

AGENCY AGREEMENT

June 14, 2021

Taurus Gold Corp.
#239 9768-170th Street,
Edmonton, AB T5T 5L4

Attention: Lori Walton, CEO

Dear Sirs/Mesdames:

The undersigned, Canaccord Genuity Corp. (the "**Agent**") hereby agrees to offer for purchase and sale on a 'commercially reasonable efforts' agency basis and Taurus Gold Corp. (the "**Corporation**"), upon and subject to the terms hereof, agrees to issue and sell through the Agent up to 8,000,000 units of the Corporation (each, a "**Base Unit**") at a price of \$0.25 per Base Unit (the "**Offering Price**"). Each Base Unit is comprised of one common share without par value of the Corporation (each a "**Unit Share**") and one transferable common share purchase warrant (each a "**Unit Warrant**"). Each Unit Warrant may be exercised by the holder to acquire one common share without par value of the Corporation (each a "**Unit Warrant Share**") at a price of \$0.40 per Unit Warrant Share at any time up to 5:00 p.m. (Vancouver time) on the date that is 24 months following the Closing Date (as hereinafter defined). The Unit Warrants will be subject to the terms of the Warrant Indenture (as hereinafter defined). The certificates representing the Unit Warrants and the Warrant Indenture will, among other things, include provisions for the appropriate adjustment in the class, number and price of the Unit Warrant Shares to be issued upon exercise of the Unit Warrants and upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Corporation's common shares, the payment of stock dividends and the amalgamation of the Corporation.

In addition, the Corporation hereby grants to the Agent an option (the "**Over-Allotment Option**") for the purpose of satisfying over-allocations, if any, and for market stabilization purposes by the Agent. The Over-Allotment Option shall entitle the Agent to offer for purchase and sale, in the Agent's sole discretion and on the basis set forth below, additional Base Units in an amount that is equal to up to 15% of the Base Units issued pursuant to the offering (the "**Additional Units**") from the Corporation at the Option Closing Time (as defined below) at a price per Additional Unit equal to the Offering Price and otherwise on the same basis as the offer for purchase and sale of the Offered Units. The Over-Allotment Option shall be exercisable, in whole or in part, and at any time and from time to time, until 5:00 p.m. (Vancouver time) (the "**Option Expiry Time**") on the 60th day following the Closing Date (as defined below). If the Agent elects to exercise the Over-Allotment Option, the Agent shall provide written notice (the "**Exercise Notice**") to the Corporation prior to the Option Expiry Time, which such Exercise Notice shall specify the number of Additional Units to be offered by the Agent and the date on which such Additional Units are to be offered (the "**Option Closing Date**"). The Option Closing Date may be the same as the Closing Date, but not earlier than the Closing Date, and shall be at least two Business Days (as defined below), but

not more than five Business Days, after the date on which the Exercise Notice is delivered to the Corporation. The Corporation acknowledges and agrees that the Agent is under no obligation to purchase any of the Additional Units.

The offering of the Base Units and Additional Units are hereinafter collectively referred to as the "**Offered Units**" and unless the context otherwise requires, all references to the "**Offered Units**" shall assume the exercise of the Over-Allotment Option. The offering of the Offered Units by the Corporation described in this Agreement is hereinafter referred to as the "**Offering**". The net proceeds of the Offering to the Corporation shall be used by the Corporation substantially in accordance with the disclosure set out under "**Use of Proceeds**" in the Final Prospectus (as hereinafter defined), subject to the qualifications set out therein. All funds received by the Agent for subscription will be held by the Agent until the Closing Date. Notwithstanding any other term of this Agreement, all subscription funds received by the Agent will be returned to the subscribers if the Offering is not completed as set out in this Agreement.

The Agent understands that the Corporation has prepared and, concurrently with or immediately after the execution hereof, will file the Final Prospectus and all necessary documents relating thereto and will take all additional steps to qualify the Offered Units for distribution in British Columbia, Alberta, Ontario and other Provinces mutually agreed upon by the Agent and the Corporation (collectively, the "**Qualifying Jurisdictions**"). The Agent intends to make a public offering of the Offered Units in the Qualifying Jurisdictions upon the terms set forth herein and in the Prospectus (as defined below). The Corporation acknowledges and agrees that the Agent may offer and sell the Offered Units to or through any affiliate of the Agent and that any such affiliate may offer and sell the Offered Units to or through the Agent. The Agent shall be entitled to appoint a soliciting dealer group consisting of other registered dealers acceptable to the Corporation for the purposes of arranging for purchasers of the Offered Units.

In consideration of the Agent's services to be rendered in connection with the Offering, the Corporation shall:

- (a) pay to the Agent a corporate finance advisory fee of \$35,000 (the "**Corporate Finance Fee**") and issue to the Agent 160,000 Base Units (the "**Corporate Finance Fee Units**"), at the Closing (as hereinafter defined);
- (b) pay to the Agent at the Closing a commission (the "**Commission**") equal to 8.0% of the gross proceeds from the sale of the Offered Units, payable in cash or Offered Units of the Corporation issued at the Offering Price (the "**Agent's Commission Units**"), or any combination of cash or Agent's Commission Units, at the option of the Agent; and
- (c) issue to the Agent at the Closing, that number of non-transferable compensation warrants ("**Compensation Warrants**") equal to 8.0% of the number of Offered Units issued under the Offering. Each Compensation Warrant is exercisable for one Offered Unit on the same terms as the Offered Units for a period of 24 months from the Closing Date at the Offering Price.

The Agent shall have the right to direct the Corporation to deliver the Corporate Finance Fee Units, the Agent's Commission Units and the Compensation Warrants to specified Selling Firms (as hereinafter defined). The obligation of the Corporation to pay the Commission shall arise at the Closing Time against payment for the Offered Units and the Commission shall be fully earned by the Agent at that time.

Notwithstanding anything to the contrary contained herein and subject to the terms and conditions hereof, the Agent, acting through its respective U.S. Affiliates, in accordance with Schedule A hereto, may offer and sell the Offered Units in the United States to "Accredited Investors" (as defined in Schedule "A" hereto), provided such sales are made in accordance with the registration exemptions provided by Rule 506(b) of Regulation D under the U.S. Securities Act and applicable U.S. state securities laws, all in the manner contemplated by this Agreement (including Schedule A hereto, the terms and conditions of which are incorporated herein by reference and form a part of this Agreement), in accordance with applicable state securities laws in the United States, or outside the United States in compliance with Rule 903 of Regulation S under the U.S. Securities Act.

