandum, or where the Corporation may be subject to liability in connection with the sale of the Special Warrants which is more onerous than its liability under, taken together, the Applicable Securities Laws to which it is subject as at the date of this Agreement. The Special Warrants will not be offered in, or sold to, residents of Québec;
- (c) it will obtain from each Subscriber a completed and executed Subscription Agreement in a form reasonably acceptable to the Corporation and to the Agent relating to the transactions herein contemplated, together with all documentation (including questionnaires, corporate placee registration forms, undertakings and documents required by the Exchange, if any, and certificates) as may be

necessary in connection with subscriptions for Special Warrants to ensure compliance with Applicable Securities Laws;

- (d) it will not provide (and has not provided) to prospective purchasers an offering memorandum within the meaning of Applicable Securities Laws or other material detailing the business or affairs of the Corporation and will not advertise (and has not advertised) the Offering in (i) printed media of general and regular paid circulation, (ii) radio, (iii) television, or (iv) telecommunication (including electronic display) and will not make (and has not made) use of any green sheet or other internal marketing document without the prior consent of the Corporation, such consent to be promptly considered and not to be unreasonably withheld; and
- (e) it will not make (and has not made) any representations or warranties with respect to the Offering other than those contained in this Agreement and the Ancillary Documents.

The Agent further acknowledges and agrees that neither the Special Warrants nor the Unit Securities or Warrant Shares have been or will be registered with the SEC under the U.S. Securities Act and may be offered and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. The Agent acknowledges and agrees that offers of the Special Warrants may be directed only to persons in member states of the European Economic Community who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (“**Qualified Investors**”). In addition, the Agent acknowledges and agrees that in the United Kingdom offers of the Special Warrants may be directed only to Qualified Investors meeting other specified requirements.

3.2 Representations, Warranties and Covenants of the Corporation

The Corporation hereby represents and warrants to, and covenants with, the Agent, on its own behalf and on behalf of the Subscribers, intending that the same may be relied upon by the Agent and the Subscribers, that:

- (a) *Good Standing of the Corporation.* The Corporation has been duly incorporated and is validly existing under the *Business Corporations Act* (British Columbia) and is current and up to date with all filings required to be made by it, and has all requisite corporate power and authority to carry on its business as currently conducted, and to own, lease and operate its properties and assets and to carry out the transactions contemplated by this Agreement and the Ancillary Documents and carrying out the obligations hereunder and thereunder, and has all requisite corporate power to carry on its business as presently proposed to be conducted by it. The Corporation is duly qualified or authorized to transact business and is in good standing (in respect of the filing of annual returns where required or other information filings under applicable corporations information legislation) in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business.
- (b) *Subsidiaries.* Other than the Corporation’s Subsidiary, the Corporation has no other subsidiaries. The Corporation legally and beneficially owns 100% of the

issued and outstanding shares in the capital of the Corporation's Subsidiary free and clear of all Liens of any kind whatsoever. All of such shares have been duly authorized and validly issued and are outstanding as fully paid and non-assessable shares (or the equivalent legal concept in another jurisdiction), and no person has any right, agreement or option for the purchase from the Corporation of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of the Corporation's Subsidiary or any other security convertible into or exchangeable for any such shares. The Corporation's Subsidiary has been duly incorporated and is validly existing under the Laws of its jurisdiction of incorporation and has all requisite corporate power, capacity and authority to own, lease and operate, as applicable, its properties, permits and assets and conduct its business as currently conducted, and has all requisite corporate power to conduct its business as presently proposed to be conducted by it, and the Corporation's Subsidiary is current with all material filings required to be made under its jurisdiction of incorporation and all other jurisdictions in which it exists or carries on any material business.

- (c) *Share Capital of the Corporation.* As of the date hereof, the authorized share capital of the Corporation consists of an unlimited number of Common Shares (and no other shares). As of the date hereof, 15,000,100 Common Shares are issued and outstanding as fully paid and non-assessable shares. As of the date hereof, other than warrants to purchase 15,000,000 Common Shares at an exercise price of \$0.15 per share, there are no Outstanding Convertible Securities of the Corporation.
- (d) *Authorization.* The Corporation has full corporate power and authority to issue the Special Warrants, Compensation Options, Unit Securities and Warrant Shares. The Special Warrants when issued will have been duly and validly created and, at the Time of Closing, will be duly and validly created and issued. Upon the exercise or deemed exercise of the Special Warrants in accordance with their terms, the Unit Securities will be validly issued (with respect to the Unit Shares, as fully paid and non-assessable Common Shares). Upon exercise of the Purchase Warrants, including receipt by the Corporation of the full consideration therefor, the Warrant Shares will be validly issued as fully paid and non-assessable Common Shares. Upon exercise of the Compensation Options, including receipt by the Corporation of the full consideration therefor, the Common Shares and Purchase Warrants issuable thereunder will be validly issued (with respect to the Common Shares, as fully paid and non-assessable) and upon exercise of the Purchase Warrants issued upon exercise of the Compensation Options, including receipt by the Corporation of the proper consideration therefor, the Common Shares issuable under such Purchase Warrants will be validly issued as fully paid and non-assessable.
- (e) *Absence of Rights.* Except as contemplated pursuant to this Agreement, there is no right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the issue or allotment of any unissued Common Shares or any other agreement or option, for the issue or allotment of any unissued Common Shares or any other security convertible into or exchangeable for any Common Shares or to require the Corporation to

purchase, redeem or otherwise acquire any of the issued and outstanding Common Shares.

- (f) *No Insider.* To the knowledge of the Corporation, no insider of the Corporation has a present intention to sell any securities of the Corporation.
- (g) *Liabilities.* To the Corporation's knowledge, neither the Corporation nor the Corporation's Subsidiary has any liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, other than obligations or commitments in the Project Option Agreements and costs related to the Offering.
- (h) *Non-Contravention.* Neither the Corporation nor the Corporation's Subsidiary is in violation of its constating documents. None of the Offering, the execution, delivery and performance of this Agreement or the Ancillary Documents or the consummation of the transactions contemplated herein and therein, including the issue of the Special Warrants and the Compensation Options does or will:
 - (i) subject to compliance by the Agent with the provisions of this Agreement and excepting of the issuance of the Final Receipt and the receipt for the Preliminary Prospectus, and any required approvals for the Listing, require the consent, approval, authorization, order or agreement of, or registration or qualification with, any Governmental Authority or other person; or
 - (ii) conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or to the loss of or Lien upon any of the consolidated properties or assets of the Corporation under any provision of:
 - A. the notice of articles or articles of the Corporation or the comparable organizational documents of the Corporation's Subsidiary, or
 - B. subject to the filings and other matters referred to in the immediately following sentence:
 - (1) any Contract to which the Corporation or the Corporation's Subsidiary is a party or by which any of their respective properties or assets are bound;
 - (2) any Law applicable to the Corporation or the Corporation's Subsidiary or any of their respective properties or assets; or
 - (3) any authorization held or obtained by the Corporation or the Corporation's Subsidiary,

other than any such conflicts, violations, defaults, rights, losses or Liens that would not, in any case of (i) or (ii) above, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

- (i) *Material Assets.* The only assets of the Corporation and the Corporation's Subsidiary (other than the Corporation's ownership of the Corporation's Subsidiary) are their rights under the Project Option Agreements. Neither the Corporation nor the Corporation's Subsidiary owns any real property. The interests of the Corporation and the Corporation's Subsidiary in the Mining Claims are as will be set forth in the Title Opinion. Any and all Contracts pursuant to which the Corporation or the Corporation's Subsidiary holds material assets or is entitled to the use of or acquire ownership of material assets (whether directly or indirectly) (including in respect of the Chilean Projects, subject to the qualifications to be provided in the Title Opinion) are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms, and there is currently no material default of any of the provisions of any such agreements nor has any such default been alleged, and the Corporation, after making due enquiries, is not aware of any disputes with respect thereto and such assets are in good standing under the applicable Law of the jurisdictions in which they are situate, and all leases, licences, concessions, and claims in which the Corporation and the Corporation's Subsidiary have an economic interest (whether legal or beneficial) in such material assets are in good standing (subject to the qualifications to be provided in the Title Opinion) and there has been no material default under any such leases, licences, concessions, and claims and all taxes required to be paid with respect to such assets to the date hereof have been paid (other than has been disclosed to the Agent, none of which (taken together or in solo) could reasonable be expected to have a Material Adverse Effect).
- (j) *Technical Information.* The technical information with respect to the Chilean Projects provided to the Agent is true and correct in all material respects, and there have been no material adverse changes to such information since the date of delivery thereof.
- (k) *Exploration and Development Activities.* To the knowledge of the Corporation:
 - (i) all assessments or other work required to be performed in relation to the Mining Claims in order to maintain the Project Option Grantors' interests therein have been performed to date and the Project Option Grantors and any predecessor owners have complied in all material respects with all applicable Law in this regard, as well as with regard to legal, contractual obligations to third parties in this regard except for any non-compliance that could not, either individually or in the aggregate, have a Material Adverse Effect;
 - (ii) there are no expropriations or similar proceedings against any of the Mining Claims; and