DEFINITIONS

In this Agreement, in addition to the terms defined above or elsewhere in this Agreement, the following terms shall have the following meanings:

"Additional Units" has the meaning given to it above;

"Agent" means Canaccord Genuity Corp.;

"Agent's Commission Units" has the meaning given to it above;

"Agent's Commission Unit Shares" means the Unit Shares underlying the Agent's Commission Units;

"Agreement" means the agreement resulting from the acceptance by the Corporation of the offer made hereby;

"Alternative Transaction" has the meaning ascribed thereto in Section 18(c);

"Base Units" has the meaning given to it above;

"Business Day" means a day which is not a Saturday, Sunday or statutory or civic holiday in the City of Vancouver;

"Canadian Securities Regulators" means the applicable securities commission or securities regulatory authority in each of the Qualifying Jurisdictions;

"Closing" means the completion of the issue and sale by the Corporation on the Closing Date of the Offered Units as contemplated by this Agreement;

"Closing Date" means July 31, 2021 or such other date as the Corporation and the Agent, may agree;

"Closing Time" means 8:30 a.m. (Vancouver time) on the Closing Date or such other time on the Closing Date as the Corporation and the Agent, may agree;

"Common Shares" means the common shares of the Corporation which the Corporation is authorized to issue, as constituted on the date hereof;

"Compensation Warrant Shares" means the Unit Shares underlying the Compensation Warrant;

"Compensation Warrants" has the meaning given to it above;

"Corporate Finance Fee Units" has the meaning given to it above;

"Corporate Finance Fee Unit Shares" means the Unit Shares underlying the Corporate Finance Fee Units;

"Corporation's Auditors" means such firm of chartered professional accountants as the Corporation may have appointed or may from time to time appoint as auditors of the Corporation;

"CSE" means the Canadian Securities Exchange;

"Due Diligence Sessions" has the meaning given to it in Section 2;

"Encumbrance" means any encumbrance 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, right of first refusal, acquisition right, privilege, easement, right of way, servitude, restrictive covenant, right of use or any other right or claim of any kind or nature whatsoever which affects ownership or possession of, or title to, any interest in, or right to use or occupy property or assets;

"Final Reg D Private Placement Memorandum" means the final private placement memorandum dated June 14, 2021 comprised of the Final Prospectus and the Reg D Private Placement Memorandum;

"Final Offering Documents" means, together, the Final Prospectus and the Final Reg D Private Placement Memorandum;

"Final Prospectus" means the (final) long form prospectus prepared by the Corporation in accordance with NI 41-101 – *General Prospectus Requirements* and relating to the distribution of the Offered Units and for which a receipt will be issued by the British Columbia Securities Commission on its own behalf and, as principal regulator, on behalf of each of the other Canadian Securities Regulators;

"Financial Statements" means the financial statements of the Corporation included in the Prospectus, including the notes to such statements and the related auditors' report on such statements, if any;

"Financing Term" has the meaning ascribed thereto in Section 18(a);

"Financing Transaction" has the meaning ascribed thereto in Section 18(c);

"Governmental Authority" means any (a) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, bureau or agency, domestic or foreign, (b) any subdivision, agent, commission, board, or authority of any of the foregoing, or (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any foregoing, and any stock exchange or self-regulatory authority and, for greater certainty, includes the Securities Regulators;

"Indemnified Party" has the meaning ascribed thereto in Section 16(c);

"Knowledge", means the actual knowledge of the party and, in the case of the Corporation, means the actual knowledge of each of the directors and senior officers of the Corporation, and in each case, that such party would have had after due inquiry;

"Letter Agreement" means the letter agreement dated January 14, 2021 between the Agent and the Corporation relating to the Offering;

"Listing Date" means the date on which the Common Shares of the Corporation are listed on the CSE;

"Marketing Materials" has the meaning ascribed to "marketing materials" in NI 41-101 (including any template version, revised template version or limited use version thereof) provided to a potential investor in connection with the Offering;

"Material Adverse Effect" or **"Material Adverse Change"** means any effect or change on the Corporation or its business that is or is reasonably likely to be materially adverse to the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flow, income or business operations of the Corporation and its business, taken as a whole, after giving effect to this Agreement and the transactions contemplated hereby or that is or is reasonably likely to be materially adverse to the completion of the transactions contemplated by this Agreement;

"Mining Rights" means all prospecting, exploration, development, production, ingress, egress, access and surface rights, mining and mineral rights, tenements, concessions, claims, licenses, leases, permits, consents, approvals and authorizations forming a part of, or which are reasonably expected to be necessary to operate, or generate feedstock for, the Property;

"misrepresentation", **"material fact"**, **"material change"**, **"affiliate"**, **"associate"**, and **"distribution"** shall have the respective meanings ascribed thereto in the *Securities Act* (British Columbia);

"MI 11-102" means Multilateral Instrument 11-102 – *Passport System* and its companion policy;

"NI 41-101" means National Instrument 44-101 – *General Prospectus Requirements*;

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

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

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

"Offering" means the issuance and sale of the Offered Units pursuant to this Agreement;

"Offering Documents" has the meaning ascribed thereto in Section 6(a)(iii);

"Offered Units" has the meaning given to it above;

"Option Closing" means the completion of the sale by the Corporation to the Agent of the Additional Shares;

"Option Closing Date" has the meaning given to it above;

"Option Closing Time" means 10:00 a.m. (Vancouver time) on the Option Closing Date;

"Option Expiry Time" has the meaning given to it above;

"Over-Allotment Option" has the meaning given to it above;

"Passport System" means the system and process for prospectus reviews provided for under MI 11-102 and NP 11-202;

"person" shall be broadly interpreted and shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust or other legal entity;

"Preliminary Prospectus" means the preliminary long form prospectus dated March 31, 2021 prepared by the Corporation relating to the distribution of the Offered Units;

"Property" shall have the meaning ascribed thereto in the Prospectus;

"Property Rights" has the meaning given to it in Section 8(ii);

"Prospectus" means, collectively, the Preliminary Prospectus, the Preliminary Prospectus and the Final Prospectus and any amendments thereto;

"Responses" means the written and verbal responses provided by the Corporation at the Due Diligence Sessions;

"Qualified Institutional Buyer" means a "qualified institutional buyer" as that term is defined in Rule 144A adopted by the SEC under the U.S. Securities Act;

"Qualifying Jurisdictions" means, collectively, British Columbia, Alberta and Ontario;

"Reg D Private Placement Memorandum" means the U.S. private placement memorandum prepared for use in connection with the offer and sale of the Offered Units in the United States, in the form agreed to by the Corporation and the Agent, each acting reasonably, the final version of which will be attached to a copy of the Final Prospectus;