- (iii) all exploration and development activities conducted on premises in which the Corporation has a direct or indirect economic interest have been conducted in all respects in accordance with good mining and engineering practices and all applicable workers' compensation and health and safety and workplace Laws have been duly complied with, except where the failure to so conduct operations could not reasonably be expected to have a Material Adverse Effect.
- (l) *Environmental Laws.* To the Corporation's knowledge (i) neither the Corporation, the Corporation's Subsidiary, nor any Project Option Grantor or predecessor owner of any of the Mining Claims, is in violation of any federal, provincial, state, local, municipal or foreign Law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to pollution or protection of human health, the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including Laws relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, "**Hazardous Materials**") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "**Environmental Laws**") except where such violations would not be reasonably expected, on an individual or aggregate basis, to have a Material Adverse Effect, (ii) Project Option Grantors have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, except where the failure to have such permits, authorizations and approvals would not reasonably be expected, on an individual or aggregate basis, to have a Material Adverse Effect, and (iii) there are no pending or threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, Liens, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Laws against any Project Option Grantor, which if determined adversely, would reasonably be expected to have a Material Adverse Effect. The Corporation has no knowledge of any environmental audits, evaluations, assessments, studies or tests respecting either of the Chilean Projects.
- (m) *Conduct of Business; Possession of Licenses and Permits.* Each of the Corporation and the Corporation's Subsidiary has conducted and is conducting its business in compliance in all material respects with all applicable Law of each jurisdiction in which it carries on business. The Corporation and the Corporation's Subsidiary possess (or the Project Option Grantors possess and have granted to the Corporation's Subsidiary all relevant and necessary authority thereunder) such permits, certificates, licenses, approvals, consents and other authorizations (collectively, "**Governmental Licenses**") issued by the appropriate federal, provincial, state, local or foreign, as applicable, Governmental Authorities necessary to own, lease, stake or maintain the Mining Claims and other property interests and to conduct exploration at the Chilean Projects, except where the failure to possess such permits, certificates, licenses, approvals, consents or authorizations would not reasonably be expected to have a Material Adverse Effect. Each of the Corporation and the Corporation's

Subsidiary is in compliance with the terms and conditions of all such Governmental Licenses, and is not in violation of, or in default under, applicable Law (including Environmental Laws) of any Governmental Authorities having, asserting or claiming jurisdiction over the Chilean Projects, except where such non-compliance, violation or default would not reasonably be expected to have a Material Adverse Effect. To the knowledge of the Corporation, all of the Governmental Licenses are valid and in full force and effect. Neither the Corporation nor the Corporation's Subsidiary has received any notice of or has knowledge of proceedings relating to the revocation or modification of any such Governmental Licenses.

- (n) *Material Contracts.* The only material Contracts of the Corporation and the Corporation's Subsidiary are the Project Option Agreements. Neither the Corporation nor the Corporation's Subsidiary has received notification from any party claiming that the Corporation or the Corporation's Subsidiary is in material breach or default thereunder.
- (o) *Restrictions on Dividends or Business.* There is not, in the constating documents or in any Contract or other instrument or document to which the Corporation is a party, any restriction upon or impediment to, the declaration or payment of dividends by the directors of the Corporation or the payment of dividends by the Corporation to the holders of its Common Shares. The Corporation's Subsidiary is not currently prohibited, directly or indirectly, under any Contract or other instrument to which it is a party or is subject, from paying any dividends to the Corporation, from making any other distribution on the Corporation's Subsidiary's outstanding equity securities, from repaying to the Corporation any loans or advances to the Corporation's Subsidiary from the Corporation or from transferring any of the Corporation's Subsidiary's properties or assets to the Corporation. Neither the Corporation nor the Corporation's Subsidiary is a party to or bound or affected by any Contract containing any covenant which expressly limits the freedom of the Corporation or the Corporation's Subsidiary to compete in any line of business, transfer or move any of its assets or operations or which materially or adversely affects the consolidated business practices, operations or condition of the Corporation.
- (p) *Absence of Proceedings.* To the Corporation's knowledge, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or other Governmental Authority, domestic or foreign, now pending or, to the knowledge of the Corporation, threatened against or affecting the Corporation, the Corporation's Subsidiary or, as in any matter which could impact upon the Chilean Projects, any Project Option Grantor.
- (q) *Outstanding Judgements.* There is no outstanding judgement, order, decree, arbitral award or decision of any court, tribunal or other Governmental Authority against the Corporation, the Corporation's Subsidiary or, to the knowledge of the Corporation, any Project Option Grantor.
- (r) *No Insolvency.* Neither the Corporation, the Corporation's Subsidiary, nor, to the knowledge of the Corporation, any Project Option Grantor has committed an act

of bankruptcy or sought protection from its creditors from any court or pursuant to any Law, proposed a compromise or arrangement to its creditors generally, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to have itself declared bankrupt or wound up, as the case may be, taken any proceeding to have a receiver appointed of any part of its assets, had any encumbrancer or receiver take possession of any of its property, had an execution or distress become enforceable or levied upon any portion of its property or had any petition for a receiving order in bankruptcy or application for a bankruptcy order filed against it, and at the Time of Closing neither the Corporation nor the Corporation's Subsidiary (nor, to the knowledge of the Corporation, any Project Option Grantor) will be an insolvent person (as that term is defined in the *Bankruptcy and Insolvency Act* (Canada)).

- (s) *Unlawful Payment.* To the knowledge of the Corporation, none of the Corporation, the Corporation's Subsidiary, or any Project Option Grantor, nor any employee or agent of any of them, has made any unlawful contribution or other payment to any person holding, or candidate for, any federal, state, provincial or other public office, Canadian or foreign, or failed to disclose fully any contribution, in violation of any Law, or made any payment, to any federal, state, provincial or other governmental officer or official, Canadian or foreign, or other person charged with similar public or quasi-public duties, other than payments required or permitted by applicable Law. Without limiting the generality of the foregoing, to the knowledge of the Corporation, neither the Corporation or any Corporation's Subsidiary, nor any Project Option Grantor, nor any employee or agent of any of them, has violated FCPA Legislation.
- (t) *Brokerage Fees.* Other than the Agent, there is no person acting or, to the knowledge of the Corporation, purporting to act at the request of the Corporation, who is entitled to any brokerage or finder's fees in connection with the Offering.
- (u) *Authorization of Documents, etc.* This Agreement has been, and at the Time of Closing each of the Ancillary Documents, and the transactions contemplated herein and therein, will have been, duly authorized, executed and delivered by the Corporation and, in each case, will be a legal, valid and binding obligation of, and be enforceable against, the Corporation in accordance with its terms (subject to the Enforceability Qualifications). All corporate action required to be taken by the Corporation for the authorization, issuance, sale and delivery of the Special Warrants and the Compensation Options has been validly taken at the date hereof or will have been taken by the Closing Date.
- (v) *No Default of Securities Laws.* The Corporation is not in default of any requirement of Applicable Securities Laws which would reasonably be expected to have a Material Adverse Effect on the Offering or the Corporation.
- (w) *Voting Agreements.* The Corporation is not party to any agreement, nor is the Corporation aware of any agreement, which in any manner affects the voting control of any of the securities of the Corporation or the Corporation's Subsidiary.

- (x) *Shareholder Agreements.* Neither the Corporation nor, to the knowledge of the Corporation, any shareholders of the Corporation is a party to any shareholders agreement, pooling agreement, voting trust or other similar type of arrangements in respect of outstanding securities of the Corporation.
- (y) *Interest in Revenues.* No officer, director, employee or any other person not dealing at arm's length with the Corporation (within the meaning of the Tax Act), or to the knowledge of the Corporation, any associate or affiliate of such person, owns, has or is entitled to any royalty, net profits interest, carried interest, licensing fee, or any other Liens or claims of any nature whatsoever which are based on the revenues of the Corporation or the Corporation's Subsidiary.
- (z) *Indebtedness.* Neither the Corporation nor the Corporation's Subsidiary has guaranteed or otherwise given security for or agreed to guarantee or give security for any liability, debt or obligation of any other person.
- (aa) *Mining Claims.* The material mining licenses, claims, leases and other mineral property rights (including the exploration concessions and exploitation concessions in respect of the Chilean Projects) (the "**Mining Claims**") are set forth on Schedule "A", which schedule is a complete and accurate list of all such rights. All such Mining Claims are validly held by the Project Option Grantors, subject to the qualifications to be set out in the Title Opinion, and are only subject to the Liens and royalties described in the Title Opinion. Except as disclosed to the Agent, no other property rights are necessary for the conduct of the Corporation's or the Corporation's Subsidiary's currently expected business, and there are no material restrictions on the ability of the Corporation or the Corporation's Subsidiary or, to the knowledge of the Corporation, the Project Option Grantors to use, access, transfer or otherwise exploit any such property rights except as required by applicable Law and as disclosed to the Agent. In respect of all Mining Claims:
 - (i) neither the Corporation nor any Corporation's Subsidiary have received or has knowledge of there having been issued any notice of default of any of the terms or provisions of the Mining Claims;
 - (ii) neither the execution, delivery and performance of this Agreement and the Ancillary Documents by the Corporation, the consummation of the transactions contemplated herein or therein, nor the execution, delivery and performance by the Corporation and the Corporation's Subsidiary will cause a default or termination, or give rise to the right of termination, or rights of first refusal or other pre-emptive rights under any of the Mining Claims;
 - (iii) to the knowledge of the Corporation, all exploration permits, leases, concessions, license and mining claim payments, rentals, taxes, rates, assessments, renewal fees and other governmental charges owing in respect of the Mining Claims have been paid in full up to the date of this Agreement (other than has been disclosed to the Agent); and