"Regulation D" means Regulation D adopted by the SEC under the U.S. Securities Act;

"Regulation S" means Regulation S adopted by the SEC under the U.S. Securities Act;

"Securities" means the Offered Units, the Unit Shares, the Unit Warrants and the Compensation Options;

"Securities Laws" means, unless the context otherwise requires, all applicable securities laws in each of the Qualifying Jurisdictions and the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, orders, blanket rulings and other regulatory instruments of the securities regulatory authorities in such jurisdictions;

"Securities Regulators" means, collectively, the CSE, and the Canadian Securities Regulators;

"Selling Firm" has the meaning ascribed thereto in Section 3(a);

"Selling Jurisdictions" means (i) the Qualifying Jurisdictions; (ii) the United States (with respect to such offers and sales made in compliance with Schedule "A" hereof); and (iii) such other foreign jurisdictions as the Agent and the Corporation may mutually agree in writing;

"Standard Term Sheet" has the meaning ascribed to "standard term sheet" in NI 41-101;

"subsidiary" shall have the meaning ascribed thereto in the *Business Corporations Act* (British Columbia);

"Supplementary Material" means, collectively, any amendment to the Final Prospectus, any amendment or supplemental prospectus or ancillary materials that may be filed by or on behalf of the Corporation under the Securities Laws relating to the distribution of the Securities hereunder;

"Technical Report" means the NI 43-101 technical report with an effective date of April 20, 2021, entitled "Technical Summary Report on the Charlotte Property" relating to the Property and prepared by Ken MacDonald, P. Geo;

"Transfer Agent" means the registrar and transfer agent of the Corporation, namely, Endeavor Trust Corporation;

"United States" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

"U.S. Exchange Act" means the United States Securities Exchange Act of 1934, as amended;

"U.S. Person" means a **"U.S. person"**, as such term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act;

"Warrant Agent" means Endeavor Trust Corporation; and

"Warrant Indenture" means an indenture in respect of the Unit Warrants to be entered into between the Corporation and the Warrant Agent on or before the Closing Date.

TERMS AND CONDITIONS

1. Compliance with Securities Laws. The Corporation will cause the Prospectus to be filed with the Canadian Securities Regulators, will deliver all necessary copies of the Prospectus to the Canadian Securities Regulators and will use its best efforts to have the Prospectus accepted by the Canadian Securities Regulators.

2. Due Diligence. Prior to the filing of the Final Prospectus and continuing until the Closing, the Corporation shall have permitted the Agent to review the Final Prospectus and shall allow the Agent to conduct any due diligence investigations which it reasonably requires in order to fulfill its obligations as an Agent under the Securities Laws and in order to enable it to responsibly execute the certificate in the Final Prospectus required to be executed by it. Without limiting the generality of the foregoing, the Corporation shall make available its directors, senior management and audit committee, and shall use its commercially reasonable efforts to cause its auditors and legal counsel and other experts to be available, to answer any questions which the Agent may have and to participate in one or more due diligence sessions to be held prior to the completion of the distribution of the Offered Units (collectively, the "**Due Diligence Sessions**"). The Agent shall distribute the list of written questions to be answered in advance of each such Due Diligence Session and the Corporation shall provide written responses to such questions and shall use its commercially reasonable efforts to have its auditors and legal counsel and other experts provide written responses to such questions in advance of each of the Due Diligence Sessions.

3. Distribution and Certain Obligations of the Agent.

- (a) The Corporation appoints the Agent as its exclusive agent in respect of the Offering and the Agent accepts the appointment and agrees to act as the exclusive agent of the Corporation in respect of the Offering to use their commercially reasonable efforts to sell the Offered Shares in the Selling Jurisdictions. The Agent agrees to use its commercially reasonable efforts to sell the Offered Units, but it is hereby understood and agreed that the Agent shall act as agent only and is under no obligation to purchase any of the Offered Units.
- (b) The Compensation Warrants, Corporate Finance Fee Units, Agent's Commission Units (if the Agent elects to receive Agent's Commission Units) shall be qualified under and distributed pursuant to the Offering Documents to the extent permitted by NI 41-101. The Agent hereby acknowledges that:
 - (i) NI 41-101 restricts the maximum number of securities being issued to an agent as compensation which may be qualified under a prospectus ("**Qualified Compensation Securities**") to not more than 10% of the number of securities being offered;
 - (ii) for the purposes of this Offering, the Compensation Warrants (and the Compensation Warrant Shares issuable upon exercise thereof) in an amount of 8% and Corporate Finance Fee Units and Agent's Compensation Units (and Common Shares issuable on exercise thereof) in an amount of 2% of the aggregate Offering are Qualified Compensation Securities and are qualified for distribution by the Prospectus; and
 - (iii) to the extent that the Agent is entitled to receive securities as compensation exceeding 10% of the Offered Shares sold, those securities exceeding the

10% threshold will not be Qualified Compensation Securities, will not be qualified for distribution under the Prospectus, and will be subject to a four month hold period in accordance with applicable Securities Legislation.

- (c) The Agent shall, and shall require any investment dealer or broker (other than the Agent) with which the Agent has a contractual relationship in respect of the distribution of the Offered Units or who are otherwise offered selling group participation by the Agent (each, a "**Selling Firm**") to agree to comply with the Securities Laws and all other applicable laws or regulatory requirements in connection with the distribution of the Offered Units and shall offer the Offered Units for sale to the public directly and through Selling Firms upon the terms and conditions set out in the Final Prospectus and this Agreement. The Agent shall, and shall require any Selling Firm to, offer for sale to the public and sell the Offered Units only in those jurisdictions where they may be lawfully offered for sale or sold. The Agent shall: (i) use commercially reasonable efforts to complete and cause each Selling Firm to complete the distribution of the Offered Units as soon as reasonably practicable; and (ii) promptly notify the Corporation when, in their opinion, the Agent and the Selling Firms have ceased distribution of the Offered Units and provide a breakdown of the number of Offered Units distributed in each of the Qualifying Jurisdictions where such breakdown is required for the purpose of calculating fees payable to the Securities Regulators.
- (d) The Agent shall, and shall require any Selling Firm to agree to, distribute the Offered Units in a manner which complies with and observes all applicable laws and regulations in each of the Selling Jurisdictions they may offer to sell the Securities, or distribute the Prospectus or any Supplementary Material in connection with the distribution of the Offered Units and will not, directly or indirectly, offer, sell or deliver any Offered Units or deliver the Prospectus or any Supplementary Material to any person in any jurisdiction other than in the Selling Jurisdictions except in a manner which will not require the Corporation to comply with the registration, prospectus, filing, continuous disclosure or other similar requirements under the applicable securities laws of such other jurisdictions or pay any additional governmental filing fees which relate to such other jurisdictions. Subject to the foregoing, with the consent of the Corporation, such consent not to be unreasonably withheld, the Agent and any Selling Firm shall be entitled to offer and sell the Offered Units in such other jurisdictions in accordance with any applicable securities and other laws in such jurisdictions in which the Agent and/or Selling Firms offer the Offered Units provided that the Corporation is not required to file a prospectus or other disclosure document or become subject to continuing obligations in such other jurisdictions, in accordance with the provisions of this Agreement.
- (e) For the purposes of this Section 3, the Agent shall be entitled to assume that the Offered Units, Corporate Finance Fee Units, Agent's Commission Units and Compensation Warrants are qualified for distribution in any Qualifying Jurisdiction where a receipt or similar document for the Final Prospectus shall have been obtained from the applicable Canadian Securities Regulators (including a receipt for the Final Prospectus issued under the Passport System) following the filing of the Final Prospectus unless otherwise notified in writing.

- (f) The Agent shall, and shall require any Selling Firm to agree to, observe and distribute the Offered Units in a manner that complies with all applicable laws and regulations (including, in connection with offers and sales in the United States, Rule 506(b) of Regulation D under the U.S. Securities Act and applicable U.S. state securities) and applicable Securities Laws in each jurisdiction into and from which they may offer to sell the Offered Units or distribute the Final Prospectus, the Final Reg D Private Placement Memorandum or any amendment, supplement or ancillary documents thereto in connection with the distribution of the Offered Units and will not, directly or indirectly, offer, sell or deliver any Offered Units or deliver the Final Prospectus or the Final Reg D Private Placement Memorandum or any other document to any person in any jurisdiction, except in a manner which will not require the Corporation to comply with the registration, prospectus, continuous disclosure, filing or other similar requirements under the applicable securities laws of any jurisdiction other than the Qualifying Jurisdictions.
- (g) The Corporation and the Agent hereby acknowledge that the Offered Units have not been and will not be registered under the U.S. Securities Act or any U.S. state securities or "blue sky" laws, and may not be offered or sold except: (A) to "accredited investors" (as defined in Rule 501(a) under the U.S. Securities Act), provided such sales are made in accordance with the registration exemptions provided by Rule 506(b) of Regulation D under the U.S. Securities Act and applicable U.S. state securities laws; and (B) outside the United States, in accordance with Rule 903 of Regulation S. Accordingly, the Corporation and the Agent hereby agree that offers and sales of the Offered Units in the United States shall be conducted only in the manner specified in Schedule A hereto, which terms and conditions are hereby incorporated by reference in and form a part of this Agreement. The Agent further agrees that they will require each Selling Firm who offers and sells any of the Offered Units to agree to comply with the requirements hereof.

4. Marketing Materials.

- (a) During the distribution of the Offered Units:
 - (i) the Corporation and the Agent, shall approve in writing, prior to the time Marketing Materials are provided to potential investors, a template version of any Marketing Materials reasonably requested to be provided by the Agent to any such potential investor, such Marketing Materials to comply with Securities Laws. The Corporation shall file a template version of such Marketing Materials with the Canadian Securities Regulators as soon as reasonably practicable after such Marketing Materials are so approved in writing by the Corporation and the Agent, and in any event on or before the day the Marketing Materials are first provided to any potential investor of Offered Units, and such filing shall constitute the Agent's authority to use such Marketing Materials in connection with the Offering. Any comparables shall be redacted from the template version in accordance with NI 41-101 prior to filing such template version with the Canadian Securities Regulators and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Canadian Securities Regulators by the Corporation. The Corporation shall prepare and file with the Canadian Securities Regulators a revised

template version of any Marketing Materials provided to potential investors of Offered Units where required under Securities Laws;

- (ii) the Corporation, and the Agent (on its own behalf and on behalf of any Selling Firm), on a several basis (and not joint, nor joint and several), covenant and agree:
 - (A) not to provide any potential investor of Offered Units with any Marketing Materials unless a template version of such Marketing Materials has been filed by the Corporation with the Canadian Securities Regulators on or before the day such Marketing Materials are first provided to any potential investor of Offered Units; and
 - (B) not to provide any potential investor with any materials or information in relation to the distribution of the Offered Units or the Corporation other than: (a) such Marketing Materials that have been approved and filed in accordance with subsection 4(a); (b) the Prospectus; and (c) any Standard Term Sheets approved in writing by the Corporation and the Agent.

5. Deliveries on Filing and Related Matters.

- (a) The Corporation shall deliver to the Agent:
 - (i) prior to the filing of the Final Prospectus, a copy of the Preliminary Prospectus and the Final Prospectus in the English language signed and certified by the Corporation as required by the Securities Laws;
 - (ii) prior to the filing of the Final Prospectus with the Canadian Securities Regulators, a "long form" comfort letter dated the date of the Final Prospectus, in form and substance satisfactory to the Agent, acting reasonably, addressed to the Agent and the directors of the Corporation from the Corporation's Auditors with respect to financial and accounting information relating to the Corporation contained in the Final Prospectus, which letter shall be based on a review by the Corporation's Auditors within a cut-off date of not more than two Business Days prior to the date of the letter, which letter shall be in addition to any auditors' consent letter or comfort letter addressed to the Canadian Securities Regulators;
 - (iii) prior to the filing of the Final Prospectus with the Canadian Securities Regulators, copies of correspondence indicating that the application for the listing and posting for trading on the CSE of the Unit Shares, Warrant Shares, Corporate Finance Fee Unit Shares, Agent's Commission Unit Shares and Compensation Warrant Shares have been approved for listing subject only to satisfaction by the Corporation of customary post-closing conditions imposed by the CSE (the "**Standard Listing Conditions**").
- (b) The Corporation shall also prepare and deliver promptly to the Agent signed copies of all Supplementary Material required to be filed by the Corporation in compliance with the Securities Laws.