- (iv) to the knowledge of the Corporation, there is no actual or threatened adverse claim against, or challenge to, the ownership by the Project Option Grantors of, or the Project Option Grantors' title to, the Mining Claims.
- (bb) *Aboriginal Claims.* To the knowledge of the Corporation, there are no claims with respect to Aboriginal rights currently, or pending or threatened, with respect to the Chilean Projects.
- (cc) *Transfer Agent and Registrar.* Computershare Investor Services Inc., at its principal offices in Vancouver, British Columbia, has been, or will prior to the Qualification Date be, duly appointed as the transfer agent and registrar for the Common Shares.
- (dd) *Special Warrant Agent and Purchase Warrant Agent.* Computershare Trust Company of Canada, at its principal offices in Vancouver, British Columbia has been, or will prior to the Time of Closing be, duly appointed as the agent for the Special Warrants and the Purchase Warrants.
- (ee) *Money Laundering Laws.* The operations of the Corporation and the Corporation's Subsidiary are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the money laundering Laws of all relevant jurisdictions, the rules and regulations thereunder and any related Laws issued, administered or enforced by any Governmental Authority (collectively, the "**Money Laundering Laws**"), and no action, suit or proceeding by or before any court or other Governmental Authority or any arbitrator non-Governmental Authority involving the Corporation or the Corporation's Subsidiary with respect to the Money Laundering Laws is, to the best knowledge of the Corporation, pending or threatened.
- (ff) *No Pending Changes to Law, Etc.* The Corporation is not aware of any pending change or contemplated change to any applicable Law that could reasonably be expected to materially affect the consolidated business of the Corporation or the business or legal environment under which the Corporation or the Corporation's Subsidiary operates.
- (gg) *Corporate Records.* The minute books and corporate records of the Corporation and the Corporation's Subsidiary made or to be made available to the Agent's Counsel or its local agent counsel in connection with the Agent's due diligence investigations of the Corporation and the Corporation's Subsidiary for the periods from their respective dates of incorporation to the date of examination thereof, are the original minute books and records of such companies or true copies thereof and contain copies of all proceedings (or certified copies thereof) of the shareholders, the boards of directors and all committees of the boards of directors of such companies and there have been no other proceedings of the shareholders, boards of directors or any committee of the boards of directors of such companies that are required to be included in such minute books and records to the date of review of such corporate records and minute books not reflected in such minute books and corporate and other records other than those

which have been disclosed to the Agent in writing and those which are or are not material in the context of the Corporation.

- (hh) *Subscription Agreement Reps.* The representations and warranties of the Corporation in the Subscription Agreements are, and will at the Time of Closing be, true and correct.

ARTICLE 4- ADDITIONAL COVENANTS OF THE CORPORATION

- 4.1 The Corporation hereby further covenants to and with the Agent, on its own behalf and on behalf of the Subscribers, as follows:
- (a) the Corporation will enter into duly and fully completed Subscription Agreements, accompanied by properly completed executed applicable schedules thereto and the subscription amount, with the Subscribers and, unless the Corporation reasonably believes that it would be unlawful to do so or in breach of any Applicable Securities Laws, will fully accept the subscriptions in each duly executed Subscription Agreement submitted to the Corporation accompanied by properly completed executed applicable schedules thereto and by the required subscription funds;
 - (b) at the Closing, the Corporation will enter into and duly execute the Special Warrant Indenture and the Purchase Warrant Indenture, each in form acceptable to the Agent, acting reasonably. The Corporation acknowledges that the Special Warrant Indenture is to include that while Special Warrants are outstanding, with respect to any matter which requires the approval of the Corporation's shareholders, it will be a further requirement that approval be given by the holders of such number of Common Shares and Special Warrants, taken together, as would result in approval by the requisite majority of votes if the Special Warrants had been exercised for the Common Shares to be comprised in the Units (based on the then applicable exchange rights);
 - (c) the Corporation will provide to the Agent copies of all notices or other materials provided from time to time by the Corporation to the Special Warrant Agent or the holders of the Special Warrants, or provided from any of them to the Corporation, pursuant to the Special Warrant Indenture, in each case such copy to be provided to the Agent concurrently with the notice or other material being provided to the Special Warrant Agent or the holders of Special Warrants, as applicable, or being received by the Corporation;
 - (d) the Corporation will fulfil all legal requirements to permit the creation, issuance, offering and sale of the Special Warrants, the Compensation Options, the Unit Securities and the Warrant Shares, all as contemplated in this Agreement, and file or cause to be filed all documents, applications, forms or undertakings required to be filed by the Corporation and take or cause to be taken all action required to be taken by the Corporation in connection with the Offering;

- (e) the Corporation will comply with each of the covenants of the Corporation set out in the Subscription Agreements;
- (f) the Corporation will make all necessary filings, use its commercially reasonable efforts to obtain all necessary regulatory consents and approvals, including approvals required by the Applicable Securities Laws and the Exchange, and the Corporation will pay all filing fees required to be paid in connection with the transactions contemplated in this Agreement and the Ancillary Documents;
- (g) the Corporation will not, directly or indirectly, without the prior written consent of the Agent (such consent not to be unreasonably withheld or delayed), offer to sell, grant any option to purchase or otherwise dispose of (or announce any intention to do so) any Common Shares, or any securities of the Corporation convertible into or exercisable or exchangeable for Common Shares, for a period commencing on the Closing Date and ending on the earlier of the Qualification Date and 120 days after the Closing Date (other than pursuant to the grant or exercise of options issued or that may be issued in the future pursuant to any employee compensation plan, to satisfy currently outstanding convertible instruments or pursuant to the exercise of the Special Warrants, the Compensation Options or Purchase Warrants);
- (h) prior to the Time of Closing and at all times until the distribution of the Unit Securities is completed, the Corporation will allow the Agent (and the Agent's Counsel and consultants) to conduct all due diligence which the Agent may reasonably require or which may be considered necessary or appropriate by the Agent. The Corporation will provide to the Agent (and the Agent's Counsel) reasonable access to the Corporation's senior management personnel and corporate, financial and other records, for the purposes of conducting such due diligence. Without limiting the scope of the due diligence inquiry that the Agent (or the Agent's Counsel) may conduct, the Corporation shall also make available its directors, senior management, the Chairman of the Audit Committee of its board of directors, the auditors, the authors of any technical reports, or supporting scientific or technical information prepared for the Corporation and the Corporation's Counsel to answer any questions which the Agent may have and to participate in one or more due diligence sessions to be held prior to Closing and prior to filing each Prospectus and to use its commercial best efforts to arrange for the auditors of the Corporation and any authors of such technical reports to participate in any such due diligence session prior to the filing of each Prospectus;
- (i) the Corporation will ensure that the Special Warrants, the Compensation Options, the Unit Securities and the Warrant Shares, upon issuance in accordance with the terms hereof, have the attributes corresponding in all material respects to the description thereof set forth in this Agreement and the Ancillary Documents;
- (j) during the period commencing on the date hereof and ending on the conclusion of the distribution of the Unit Securities, the Corporation will promptly inform the Agent of the full particulars of any request of any Securities Commission or the

Exchange for any information, or the receipt by the Corporation of any communication from any Securities Commission, the Exchange or any other competent Governmental Authority relating to the Corporation or which may be relevant to the distribution of the Unit Securities or Listing. Without limiting the foregoing, the Corporation will advise the Agent, promptly after receiving notice or obtaining knowledge thereof, of:

- (i) the issuance by any Securities Commission of any order suspending or preventing the use of a Prospectus;
 - (ii) the institution, threatening or contemplation of any proceeding for any such purpose;
 - (iii) any order, ruling, or determination having the effect of suspending the sale or ceasing the trading in any securities of the Corporation (including the Special Warrants or the Unit Securities) having been issued by any Securities Commission or the institution, threatening or contemplation of any proceeding for any such purposes; or
 - (iv) any requests made by any Securities Commission to amend or supplement a Prospectus or to provide additional information, and will use its commercial best efforts to prevent the issuance of any order referred to in (i) above and, if any such order is issued, to obtain the withdrawal thereof as quickly as possible;
- (k) during the period commencing on the date hereof and ending on the conclusion of the distribution of the Unit Securities, the Corporation will promptly inform the Agent of the full particulars of:
- (i) any material change (whether actual, anticipated, threatened, contemplated, or proposed by, to, or against), whether financial or otherwise, in the consolidated assets, liabilities (contingent or otherwise), business, affairs, operations, assets, financial condition or capital of the Corporation; or
 - (ii) any change in any material fact or any misstatement of any material fact contained in any Prospectus,

which change or new material fact is, or could reasonably be expected to be, of such a nature as:

- (i) to render this Agreement or any of the Ancillary Documents, as they exist taken together in their entirety immediately prior to such change or new material fact, misleading or untrue in any material respect or would result in any of such documents, as they exist taken together in their entirety immediately prior to such change or material fact, containing a misrepresentation;

- (ii) would result in this Agreement or any of the Ancillary Documents, as they exist taken together in their entirety immediately prior to such change or material fact, not complying with any Applicable Securities Laws; or
- (iii) would reasonably be expected to have a material and adverse effect on the market price or value of the Common Shares or constitute a Material Adverse Effect.

In such regard to “material changes”, the Corporation will comply with Part 7 of NI 51-102, and the Corporation will prepare and will file promptly any document which may be necessary, and will otherwise comply with all applicable filing and other requirements under Applicable Securities Laws arising as a result of such fact or change;

- (l) the Corporation will file the Preliminary Prospectus in each relevant Qualifying Jurisdictions as soon as possible following the Closing Date;
- (m) the Corporation will use the net proceeds from the Offering for working capital requirements and other general corporate purposes;
- (n) the Corporation will use its commercially reasonable efforts to (i) satisfy all comments with respect to the Preliminary Prospectus, prepare and file the Final Prospectus under the Canadian Applicable Securities Laws, obtain the Final Receipt (in accordance with the procedures of prospectus review in multiple jurisdictions provided for under NP 11-202), and take all other steps and proceedings that may be necessary to be taken by the Corporation in order to qualify the Unit Securities for distribution in each of such Qualifying Jurisdictions under Canadian Applicable Securities Laws and (ii) complete the Listing, as soon as practicable following the Closing Date;
- (o) the Corporation will allow the Agent to participate in the preparation of each Prospectus and any supplementary material that the Corporation is required to file under Applicable Securities Laws relating to the Offering or the distribution of the Unit Securities in each of the Qualifying Jurisdictions;
- (p) the delivery of the Final Prospectus and any supplementary material to the Agent by the Corporation in accordance with this Agreement will constitute the representation and warranty of the Corporation to the Agent that (except for information and statements relating solely to the Agent and furnished by it specifically for use in the subject Prospectus), at the respective times of delivery:
 - (i) the information and statements contained in such Prospectus:
 - A. are true and correct and contain no misrepresentation; and
 - B. constitute full, true and plain disclosure of all material facts relating to the Unit Securities and the Corporation;

- (ii) no material fact has been omitted from the Prospectus that is required to be stated in the document or is necessary to make the statements therein not misleading in the light of circumstances in which they were made; and
 - (iii) the Prospectus complies in all material respects with Canadian Applicable Securities Laws; and
- (q) the Corporation will deliver to the Agent, without charge, contemporaneously with, or prior to the filing of, the subject Prospectus, unless otherwise indicated a copy of any document filed with, or delivered to, the relevant Securities Commissions by the Corporation under Applicable Securities Laws with the Prospectus. Without limiting the foregoing, the Corporation shall deliver or cause to be delivered to the Agent:
- (i) prior to or contemporaneously with the filing thereof, copies of each Prospectus, signed as required by Canadian Applicable Securities Laws; and
 - (ii) prior to the Agent signing the Final Prospectus, a comfort letter from the Corporation's auditors, dated the date of the Final Prospectus, and reasonably satisfactory in form and substance to the Agent and the Agent's Counsel addressed to the Agent and the directors of the Corporation, with respect to the financial and accounting information contained in the Final Prospectus, which comfort letter shall be based on a review by the auditors, having a cut-off date of not more than two Business Days prior to the date of the Final Prospectus and shall be in addition to the comfort letter which must be filed with the relevant Securities Commissions; and
- (r) the Corporation will deliver a bring down comfort letter (bringing down the comfort letter contemplated by Section 4.1(q)(ii)) with respect to any amendment to the Final Prospectus, contemporaneously with, or prior to the filing of, such amendment.

4.2 During the 12-month period following the Closing Date, to the extent the Corporation requires any of the following additional services, the Agent should have a right of first refusal to provide such services as referenced below, the terms and conditions relating to such services to be outlined in a separate agreement and the fees for such services to be in addition to fees payable hereunder:

- (i) lead agent or lead underwriter and sole bookrunner for any equity or quasi-equity financing, and the Agent shall have the option to elect such other registered investment dealers as syndicate members, to the mutual satisfaction of the Corporation and the Agent, whereby the Agent is to be appointed with not less than 60% of the syndicate economics;
- (ii) the provision of a formal valuation or fairness opinion; or

- (iii) any financial advisory assistance, whether in respect of a acquisition, a divestiture, a business combination proposal or otherwise.

ARTICLE 5- CONDITIONS TO CLOSING

- 5.1 The following are conditions of the Agent's and the Subscribers' obligations to close the Offering, which conditions the Corporation covenants to exercise its commercially reasonable best efforts to have fulfilled at or prior to the Time of Closing, which conditions may be waived in writing in whole or in part by the Agent on its own behalf and on behalf of the Subscribers:
- (a) the Corporation's board of directors will have authorized and approved (i) this Agreement and the Ancillary Documents, (ii) the issuance of the Special Warrants and Compensation Options, and all securities issuable directly or indirectly thereunder, and (iii) all matters relating to the foregoing;
 - (b) the Corporation will have made and/or obtained the necessary filings, approvals, consents and acceptances of the appropriate regulatory authorities in the Qualifying Jurisdictions (other than obtaining the Final Receipt and a receipt for the Preliminary Prospectus), on terms which are acceptable to the Corporation and the Agent, each acting reasonably, it being understood that the Agent will do all that is reasonably required to assist the Corporation to fulfil this condition;
 - (c) the representations and warranties of the Corporation contained in this Agreement and the Ancillary Documents are true and correct in all material respects (or, if qualified by materiality, in all respects) as at the Time of Closing, with the same force and effect as if made on and as at the Time of Closing, except for such representations and warranties which are in respect of a specific date in which case such representations and warranties will be true and correct, in all material respects (or, if qualified by materiality, in all respects), as of such date, after giving effect to the transactions contemplated by this Agreement, and the Corporation will have complied with all the covenants and satisfied all the terms and conditions of this Agreement to be complied with and satisfied by the Corporation at or prior to the Time of Closing;
 - (d) the Corporation will have caused a favourable legal opinion to be delivered by its counsel addressed to the Agent and the Subscribers with respect to such matters as the Agent may reasonably request relating to this transaction, acceptable in all reasonable respects to the Agent's Counsel, including substantially to the effect that:
 - (i) the Corporation has been incorporated and is validly subsisting under the laws of its jurisdiction of incorporation and has all requisite corporate power, authority and capacity to carry on its business as now conducted and to own, lease and operate its properties and assets and to perform its obligations hereunder;

- (ii) the Corporation has the corporate capacity and power to execute and deliver this Agreement and the Ancillary Documents and to perform its obligations hereunder and thereunder;
- (iii) this Agreement and the Ancillary Documents have been duly authorized, executed and delivered by the Corporation and are legally binding upon the Corporation and enforceable in accordance with their respective terms (subject to the Enforceability Qualifications and such other qualifications as are customary in such circumstances);
- (iv) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of this Agreement and the Ancillary Documents, and the performance of its obligations hereunder and thereunder and this Agreement and the Ancillary Documents have been duly executed and delivered by the Corporation;
- (v) as to the authorized and issued capital of the Corporation;
- (vi) the Special Warrants having been validly created and issued and the Compensation Options have been validly issued;
- (vii) the execution and delivery of this Agreement and the Ancillary Documents, the fulfilment of the terms hereof and thereof, the issue, sale and delivery on the Closing Date of the Special Warrants and the Compensation Options, do not constitute a default under, any applicable Law or any term or provision of the Corporation's constating documents;
- (viii) the form and terms of the Special Warrant Indenture, the Purchase Warrant Indenture and the certificates evidencing the Special Warrants and to evidence the Purchase Warrants have been approved and adopted by the directors of the Corporation;
- (ix) the offering, sale, issuance and delivery by the Corporation of the Special Warrants to the Subscribers and the Compensation Options to the Agent are exempt from the prospectus requirements of the Applicable Securities Laws of the Qualifying Jurisdictions and no documents are required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations obtained under the Applicable Securities Laws of the relevant Qualifying Jurisdictions to permit such offering, sale, issuance and delivery, other than the filing of customary private placement reports, fees or undertakings required to be filed under such Laws; and
- (x) as to the first trade rights and restrictions relating to the Special Warrants, the Unit Securities and the Warrant Shares under Canadian Applicable Securities Laws.