- (c) Delivery of the Preliminary Prospectus, the Final Prospectus and any Supplementary Material by the Corporation shall constitute the representation and warranty of the Corporation to the Agent that, as at their respective dates of filing:
- (i) all information and statements (except information and statements relating solely to the Agent and provided by the Agent in writing) contained in the Preliminary Prospectus or the Final Prospectus or any Supplementary Material, as the case may be, are true and correct, in all material respects, and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Corporation and the Offered Units;
 - (ii) no material fact or information has been omitted therefrom (except facts or information relating solely to the Agent) which is required to be stated in such disclosure or is necessary to make the statements or information contained in such disclosure not misleading in light of the circumstances under which they were made; and
 - (iii) except with respect to any information relating solely to the Agent and provided by the Agent in writing, such documents comply in all material respects with the requirements of the Securities Laws.

Such deliveries shall also constitute the Corporation's consent to the Agent's use of the Final Prospectus and any Supplementary Material in connection with the distribution of the Offered Units in the Qualifying Jurisdictions.

- (d) The Corporation shall cause commercial copies of the Final Prospectus and any Supplementary Material to be delivered to the Agent without charge, in such numbers and in such cities as the Agent may reasonably request by written instructions to the Corporation's financial printer of the Final Prospectus and any Supplementary Material given forthwith after the Agent has been advised that the Corporation has complied with the Securities Laws in the Qualifying Jurisdictions. Such delivery shall be effected as soon as possible and, in any event, on or before a date which is two Business Days after the Canadian Securities Regulators have issued a receipt for the Final Prospectus, and on or before a date which is two Business Days after the Canadian Securities Regulators issue receipts for or accept for filing, as the case may be, any Supplementary Material.

- (e) Filing of the Preliminary Prospectus, the Final Prospectus, and any other Prospectus Amendment shall constitute a representation and warranty by the Corporation to the Agent that, as at their respective dates:
- (i) the information and statements (except information and statements relating solely to the Agent which have been provided by the Agent to the Corporation in writing specifically for use in the Preliminary Prospectus, the Final Prospectus, the Final Reg D Private Placement Memorandum any Prospectus Amendment (collectively, the "**Agent's Information**")) contained in the Preliminary Prospectus, the Final Prospectus, the Final Reg D Private Placement Memorandum, if applicable, and other Prospectus Amendment (i) are true and correct and contain no misrepresentation; and (ii) constitute full, true and plain disclosure of all material facts relating to the Corporation, the Offered Units and the Offering as required by Securities Laws;
 - (ii) no material fact or information has been omitted from such disclosure (except for Agent's Information) that is required to be stated in such disclosure or that is necessary to make a statement contained in such disclosure not misleading in the light of the circumstances under which it was made;
 - (iii) if applicable, the Final Reg D Private Placement Memorandum (except for Agent's Information) does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, within the meaning of the U.S. Exchange Act;
 - (iv) except with respect to any Agent's Information, such documents comply in all material respects with the requirements of Securities Laws and the applicable securities laws in the United States; and
 - (v) the statistical and market-related data included in the Preliminary Prospectus, the Final Prospectus, the Reg D Private Placement Memorandum, and any other Prospectus Amendment are based on or derived from sources that are, to the knowledge of the Corporation, reliable and accurate in all material respects.

Such filings shall also constitute the Corporation's consent to the Agent's use of the Preliminary Prospectus, the Final Prospectus, and any other Prospectus Amendment in connection with the distribution of the Offered Units in the Qualifying Jurisdictions in compliance with this Agreement and Securities Laws and the use of the Final Reg D Private Placement Memorandum for offers and sales of the Offered Units in the United States pursuant to the registration exemptions provided by Rule 506(b) of Regulation D under the U.S. Securities Act and applicable U.S. state securities laws.

6. Material Changes.

- (a) During the period prior to the Agent notifying the Corporation of the completion of the distribution of the Offered Units, the Corporation shall promptly inform the Agent (and if requested by the Agent, confirm such notification in writing) of the full particulars of:
 - (i) any material change (actual, anticipated, contemplated, threatened, financial or otherwise) in the assets, liabilities (contingent or otherwise), business, affairs, operations or capital of the Corporation taken as a whole;
 - (ii) any material fact which has arisen or has been discovered and would have been required to have been stated in the Preliminary Prospectus or the Final Prospectus had the fact arisen or been discovered on, or prior to, the date of such documents; and
 - (iii) any change in any material fact contained in the Preliminary Prospectus, the Final Prospectus or any Supplementary Material (collectively, the "**Offering Documents**") or whether any event or state of facts has occurred after the date hereof, which, in any case, is, or may be, of such a nature as to render any of the Offering Documents untrue or misleading in any material respect or to result in any misrepresentation in any of the Offering Documents, or which would result in the Final Prospectus or any Supplementary Material not complying (to the extent that such compliance is required) with Securities Laws.
- (b) The Corporation will comply with Section 57 of the Securities Act (Ontario) and with the comparable provisions of the other Securities Laws, and the Corporation will prepare and file promptly any Supplementary Material which may be necessary and will otherwise comply with all legal requirements necessary to continue to qualify the Offered Units for distribution in each of the Qualifying Jurisdictions.
- (c) In addition to the provisions of Sections 6(a) and 6(b) hereof, the Corporation shall in good faith discuss with the Agent any change, event or fact contemplated in Sections 6(a) and 6(b) which is of such a nature that there is or could be reasonable doubt as to whether notice should be given to the Agent under Section 6(a) hereof and shall consult with the Agent with respect to the form and content of any amendment or other Supplementary Material proposed to be filed by the Corporation, it being understood and agreed that no such amendment or other Supplementary Material shall be filed with any Securities Regulator prior to the review thereof by the Agent and its counsel, acting reasonably and without undue delay.
- (d) If during the period of distribution of the Offered Units there shall be any change in Securities Laws which, in the opinion of the Agent, acting reasonably, requires the filing of any Supplementary Material, upon written notice from the Agent, the Corporation shall, to the satisfaction of the Agent, acting reasonably, promptly prepare and file any such Supplementary Material with the appropriate Securities Regulators where such filing is required.