In giving such opinions, the Corporation's Counsel will be entitled to arrange for and rely, to the extent appropriate in the circumstances, upon local counsel, it being understood that certain of the opinions which are not matters of British

Columbia, Alberta or Ontario law may be opined upon directly by local counsel, and that the Corporation's Counsel will not be required to also give such opinions, and will be entitled as to matters of fact not within their knowledge to rely upon a certificate of fact from responsible persons in a position to have knowledge of such facts and their accuracy, and such opinion will be subject to customary qualifications, assumptions, exceptions and reliances. The Corporation agrees, and the aforesaid legal opinion will expressly provide, that the Agent may deliver copies of the opinion to each of the addressees thereof;

- (e) the Agent will have received favourable legal opinions, dated the Closing Date and addressed to the Agent and the Subscribers, from counsel to the Corporation, as to (i) the incorporation and existence of the Corporation's Subsidiary, (ii) the Corporation's Subsidiary having the requisite corporate power and capacity to own and lease its properties and assets and to conduct its businesses as presently carried on, and (iii) the registered ownership of the issued and outstanding shares of the Corporation's Subsidiary, and as to such other legal matters which the Agent's Counsel may reasonably request;
- (f) the Agent will have received legal opinions, dated the Closing Date and addressed to the Agent, from counsel to the Corporation, in form and substance acceptable to the Agent and the Agent's Counsel, acting reasonably, as to the title and ownership interests of the Project Option Grantors, and the interests of the Corporation's Subsidiary, in the Chilean Projects (the "**Title Opinion**");
- (g) the Agent will have received a certificate dated the Closing Date signed by the Chief Executive Officer and the Chief Financial Officer of the Corporation or such other officers acceptable to the Agent, in form and substance acceptable to Agent with respect to:
 - (i) the constating documents of the Corporation;
 - (ii) the resolutions of the directors of the Corporation relevant to the Offering, the Special Warrants, the Compensation Options, the Underlying Securities, the Warrant Shares and the authorization of this Agreement and the Ancillary Documents; and
 - (iii) the incumbency and signatures of signing officers of the Corporation;
- (h) the Agent will have received certificates of status and/or compliance (or the equivalent), where issuable under applicable Law, for the Corporation and the Corporation's Subsidiary, each dated within two days of the Closing Date, or such other reasonable period as may be dictated by local requirements;
- (i) the Corporation will have delivered to the Agent a certificate dated the Closing Date and signed by the Chief Executive Officer and Chief Financial Officer of the Corporation, certifying for and on behalf of the Corporation, and not in their personal capacities, with respect to the following matters:

- (i) the representations and warranties of the Corporation contained in this Agreement are true and correct in all material respects (or, if qualified by materiality, in all respects) as at the Time of Closing, with the same force and effect as if made on and as at the Time of Closing, except for such representations and warranties which are in respect of a specific date in which case such representations and warranties were true and correct, in all material respects (or, if qualified by materiality, in all respects), as of such date, after giving effect to the transactions contemplated by this Agreement;
 - (ii) the Corporation having complied with all the covenants and satisfied all the terms and conditions of this Agreement to be complied with and satisfied by the Corporation at or prior to the Time of Closing;
 - (iii) no order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Corporation or prohibiting the sale of the Special Warrants or the distribution of the Unit Securities or any of the Corporation's issued securities having been issued or, to the knowledge of such officers, threatened; and
 - (iv) there having not occurred a Material Adverse Effect, or any change or development that would reasonably be expected to result in a Material Adverse Effect, or the coming into existence or discovery of a new material fact, other than as disclosed to the Agent;
- (j) the Corporation will have accepted, executed and delivered the Special Warrant Indenture, the Purchase Warrant Indenture, the Special Warrant certificates' and the other agreements, certificates or instruments pursuant to which the Special Warrants and Compensation Options are to be issued;
 - (k) the Corporation will have caused each of the directors and senior officers of the Corporation to enter into lock-up agreements in a form satisfactory to the Agent, acting reasonably, which will be negotiated in good faith and contain customary provisions, pursuant to which each such person agrees, for a period of 120 days after the Listing, not to directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, transfer, or otherwise dispose of or monetize the economic value of (or announce any intention to do any of the foregoing) any securities of the Corporation, whether now owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, subject to the following exceptions: (i) if the Corporation receives an offer, which has not been withdrawn, to enter into a transaction or arrangement, or proposed transaction or arrangement, pursuant to which, if entered into or completed substantially in accordance with its terms, a party could, directly or indirectly acquire an interest (including an economic interest) in, or become the holder of, 100% of the total number of Common Shares, whether by way of takeover offer, scheme of arrangement, shareholder approved acquisition, capital reduction, share buyback, securities issue, reverse takeover, dual-listed company structure or other synthetic merger, transaction or arrangement; (ii) in respect of sales to affiliates of such shareholder; (iii) as a

result of the death of any individual shareholder; or (iv) with the written consent of the Agent, such consent not to be unreasonably withheld or delayed;

- (l) at the Time of Closing, the Corporation will not be the subject of a cease trading order made by any Securities Commission which has not been rescinded; and
- (m) prior to the Time of Closing, the Agent, Agent's Counsel and the Agent's technical consultants will have been provided with timely access to all information reasonably required to permit them to conduct a due diligence investigation of the Corporation and its consolidated business operations, properties, assets, affairs, prospects and financial condition, including access to management of the Corporation, the legal counsel of the Corporation in connection with one or more due diligence sessions to be held prior to the Time of Closing.

ARTICLE 6- CLOSING

6.1 The Closing will be held electronically at the offices of the Corporation's Counsel in the City of Vancouver, British Columbia at the Time of Closing or such other place, date or time as may be mutually agreed to; provided that if the Corporation has not been able to comply with any of the covenants or conditions set out herein required to be complied with by the Time of Closing or such other date and time as may be mutually agreed to, the respective obligations of the parties will terminate without further liability or obligation except for payment of expenses in accordance with Article 11, indemnity in accordance with Article 9, and contribution in accordance with Article 10.

6.2 At the Time of Closing, the Corporation will deliver to the Agent:

- (a) certificates representing the Special Warrants to be settled through the Agents (or, if so requested by the Agent, electronic deposit of the Special Warrants in the manner so requested);
- (b) a certificate duly registered as the Agent may direct representing the Compensation Options; and
- (c) the requisite legal opinions and certificates as contemplated in Section 5.1.

against payment of the purchase price for the Special Warrants to be settled through the Agent by wire transfer and delivery of the Subscription Agreements and other documentation required to be provided by or on behalf of the Subscribers or the Agent pursuant to this Agreement or as may be required by Applicable Securities Laws or the rules of the Exchange.

6.3 The Corporation will, at the Time of Closing, and upon such payment of the purchase price for the Special Warrants to be settled through the Agent, pay the Agency Fee, and issue the Compensation Options, to the Agent. At the Time of Closing the Corporation will reimburse the Agent for all of its reasonable estimated expenses, incurred up to the Closing Date, including the reasonable fees and disbursements of the Agent's Counsel

(exclusive of distributions and applicable taxes), subject to any adjustment when such actual expenses are finally determined, in accordance with Article 11 hereof.

- 6.4 It is understood that the Agent may waive in whole or in part, or extend the time for compliance with, any of the terms and conditions of this Agreement on behalf of itself and the Subscribers without prejudice to their rights in respect of any such terms and conditions or any other subsequent breach or non-compliance; provided that to be binding on the Agent and the Subscribers, any such waiver or extension must be in writing.
- 6.5 The Corporation acknowledges that it (and not the Agent) is responsible for delivery to the relevant Subscribers of the certificates evidencing the Special Warrants being purchased and settled directly with the Corporation.

ARTICLE 7– COMPENSATION OF THE AGENT

- 7.1 In consideration for the Agent's services, including acting as the Corporation's agent in arranging for the sale of the Special Warrants, acting as financial advisor to the Corporation and performing administrative work in connection with the sales of the Special Warrants, the Corporation will pay to the Agent at the Time of Closing, a cash commission equal to 6% of the aggregate gross proceeds of the Special Warrants sold pursuant to the Offering (the "**Agency Fee**").
- 7.2 As additional compensation for the services described in Section 7.1, the Corporation will grant to the Agent options (the "**Compensation Options**") to acquire such number of Units as is equal to 8% of the aggregate number of Special Warrants sold pursuant to the Offering. Each Compensation Option will entitle the Agent to purchase one Unit at an exercise price equal to the Issue Price until 4:30 p.m. (Toronto time) on the earlier of (i) June 30, 2024 and (ii) the date that is 18 months following the Listing.

ARTICLE 8– TERMINATION RIGHTS

- 8.1 It is understood that the Agent may waive, in whole or in part, or extend the time for compliance with, any of the terms and conditions of this Agreement without prejudice to its rights in respect of any other of such terms and conditions or any other subsequent breach or non-compliance; provided, however, that to be binding on the Agent any such waiver or extension must be in writing and signed by the Agent. No act of the Agent in offering the Special Warrants will constitute a waiver or estoppel against the Agent.
- 8.2 Without limiting any of the foregoing provisions of this Agreement, and in addition to any other remedies which may be available to it, the Agent (on its own behalf and on behalf of the Subscribers) will be entitled, at its option, to terminate and cancel, without any liability, its obligations under this Agreement and those of the Subscribers, by giving written notice to the Corporation at any time through to the Time of Closing if:
- (a) the Agent is not satisfied with the results of its due diligence investigations carried out prior to the Time of Closing;

- (b) any order or ruling is issued, any inquiry, investigation or other proceeding (whether formal or informal) in relation to the Corporation or any Subsidiary or any of their respective directors or officers is made, threatened or announced by any officer or official of any stock exchange, Securities Commission or other Governmental Authority (other than an order based solely upon the activities or alleged activities of the Agent) or any Law is promulgated or changed which operates to prevent or restrict trading in or distribution of the Special Warrants or any other securities of the Corporation;
- (c) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence (including, without limitation, any natural catastrophe, any outbreak or escalation of war, hostilities or terrorism, any declared pandemic of a serious contagious disease, or national emergency or similar event) or any new Law or regulation is enacted (including a change in any existing Law or regulation), inquiry or other occurrence of any nature whatsoever (including the COVID-19 outbreak, to the extent that there is any material adverse development related thereto, or similar event or the escalation thereof) or any other event, action or occurrence of any nature whatsoever which, in the reasonable opinion of the Agents, materially and adversely affects or may materially and adversely affect the financial markets in Canada generally or the consolidated business, affairs or capital of the Corporation;
- (d) there should occur any material change or change in a material fact in respect of the Corporation (on a consolidated basis) which, in the reasonable opinion of the Agent, impacts materially and adversely on the marketability of the Special Warrants;
- (e) the Corporation is in material breach of any term, condition or covenant of this Agreement or any representation or warranty given by the Corporation in this Agreement becomes, is discovered to be or is materially false, and such material breach or such materially false representation (i) is in the reasonable opinion of the Agent not capable of being cured prior to the Time of Closing, (ii) would, at the Time of Closing, result in the failure of any condition precedent set out in Article 5 hereof, or (iii) has not been rectified to the satisfaction of the Agent (acting reasonably) within 48 hours of when the Agent provides written notice to the Corporation of the same; or
- (f) if the Agent otherwise determines that the Special Warrants cannot be profitably marketed,

the occurrence or non-occurrence of any of the foregoing events or circumstances to be determined in the sole discretion of the Agent, acting reasonably and in good faith.