7. Covenants of the Corporation. The Corporation hereby covenants to the Agent that the Corporation:

- (a) will advise the Agent, promptly after receiving notice thereof, of the time when the Final Prospectus and any Supplementary Material has been filed and receipts therefor have been obtained pursuant to the Passport System and will provide evidence reasonably satisfactory to the Agent of each such filing and copies of such receipts;
- (b) will advise the Agent, promptly after receiving notice or obtaining knowledge thereof, of:
 - (i) the issuance by any Canadian Securities Regulators of any order suspending or preventing the use of the Preliminary Prospectus, the Preliminary Prospectus, the Final Prospectus or any Supplementary Material;
 - (ii) the institution, threatening or contemplation of any proceeding for any such purposes;
 - (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 Offered Units) has been issued by any Securities Regulator or the institution, threatening or contemplation of any proceeding for any such purposes; or
 - (iv) any requests made by any Canadian Securities Regulators for amending or supplementing the Final Prospectus or for additional information, and will use its commercially reasonable 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;
- (c) except to the extent the Corporation participates in a merger or business combination transaction which the Corporation's board of directors determines is in the best interest of the Corporation and following which the Corporation will be in a position to apply to Canadian Securities Regulators to cease to be a "reporting issuer", will use its commercially reasonable efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Securities Laws of each of the Qualifying Jurisdictions to the date which is 24 months following the Closing Date;
- (d) except to the extent the Corporation participates in a merger or business combination transaction which the Corporation's board of directors determines is in the best interest of the Corporation and following which the Corporation is not listed on the CSE, the Corporation will use its commercially reasonable efforts to maintain the listing of the Common Shares on the CSE or such other recognized stock exchange or quotation system as the Agent may approve, acting reasonably, to the date that is 24 months following the Closing Date so long as the Corporation meets the minimum listing requirements of the CSE or such other exchange or quotation system;

- (e) during the distribution of the Offered Units, the Corporation will consult with the Agent and promptly provide to the Agent drafts of any press releases of the Corporation for review by the Agent and the Agent's counsel prior to issuance, provided that any such review will be completed in a timely manner; and
- (f) will use the net proceeds of the Offering contemplated herein substantially in the manner and subject to the qualifications described in the Prospectus under the heading "Use of Proceeds".

8. Representations and Warranties of the Corporation. The Corporation represents and warrants to the Agent that each of the following representations and warranties is true and correct on the date of this Agreement:

- (a) Incorporation and Organization: The Corporation has been incorporated or formed, as the case may be, organized and is a valid and subsisting corporation or partnership, as the case may be, under the laws of its jurisdiction of existence and has all requisite corporate power and capacity to carry on its business as now conducted or proposed to be conducted and to own or lease and operate the property and assets thereof.
- (b) Extra-provincial Registration: The Corporation will, on or before the Closing Date, be licensed, registered or qualified as an extra-provincial, foreign corporation or an extra-provincial partnership, as the case may be, in all jurisdictions where the character of the property or assets thereof owned or leased or the nature of the activities conducted by it make such licensing, registration or qualification necessary and is carrying on the business thereof in material compliance with all applicable laws, rules and regulations of each such jurisdiction.
- (c) Authorized Capital: The Corporation is authorized to issue an unlimited number of Common Shares of which, as of the date of this Agreement, 28,322,620 Common Shares are issued and outstanding as fully paid and non-assessable shares.
- (d) Subsidiaries: The Corporation does not have any subsidiaries.
- (e) Not a Control Person: The Corporation does not beneficially own or exercise control or direction over 10% or more of the outstanding voting shares of any company that holds any assets or conducts any operations.
- (f) Listing: The Corporation has made an application to the CSE so that at the time of issue, the Offered Units, the Unit Shares, Unit Warrant Shares, Corporate Finance Fee Units, Agent's Commission Units (if any) and the Corporate Finance Fee Shares, Agent's Commission Unit Shares (if any) and Compensation Warrant Shares will have been conditionally approved for listing on the CSE, subject only to the Standard Listing Conditions.
- (g) Certain Securities Law Matters: The Corporation is not a reporting issuer or the equivalent thereof in any jurisdiction and is not in default of any material requirement of the Securities Laws. The Corporation is not required to file reports with the United States Securities and Exchange Commission pursuant to Section 13(a) or Section 15(d) of the U.S. Exchange Act.

- (h) No Shareholders Agreement: The Corporation is not party to, and does not have Knowledge of, any shareholders agreement or similar agreement affecting the business, affairs or governance of the Corporation or the rights of shareholders of the Corporation (including, without limitation, the ability of such shareholders to transfer or vote their shares).
- (i) Rights to Acquire Securities: No person has any agreement, option, right or privilege (whether pre-emptive, contractual or otherwise) capable of becoming an agreement for the purchase, acquisition, subscription for or issue of any of the unissued common shares or other securities of the Corporation, except under property agreements as disclosed by the Corporation in the Prospectus and except for stock options issued or to be issued pursuant to the Corporation's stock option plan as disclosed by the Corporation in the Prospectus.
- (j) No Pre-emptive Rights: The issue of the Offered Units will not be subject to any pre-emptive right or other contractual right to purchase securities granted by the Corporation or to which the Corporation is subject.
- (k) Due Diligence: The Responses are true and correct in all material respects where they relate to matters of fact, and, to the Knowledge of the Corporation, such responses taken as a whole shall not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given, and the Corporation and its officers have responded in as thorough and complete fashion as possible. Where the Responses reflect the opinion or view of the Corporation or its officers (including, as regards to the Responses or portions of such Responses, which are forward-looking or otherwise relate to projections, forecasts or estimates of future performance or results, operating, financial or otherwise ("**Forward-looking Statements**")), such opinions or views are subject to the qualifications and provisos set forth in the Responses and were honestly held and believed to be reasonable at the time they were given; provided, however, it shall not constitute a breach of this subsection 8(k) solely if the actual results vary or differ from those contained in Forward-looking Statements;
- (l) Prospectus: The Prospectus contains full, true and plain disclosure of all material facts in relation to the Corporation, the Corporation's business and its securities, will contain no misrepresentations, will be accurate in all material respects and will omit no fact, the omission of which will make such representations misleading or incorrect. There is no fact known to the Corporation which the Corporation has not disclosed in the Prospectus which results in a Material Adverse Effect, or so far as the Corporation can reasonably foresee, will have a Material Adverse Effect or materially adversely affect the ability of the Corporation to perform its obligations under this Agreement. the Corporation has a reasonable basis for disclosing any Forward-looking Statements contained in the Final Prospectus and is not, as of the date hereof, required to update any such Forward-looking Statements pursuant to NI 51-102, and such Forward-looking Statements contained in the Final Prospectus reflects the best currently available estimates and good faith judgments of the management of the Corporation, as the case may be, as to the matters covered thereby;