- 8.3 The Agent will give prompt notice to the Corporation (in writing or by other means) of the occurrence of any of the events referred to in Section 8.2, provided that neither the giving nor the failure to give such notice will in any way affect the Agent's entitlement to exercise this right at any time through to the Time of Closing.

- 8.4 The Agent's rights of termination contained in this section are in addition to any other rights or remedies they may have in respect of any default, act or failure to act or non-compliance by the Corporation in respect of any of the matters contemplated by this Agreement.
- 8.5 If the obligations of the Agent and the Subscribers are terminated under this Agreement pursuant to the termination rights provided for in Section 8.2, the Corporation's liabilities to the Agent will be limited to the Corporation's obligations under the indemnity, contribution and expense provisions of Article 9, 10 and 11, respectively, of this Agreement.

ARTICLE 9- INDEMNITY

- 9.1 The Corporation covenants and agrees to protect, indemnify, and save harmless the Agent and each of its directors, officers, employees, affiliates and agents and each person, if any, who controls the Agent (individually, an "**Indemnified Party**" and collectively, the "**Indemnified Parties**"), against all losses (other than loss of profits), claims, damages, suits, liabilities, costs, or expenses (collectively, a "**Claim**") caused or incurred, whether directly or indirectly, including in connection with:
- (a) any misrepresentation or alleged misrepresentation contained in this Agreement, in any Prospectus or supplementary material or in any additional agreements or certificates relating to the Offering;
 - (b) any statement contained in any Prospectus or supplementary material or in any certificate of the Corporation delivered pursuant to this Agreement, which at the time and in the light of the circumstances under which it was made contains or is alleged to contain a misrepresentation or any misstatement of a material fact;
 - (c) the omission or alleged omission to state in any Prospectus or supplementary material or any certificate of the Corporation delivered hereunder or pursuant hereto, any material fact (other than a material fact relating solely to the Agent) required to be stated therein or necessary to make any statement therein not misleading in light of the circumstances in which it was made;
 - (d) any order made, or inquiry, investigation or proceeding commenced by any Securities Commission authority or other competent authority based upon any misrepresentation, untrue statement or omission or alleged untrue statement or omission in any Prospectus that prevents or restricts the trading in any of the Corporation's securities or the distribution of any of the Unit Securities;
 - (e) the Corporation not complying with any requirement of Applicable Securities Laws;
 - (f) any material breach of a representation or warranty of the Corporation contained in this Agreement or the failure of the Corporation to comply in any material respect with any of its obligations hereunder, or

- (g) otherwise in connection with any of the matters referred to or contemplated in this Agreement.
- 9.2 The Corporation agrees that in case any legal proceeding will be brought against the Corporation and the Agent by any Governmental Authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, shall investigate the Corporation and the Agent and any personnel of the Agent will be required to testify in connection therewith or will be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Corporation by the Agent, the Agent will have the right to employ its own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Agent for time spent by its personnel in connection therewith) and out-of-pocket expenses reasonably incurred by their personnel in connection therewith will be paid by the Corporation as they occur.
- 9.3 Promptly after receipt of notice of the commencement of any legal proceeding against any of the Indemnified Parties or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Corporation under this Agreement, the Agent will notify the Corporation in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Corporation, will keep the Corporation advised of the progress thereof and will discuss with the Corporation all significant actions proposed. The omission so to notify the Corporation will not relieve the Corporation of any liability which the Corporation may have to the Indemnified Parties except only to the extent that any such delay in giving or failure to give notice as herein required materially prejudices the defence of such action, suit, proceeding, claim or investigation or results in any material increase in the liability which the Corporation would otherwise have under this indemnity had the Agent not so delayed in giving or failed to give the notice required hereunder.
- 9.4 The Corporation will be entitled, at its own expense, to participate in and, to the extent it may wish to do so, assume the defence thereof, provided such defence is conducted by experienced and competent counsel. Upon the Corporation notifying the Agent in writing of its election to assume the defence and retaining counsel, the Corporation will not be liable to the Agent for any legal expenses subsequently incurred by them in connection with such defence. If such defence is assumed by the Corporation, the Corporation throughout the course thereof will provide copies of all relevant documentation to the Agent, will keep the Agent advised of the progress thereof and will discuss with the Agent all significant actions proposed.
- 9.5 Notwithstanding the foregoing paragraph, the Agent will have the right, at the Corporation's expense, to employ one counsel of the Agent's choice, in respect of the defence of any action, suit, proceeding, claim or investigation if: (i) the employment of such counsel has been authorized by the Corporation; or (ii) the Corporation has not assumed the defence and employed counsel therefor within 30 days after receiving notice of such action, suit, proceeding, claim or investigation; or (iii) counsel retained by the Corporation or the Agent has advised that representation of both parties by the same counsel would be inappropriate for any reason, including because there may be legal

defences available to the Corporation which are different from or in addition to those available to the Indemnified Parties (in which event and to that extent, the Corporation will not have the right to assume or direct the defence on the Agent's behalf) or that there is a conflict of interest between the Corporation and the Agent or the subject matter of the action, suit, proceeding, claim or investigation may not fall within the indemnity set forth herein (in either of which events the Agent will not have the right to assume or direct the defence on the Corporation's behalf).

- 9.6 No admission of liability and no settlement of any action, suit, proceeding, claim or investigation will be made without the consent of the Agent or other parties affected (such consent not to be unreasonably withheld or delayed). No admission of liability will be made and the Corporation will not be liable for any settlement of any action, suit, proceeding, claim or investigation made without its consent (such consent not to be unreasonably withheld or delayed).
- 9.7 The indemnity and contribution obligations of the Corporation will be in addition to any liability which the Corporation may otherwise have, will extend upon the same terms and conditions to all Indemnified Parties and will be binding upon and enure to the benefit of any of the respective successors, assigns, heirs and personal representatives of the Corporation and the Indemnified Parties. The foregoing provisions will survive the completion of professional services rendered under this agreement and the termination of this Agreement.
- 9.8 To the extent that any Indemnified Party is not a party to this Agreement, the Agent will obtain and hold the right and benefit of this section in trust for and on behalf of such Indemnified Party.
- 9.9 The foregoing indemnity will cease to apply in respect of a claim if and to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable will determine that such Claim to which the Indemnified Party may be subject was caused by the negligence, bad faith, fraud, fraudulent misrepresentation or wilful misconduct of the Indemnified Party.

ARTICLE 10- CONTRIBUTION

- 10.1 In the event that the indemnity provided for in Article 9 is declared by a court of competent jurisdiction to be illegal or unenforceable as being contrary to public policy or for any other reason, the Agent and the Corporation will contribute to the aggregate of all losses, claims, costs, damages, expenses or liabilities of the nature provided for above such that the Agent will be responsible for that portion represented by the percentage equal to the Agency Fee payable by the Corporation to the Agent, and the Corporation will be responsible for the balance; provided that, in no event, will the Agent be responsible for any amount in excess of the portion of the Agency Fee actually received by the Agent. In the event that the Corporation, or any of them may be held to be entitled to contribution from the Agent under the provisions of any statute or law, the Corporation will be limited to contribution from the Agent in an amount not exceeding the lesser of: (a) the portion of the full amount of losses, claims, costs, damages, expenses or liabilities giving rise to such contribution for which the Agent is responsible; and (b)

the amount of the Agency Fee actually received by the Agent. Notwithstanding the foregoing, a person guilty of negligence, bad faith, fraud, fraudulent misrepresentation or wilful misconduct will not be entitled to contribution from any other party. Any party entitled to contribution will, promptly after receiving notice of commencement of any Claim, action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this section, notify such party or parties from whom contribution may be sought, but the omission to so notify such party will not relieve the party from whom contribution may be sought from any obligation it may have otherwise under this section, except to the extent that the party from whom contribution may be sought is prejudiced by such omission. The right to contribution provided herein will be in addition and not in derogation of any other right to contribution which the Agent may have by statute or otherwise by law.