- (m) No Significant Acquisition: The Corporation has not completed a 'significant acquisition' (as such term is defined in NI 51-102) requiring disclosure in the Prospectus.
- (n) Transfer Agent: The Transfer Agent has been appointed by the Corporation as the registrar and transfer agent for the Common Shares.
- (o) Warrant Agent: The Warrant Agent at its office in Vancouver, British Columbia will, on or before the Closing Date, have been duly appointed as the warrant agent in respect of the Unit Warrants.
- (p) Warrant Indenture: The Corporation has, or will have by the Closing Date, duly executed and delivered the Warrant Indenture and the Corporation will comply with all of covenants of the Corporation therein.
- (q) Issue of Securities: All necessary corporate action has been taken, or will be taken before Closing, to authorize the issue and sale of, and the delivery of certificates representing, the Unit Shares, Unit Warrants, Corporate Finance Fee Units, Agent's Commission Units and Compensation Warrants and, upon fulfillment of the exercise requirements thereof, including payment of the requisite consideration therefor, the Unit Shares, Unit Warrant Shares, Corporate Finance Fee Unit Shares, Agent's Commission Unit Shares and Compensation Warrant Shares will be validly issued as fully paid and non-assessable Common Shares.
- (r) Consents, Approvals and Conflicts: None of the offering and sale of the Offered Units, the execution and delivery of this Agreement, the Warrant Indenture or the Prospectus, the compliance by the Corporation with the provisions of this Agreement or the consummation of the transactions contemplated herein and therein including, without limitation, the issue of the Offered Units upon the terms and conditions as set forth herein, do or will (i) subject to compliance by the Agent with the provisions of this Agreement, require the consent, approval, authorization, order or agreement of, or registration or qualification with, any governmental agency, body or authority, court, stock exchange, securities regulatory authority or other person, except (A) such as have been, or will by the Closing Date, be obtained, or (B) such as may be required under the Securities Laws of any of the Qualifying Jurisdictions and the policies of the CSE and will be obtained by the Closing Date, or (ii) conflict with or result in any breach or violation of any of the provisions of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Corporation is a party or by which it or any of the properties or assets thereof is bound, or the articles or by-laws or any other constating document of the Corporation or any resolution passed by the directors (or any committee thereof) or shareholders of the Corporation, or any statute or any judgment, decree, order, rule, policy or regulation of any court, governmental authority, arbitrator, stock exchange or securities regulatory authority applicable to the Corporation or any of the properties or assets thereof which could have a Material Adverse Effect.
- (s) Authority and Authorization: The Corporation has all requisite corporate power and capacity to enter into this Agreement and the Warrant Indenture and to do all acts and things and execute and deliver all documents as are required hereunder and thereunder to be done, observed, performed or executed and delivered by it in accordance with the terms hereof and thereunder and the Corporation has taken,

or will have taken before Closing, all necessary corporate action to authorize the execution, and delivery of, and performance of its obligations under, this Agreement and the Warrant Indenture and to observe and perform its obligations under this Agreement, and the Warrant Indenture in accordance with the provisions thereof including, without limitation, the issue of the Offered Units, Corporate Finance Fee Units, Agent's Commission Units and Compensation Warrants upon the terms and conditions set forth herein.

- (t) No Material Adverse Change: Subsequent to July 31, 2020, there has not been any Material Adverse Change and there has been no event or occurrence that would reasonably be expected to result in a Material Adverse Change except as disclosed in the Prospectus.
- (u) Validity and Enforceability: This Agreement has been authorized, executed and delivered by the Corporation and constitutes a valid and legally binding obligation of the Corporation enforceable against the Corporation in accordance with the terms hereof and the Warrant Indenture will be authorized, executed and delivered by the Corporation on or prior to the Closing Date and will constitute a valid and legally binding obligation of the Corporation enforceable against the Corporation in accordance with the terms thereof, except in any case as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law.
- (v) No Cease Trade Order: No order preventing, ceasing or suspending trading in any securities of the Corporation or prohibiting the issue and sale of securities by the Corporation is issued and outstanding and no proceedings for either of such purposes have been instituted or, to the Knowledge of the Corporation, are pending, contemplated or threatened.
- (w) Accounting Controls: The Corporation maintains a system of internal accounting controls sufficient to provide reasonable assurance: (i) that transactions are completed in accordance with the general or a specific authorization of management or directors of the Corporation; (ii) that transactions are recorded as necessary to permit the preparation of consolidated financial statements for the Corporation in conformity with International Financial Reporting Standards and to maintain asset accountability; (iii) that access to assets of the Corporation is permitted only in accordance with the general or a specific authorization of management or directors of the Corporation; (iv) that the recorded accountability for assets of the Corporation is compared with the existing assets of the Corporation at reasonable intervals and appropriate action is taken with respect to any differences therein; and (v) regarding the prevention or timely detection of unauthorized acquisition, use or disposition of the Corporation's assets that could have a material effect on its financial statements or interim financial statements.
- (x) Financial Statements: The Corporation's audited financial statements for the fiscal year ended July 31, 2020 (the "**Audited Financial Statements**") and all notes thereto and the Corporation's interim financial statements for the period ended January 31, 2021 and all notes thereto: (i) comply as to form in all material respects with the requirements of the applicable Securities Laws, (ii) present fairly, in all

material respects, the financial position, the results of operations and cash flows and the shareholders' equity and other information purported to be shown therein at the respective dates and for the respective periods to which they apply, (iii) have been prepared in conformity with International Financial Reporting Standards, consistently applied throughout the period covered thereby, and all adjustments necessary for a fair presentation of the results for such periods have been made in all material respects, and (iv) contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of the Corporation, and, except as disclosed in the Prospectus there has been no change in accounting policies or practices of the Corporation since July 31, 2020.

- (y) Auditors: The Corporation's Auditors who audited the Audited Financial Statements and who provided their audit report thereon are, to the Knowledge of the Corporation, independent public accountants as required under applicable Securities Laws and there has not, during the last two financial years, been a reportable event (within the meaning of NI 51-102) between the Corporation and any such auditor.
- (z) Audit Committee: The audit committee of the Corporation is comprised and operates in accordance with the requirements of National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators.
- (aa) Changes in Financial Position: Other than as disclosed in the Prospectus, since July 31, 2020:
 - (i) the Corporation has not paid or declared any dividend or incurred any material capital expenditure or made any commitment therefor;
 - (ii) the Corporation has not incurred any obligation or liability, direct or indirect, contingent or otherwise, except in the ordinary course of business; and
 - (iii) the Corporation has not entered into any material transaction or made a significant acquisition.
- (bb) Insolvency: The Corporation has not committed an act of bankruptcy or sought protection from the creditors thereof before any court or pursuant to any legislation, proposed a compromise or arrangement to the creditors thereof generally, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to be declared bankrupt or wound up, taken any proceeding to have a receiver appointed of any of the assets thereof, had any person holding any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement or other security interest or receiver take possession of any of the property thereof, had an execution or distress become enforceable or levied upon any portion of the property thereof or had any petition for a receiving order in bankruptcy filed against it.
- (cc) No Contemplated Changes: The Corporation has not approved or has entered into any agreement in respect of, or has any Knowledge of:
 - (i) the purchase of any material property or assets or any interest therein or, other than as disclosed in the Prospectus, the sale, transfer or other disposition of any material property or assets or any interest therein

currently owned, directly or indirectly, by the Corporation whether by asset sale, transfer of shares or otherwise;