ARTICLE 11- EXPENSES

- 11.1 Whether or not the Offering is completed, the Corporation will be responsible for all expenses incurred from time to time in connection with the Offering (including in respect of each Prospectus and any supplementary material) including the Agent's reasonable out-of-pocket expenses, all reasonable fees and disbursements of legal counsel to the Agent (in respect of the private placement phase of the Offering, up to a maximum of \$1,000,000, exclusive of HST and disbursements), and other expenses incidental to the sale, issue or distribution of the Special Warrants and all matters in connection with the transactions herein (whether incurred before or after the Closing Date). The Corporation will also be responsible for any exigible HST on the foregoing amounts. The Corporation covenants and agrees to fully reimburse the Agent from time to time for all such reasonable expenses as soon as practical following the receipt by the Corporation of one or more invoices.

ARTICLE 12- SURVIVAL OF WARRANTIES AND REPRESENTATIONS

- 12.1 All warranties and representations of the Agent herein contained will survive the purchase by the Subscribers of the Special Warrants and will continue in full force and effect for the benefit of the Corporation for a period of two years following the Closing Date. All warranties and representations of the Corporation herein contained or contained in documents submitted or required to be submitted pursuant to this Agreement will survive the purchase by the Subscribers of the Special Warrants and will continue in full force and effect (with respect to representations and warranties, as to their truth and accuracy as at the Time of Closing) for the benefit of the Agent and the Subscribers for a period of two years following the Closing Date.

ARTICLE 13- ADVERTISEMENTS AND PRESS RELEASES

- 13.1 The Corporation and the Agent each agree the Corporation will provide to the Agent in advance any press release concerning the Offering and the Corporation will give effect to any changes reasonably and timely requested by the Agent. The Corporation will also ensure that any press release concerning the Offering complies with Applicable

Securities Law. At the request of the Agent, and to the extent permitted by Law, the Corporation will ensure the Agent is disclosed as the agent for the Offering in any press release.

- 13.2 At the completion of the Offering, and to the extent permitted by Law, the Agent may, at its sole expense and upon consultation with the Corporation, place advertisements or announcements in any newspapers, periodicals or other publications, or otherwise disclose to third parties, that it acted as exclusive agent in connection with the Offering.
- 13.3 No press release will be issued in the United States by the Corporation concerning the Offering during the Offering, and any press release issued by the Corporation concerning the Offering will include the following legends and will comply with Rule 135e under the U.S. Securities Act:

“Not for distribution to United States news wire services or dissemination in the United States;” and

“The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release will not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.”

ARTICLE 14– CONFLICT OF INTEREST

- 14.1 The Corporation: (i) acknowledges and agrees that the Agent has certain statutory obligations as registrants under the Applicable Securities Laws and has fiduciary relationships with its clients; and (ii) consents to the Agent acting hereunder while continuing to act for its clients. To the extent that the Agent’s statutory obligations as registrant under the Applicable Securities Laws or fiduciary relationships with its clients conflict with their obligations hereunder, the Agent will be entitled to fulfil its statutory obligations as registrant under the Applicable Securities Laws and its fiduciary duties to its clients. Nothing in this Agreement will be interpreted to prevent the Agent from fulfilling its statutory obligations as registrant under the Applicable Securities Laws or to satisfy their fiduciary duties to its clients.

ARTICLE 15– GENERAL CONTRACT PROVISIONS

- 15.1 Except as expressly provided for in this Agreement, the covenants and agreements of the Corporation contained herein, in the Subscription Agreements or in the Special Warrants Indenture which by their nature are required to be completed after the Time of Closing will survive the purchase by the Subscribers of the Special Warrants and will continue in full force and effect, regardless of the closing of the sale of the Special Warrants and regardless of any investigation which may be carried on by the Agent, or on its behalf. Without limitation of the foregoing, the provisions contained in this

Agreement in any way related to the indemnification or the contribution obligations will survive and continue in full force and effect, indefinitely, subject only to the limitation requirements of applicable Law.

15.2 Any notice or other communication to be given hereunder will be in writing and will be given by delivery or by electronic transmission, as follows:

(a) to the Corporation at:

Cascada Silver Corp.
Suite 1700, Park Place
666 Burrard Street
Vancouver, British Columbia V6C 2X8

Attention: Thomas Pladsen, Chief Financial Officer
Email.:

with a copy (which will not constitute notice) to:

Stikeman Elliott LLP
Suite 1700, Park Place
666 Burrard Street
Vancouver, British Columbia V6C 2X8

Attention: Michael Urbani
Email: murbani@stikeman.com

(b) to the Agent at:

Mackie Research Capital Corporation
199 Bay Street, Suite 4500
Commerce Court West
Toronto, Ontario, M5C 1G2

Attention: David Greifenberger
Email:

with a copy (which will not constitute notice) to:

McCarthy Tétrault LLP
66 Wellington Street West, Suite 5300
TD Bank Tower
Toronto, Ontario
Canada M5K 1E6

Attention: Gary Litwack
Email: glitwack@mccarthy.ca

and if so given, any such notice, direction or other instrument, if delivered personally, will be deemed to have been given and received on the day on which it was delivered, provided that if such day is not a Business Day then the notice, direction or other instrument will be deemed to have been given and received on the first Business Day next following such day, and if transmitted by email, will be deemed to have been given and received on the day of its transmission, provided that if such day is not a Business Day or if it is transmitted after the end of normal business hours then the notice, direction or other instrument will be deemed to have been given and received on the first Business Day next following the day of such transmission. Any party may, at any time, give notice in writing to the others in the manner provided for above of any change of address.

- 15.3 This Agreement and the other documents herein referred to constitute the entire agreement between the Agent and the Corporation relating to the subject matter hereof and supersedes all prior agreements between the Agent and the Corporation with respect to their respective rights and obligations in respect of the Offering, including the engagement letter between the Agent and the Corporation dated September 16, 2020 in its entirety, except for paragraph (n) of the engagement letter (which is not superseded by this Agreement).
- 15.4 Time will be of the essence of this Agreement and of every part hereof and no extension or variation of this Agreement shall operate as a waiver of this provision.
- 15.5 The parties hereto covenant and agree to sign such other documents, do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every provision of it.
- 15.6 No party to this Agreement may assign this Agreement, any part hereof or its rights hereunder without the prior written consent of the other parties. Subject to the foregoing, this Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
- 15.7 In the event that any provision or part of this Agreement will be deemed void or invalid by a court of competent jurisdiction, the remaining provisions or parts shall be and remain in full force and effect. If, in any judicial proceeding, any provision of this Agreement is found to be so broad as to be unenforceable, it is hereby agreed that such provision shall be interpreted to be only so broad as to be enforceable.
- 15.8 The parties hereby acknowledge that they have expressly required this Agreement and all notices, statements of account and other documents required or permitted to be given or entered into pursuant hereto to be drawn up in the English language only. **Les parties reconnaissent avoir expressément demandé que la présente Convention ainsi que tout avis, tout état de compte et tout autre document à être ou pouvant être donné ou conclu en vertu des dispositions des présentes, soient rédigés en langue anglaise seulement.**
- 15.9 This Agreement may be executed by any one or more of the parties in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts

shall together constitute one and the same instrument. The transmission by pdf of a copy of the execution page hereof reflecting the execution of this Agreement by any party hereto shall be effective to evidence that party's intention to be bound by this Agreement and that party's agreement to the terms, provisions and conditions hereof, all without the necessity of having to produce an original copy of such execution page.

[Execution Page Follows]

IN WITNESS WHEREOF the parties have executed this Agreement.

CASCADA SILVER CORP.

Per: (signed) "Carl Hansen"

Name: Carl Hansen
Title: President and Chief Executive Officer

MACKIE RESEARCH CAPITAL CORPORATION

Per: (signed) "David Greifenberger"

Name: David Greifenberger
Title: Managing Director and Head of
Investment Banking, Mining

SCHEDULE “A”

DETAILS OF MINING CLAIMS

AGUA AMARGA PROJECT.

Agua Amarga Project, Incorporated Exploitation Mining Tenements.								
Number	Tenement Name	Owner	Folio	Number	Year	Registrar	National ID Number.	Registry
1.	Amarga Uno al Quince	Aragonita Asesorías Limitada	473	109	2016	Vallenar	0330117818	Property
2.	Rosario Uno al Veinticinco	Aragonita Asesorías Limitada	31	10	2008	Vallenar	0330116706	Property
3.	Santa Inés Uno al Quince	Aragonita Asesorías Limitada	30	09	2008	Vallenar	0330116714	Property
4.	Maipú Uno al Doscientos Veinte ¹	Aragonita Asesorías Limitada	287	75	2012	Vallenar	0330117850	Property
5.	Lourdes Uno al Cincuenta ²	Aragonita Asesorías Limitada	334	90	2012	Vallenar	0330116692	Property

¹ **Maipú Uno al Doscientos Veinte**, contains a marginal note on its enrollment, regarding a Prohibition in favor of *Compañía Minera Barrick Chile Limitada*, registered under data Folio 11 turn, number 11 of the Prohibitions and Interdictions Registry of the Mining Registrar of Vallenar, corresponding to the year 2012.

² **Lourdes Uno al Cincuenta**, was acquired by means of a public auction. We have reviewed the payment of its corresponding annual mining licenses, and accordingly these are current. Furthermore, we could verify on the On Site Review, that this mining concession is duly registered in the Mining Registrar of Vallenar, under the name of Aragonita Asesorías Limitada. It is important to bear in mind that, we did not reviewed copy of the registration of the awarding of this concession to Aragonita Asesorías Limitada, in the corresponding auction.

GEMA PROJECT

Gema Project Mining Tenements.								
Number	Concession Name	Owner	Folio	Number	Year	Registrar	National ID Number.	Registry
1.	El Gringo 2 1/30³	Sociedad Legal Minera El Gringo 2 de la Quebrada El Gringo⁴	633 turn	179	2014	Copiapó	03201-9345-1	Property
2.	El Gringo 3 1/30⁵	Sociedad Legal Minera El Gringo 3 de la Quebrada El Gringo⁶	639	180	2014	Copiapó	03201-9344-3	Property
3.	Guanaca I 1/30⁷	Audentis Resources SpA⁸	4356 turn	1062	2014	Copiapó	03201B048-8	Property
4.	Guanaca II 1/30⁹	Audentis Resources SpA¹⁰	4362 turn	1063	2014	Copiapó	03201B049-6	Property

³ **El Gringo 2, 1/30's** mining annual license corresponding to the year 2020 has *not* been duly paid. Furthermore, annual mining license for the year 2019, has been duly paid.

⁴ The current owner of **El Gringo 2 1/30** is Sociedad Legal Minera El Gringo 2 de la Quebrada El Gringo. In such Legal Mining Company, Inversiones Gema holds 80% of the assets and Mr. Humberto Rivera the other 20%. However, Inversiones Gema Limitada has broad powers to represent Mr. Humberto Rivera and the Sociedad Legal Minera El Gringo 2 de la Quebrada El Gringo.

⁵ **El Gringo 3, 1/30's** mining annual license corresponding to the year 2020 has *not* been duly paid. Furthermore, the annual mining license for the year 2019, has been duly paid.

⁶ The current owner of **El Gringo 3 1/30** is Sociedad Legal Minera El Gringo 3 de la Quebrada El Gringo. In such Legal Mining Company, Inversiones Gema holds 80% of the assets and Mr. Humberto Rivera the other 20%. However, Inversiones Gema has wide powers to represent Mr. Humberto Rivera and the Sociedad Legal Minera El Gringo 3 de la Quebrada El Gringo.

⁷ **Guanaca I 1/30's** annual mining license corresponding to the year 2020 has not been duly paid. Furthermore, annual mining license has been duly paid for the year 2019.

⁸ **Guanaca I 1/30** was transferred by Sociedad de Inversiones Gema Limitada in order to incorporate Audentis Resources SpA, as stated in the public deed 3984-2020 dated March 2nd of 2020, granted in the office of the Public Notary of Santiago, Mrs. Maria del Pilar Gutierrez Rivera, and according to enrollment dated folio 396, number 89, of the Property Registry of the Copiapó Mining Registrar, corresponding to the year 2020.

⁹ **Guanaca II 1/30's** annual mining license corresponding to the year 2020 has not been duly paid. Furthermore, annual mining license has been duly paid for the year 2019.

¹⁰ **Guanaca II 1/30** was transferred by Sociedad de Inversiones Gema Limitada in order to incorporate Audentis Resources SpA, as stated in the public deed 3984-2020 dated March 2nd of 2020, granted in the office of the Public Notary of Santiago, Mrs. Maria del Pilar Gutierrez Rivera.

Gema Project Mining Tenements.								
Number	Concession Name	Owner	Folio	Number	Year	Registrar	National ID Number.	Registry
5.	Guanaca III 1/30¹¹	Audentis Resources SpA¹²	4368	1064	2014	Copiapó	03201B050-K	Property
6.	Guanaca 10 1/20¹³	Audentis Resources SpA¹⁴	3811	760	2013	Copiapó	03201-9324-9	Property
7.	Pirca III 1/30¹⁵	Sociedad de Inversiones Gema	645	181	2014	Copiapó	03203-6238-5	Property
8.	Mary IV 1/60¹⁶	Sociedad de Inversiones Gema	667	157	2016	Copiapó	03201C153-6	Property
9.	Mary V 1/60¹⁷	Sociedad de Inversiones Gema	193 turn	48	2016	Copiapó	03201C154-4	Property
10.	El Gringo A1	Sociedad de Inversiones Gema	2419	1487	2020	Copiapó	N/A	Discoveries
11.	El Gringo B1	Sociedad de Inversiones Gema	2420 turn	1488	2020	Copiapó	N/A	Discoveries
12.	Marilyn 1	Sociedad de Inversiones Gema	453 turn	307	2020	Copiapó	N/A	Discoveries

¹¹ **Guanaca III, 1/30's** annual mining license corresponding to the year 2020 has not been duly paid. Furthermore, its annual mining license has been duly paid for the year 2019.

¹² **Guanaca III 1/30** was transferred by Sociedad de Inversiones Gema Limitada in order to incorporate Audentis Resources SpA, as stated in the public deed 3984-2020 dated March 2nd of 2020, granted in the office of the Public Notary of Santiago, Mrs. Maria del Pilar Gutierrez Rivera and according to enrollment dated folio 398, number 91, of the Property Registry of the Copiapó Mining Registrar, corresponding to the year 2020.

¹³ **Guanaca 10 1/20** does not have the annual mining license corresponding to the year 2020 duly paid. Furthermore, its annual mining license for the year 2019 has been duly paid.

¹⁴ **Guanaca 10 1/20** was transferred by Sociedad de Inversiones Gema Limitada in order to incorporate Audentis Resources SpA, as stated in the public deed 3984-2020 dated March 2nd of 2020, granted in the office of the Public Notary of Santiago, Mrs. Maria del Pilar Gutierrez Rivera, and according to enrollment dated folio 399, number 92, of the Property Registry of the Copiapó Mining Registrar, corresponding to the year 2020.

¹⁵ **Pirca III 1/30** does not have the annual mining license corresponding to the year 2020 duly paid. Furthermore, its annual mining license for the year 2019 has been duly paid.

¹⁶ **Mary IV 1/60** does not have the annual mining license corresponding to the year 2020 duly paid. Furthermore, its annual mining license for the year 2019 has been duly paid.

¹⁷ **Mary V 1/60** does not have the annual mining license corresponding to the year 2020 duly paid. Furthermore, its annual mining license paid for the year 2019 has been duly paid.

Gema Project Mining Tenements.								
Number	Concession Name	Owner	Folio	Number	Year	Registrar	National ID Number.	Registry
13.	Marilyn 2	Sociedad de Inversiones Gema	455	308	2020	Copiapó	N/A	Discoveries
14.	Marilyn 3	Sociedad de Inversiones Gema	456 turn	309	2020	Copiapó	N/A	Discoveries
15.	Marilyn 4	Sociedad de Inversiones Gema	458	310	2020	Copiapó	N/A	Discoveries
16.	Marilyn 5	Sociedad de Inversiones Gema	459 turn	311	2020	Copiapó	N/A	Discoveries
17.	Marilyn 6	Sociedad de Inversiones Gema	461	312	2020	Copiapó	N/A	Discoveries
18.	Marilyn 7	Sociedad de Inversiones Gema	462 turn	313	2020	Copiapó	N/A	Discoveries
19.	Marilyn 8	Sociedad de Inversiones Gema	464	314	2020	Copiapó	N/A	Discoveries
20.	Marilyn 9	Sociedad de Inversiones Gema	465 turn	315	2020	Copiapó	N/A	Discoveries
21.	Marilyn 10	Sociedad de Inversiones Gema	467	316	2020	Copiapó	N/A	Discoveries
22.	Marilyn 11	Sociedad de Inversiones Gema	468 turn	317	2020	Copiapó	N/A	Discoveries

AMENDMENT TO AGENCY AGREEMENT

This amending agreement (this “**Amendment**”) is entered into as of October 15, 2020.

Reference is made to the agency agreement dated effective October 15, 2020 (the “**Agency Agreement**”) between Mackie Research Capital Corporation (the “**Agent**”) and Cascada Silver Corp. (the “**Corporation**”) pertaining to the offering of up to 40,000,000 special warrants of the Corporation at a price of \$0.10 per special warrant. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed thereto in the Agency Agreement.

The Agent and the Corporation hereby amend the terms of the Agency Agreement as follows:

1. Rather than granting the Compensation Options at Closing to the Agent, the Agent will be granted broker special warrants (“**Broker Special Warrants**”) exercisable for the Compensation Options. The Corporation will use its commercial reasonable efforts to qualify the exchange of such Broker Special Warrants for the Compensation Options in the Final Prospectus.
2. In addition, any appropriate conforming changes to the Agency Agreement consistent with the foregoing shall be deemed to have been made.

Except as provided above, the Agency Agreement remains unamended and in full force and effect in accordance with its terms.

This Amendment may be executed in any number of counterparts and by facsimile or electronic copy, and each of such counterparts and facsimile or electronic copy shall for all purposes be deemed to be an original, and all such counterparts shall together constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF this Amendment has been executed by the parties as of the date first above written.

CASCADA SILVER CORP.

Per: (signed) "Carl Hansen"

Name: Carl Hansen
Title: President and Chief Executive Officer

MACKIE RESEARCH CAPITAL CORPORATION

Per: (signed) "David Greifenberger"

Name: David Greifenberger
Title: Managing Director and Head of Investment Banking, Mining