- (ii) the change of control (by sale or transfer of shares or sale of all or substantially all of the property and assets of the Corporation or otherwise) of the Corporation; or
 - (iii) a proposed or planned disposition of shares by any shareholder who owns, directly or indirectly, 10% or more of the shares of the Corporation.
- (dd) Taxes and Tax Returns: The Corporation has filed in a timely manner all necessary tax returns and notices that are due and has paid all applicable taxes of whatsoever nature for all tax years prior to the date hereof to the extent that such taxes have become due or have been alleged to be due and the Corporation is not aware of any tax deficiencies or interest or penalties accrued or accruing, or alleged to be accrued or accruing, thereon where, in any of the above cases, it might reasonably be expected to have a Material Adverse Effect and there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by any of them or the payment of any material tax, governmental charge, penalty, interest or fine against any of them. There are no material actions, suits, proceedings, investigations or claims now threatened or, to the Knowledge of the Corporation, pending against the Corporation which could reasonably be expected to result in a material liability in respect of taxes, charges or levies of any governmental authority, penalties, interest, fines, assessments or reassessments or any matters under discussion with any governmental authority relating to taxes, governmental charges, penalties, interest, fines, assessments or reassessments asserted by any such authority and the Corporation has withheld (where applicable) from each payment to each of the present and former officers, directors, employees and consultants thereof the amount of all taxes and other amounts, including, but not limited to, income tax and other deductions, required to be withheld therefrom, and has paid the same or will pay the same when due to the proper tax or other receiving authority within the time required under applicable tax legislation.
- (ee) Compliance with Laws, Licenses and Permits: The Corporation has conducted and is conducting the business thereof in compliance in all material respects with all applicable laws, rules, regulations, tariffs, orders and directives of each jurisdiction in which it carries on business, including, but not limited to, NI 43-101, and possesses all material approvals, consents, certificates, registrations, authorizations, permits and licenses issued by the appropriate provincial, state, municipal, federal or other regulatory agency or body necessary to carry on the business currently carried on by it, is in compliance in all material respects with the terms and conditions of all such approvals, consents, certificates, authorizations, permits and licenses and with all laws, regulations, tariffs, rules, orders and directives material to the operations thereof, and the Corporation has not received any notice of the modification, revocation or cancellation of, or any intention to modify, revoke or cancel or any proceeding relating to the modification, revocation or cancellation of any such approval, consent, certificate, authorization, permit or license which, singly or in the aggregate, if the subject of an unfavourable decision, order, ruling or finding, would have a Material Adverse Effect.

- (ff) Agreements and Actions: The Corporation is not in violation of any term of any constating document thereof in any material respect. The Corporation is not in violation of any term or provision of any agreement, indenture or other instrument applicable to it which would, or could reasonably be expected to, result in any Material Adverse Effect, the Corporation is not in default in the payment of any material obligation owed which is now due, if any, and there is no action, suit, proceeding or investigation commenced, threatened or, to the Knowledge of the Corporation, pending which, either in any case or in the aggregate, could reasonably be expected to result in any Material Adverse Effect or which places, or could reasonably be expected to place, in question the validity or enforceability of this Agreement or any document or instrument delivered, or to be delivered, by the Corporation pursuant hereto.
- (gg) Property: The Property is the only mineral property which the Corporation currently considers to be "material" in which the Corporation has an interest and the Corporation is the absolute legal and beneficial owner of, and has good and marketable title to, the interests in the Property or assets as described in the Prospectus, and except as disclosed in the Prospectus and the Technical Report, such interests are free of all mortgages, liens, charges, pledges, security interests, Encumbrances, claims or demands whatsoever and no other property rights are necessary for the conduct of the activities of the Corporation on the Property as currently conducted, except as disclosed in the Prospectus, and the Corporation does not know of any claim or the basis for any claim that might or could reasonably be expected to materially adversely affect the right thereof to use, transfer or otherwise exploit such property rights and, except as disclosed in the Prospectus.
- (hh) Property Agreements: Any and all of the agreements and other documents and instruments pursuant to which the Corporation holds the Property (including any interest in, or right to earn an interest in, the Property) are valid and subsisting agreements, documents or instruments in full force and effect, enforceable against the Corporation in accordance with the terms thereof; the Corporation is not in default of any of the material provisions of any such agreements, documents or instruments nor has any such default been alleged and the Property is in good standing under the applicable statutes and regulations of the jurisdictions in which it is situated; all material leases, licences and claims pursuant to which the Corporation derives the interests in such property and assets are in good standing and, to the Knowledge of the Corporation, there has been no material default under any such lease, licence or claim. The Property (or any interest in, or right to earn an interest in, the Property) is not subject to any right of first refusal or purchase or acquisition right which is not disclosed in the Prospectus.
- (ii) Property Rights: The Corporation holds rights to acquire interests in certain mining claims in the Yukon, Canada (the "**Property Rights**") in respect of the minerals located on the Property under valid, subsisting and enforceable documents sufficient to permit the Corporation to explore for and exploit the minerals relating thereto; to the Knowledge of the Corporation, all concessions, leases or claims and permits relating to the Property in which the Corporation has an interest or right have been validly located and recorded in accordance with all applicable laws and are valid and subsisting except as disclosed in the Prospectus; the Corporation has all surface rights, access rights and other necessary rights and interests relating to the Property as are appropriate in view of the rights and interest

therein of the Corporation and necessary for the Corporation's current activities thereon, with only such exceptions that do not materially interfere with the use made by the Corporation of the rights or interest so held, and, except as would not reasonably be expected to have a Material Adverse Effect, each of the proprietary interests or rights and each of the documents, agreements and instruments and obligations relating thereto referred to above is currently in good standing in all material respects in the name of the Corporation or its contractual partners; the Corporation does not have any responsibility or obligation to pay any material commission, royalty, licence, fee or similar payment to any person with respect to the Property Rights thereof other than as disclosed in the Prospectus. The description of the Property Rights, as disclosed generally in the Prospectus, constitutes an accurate and complete description of all material Property Rights held by the Corporation or its contractual partners.

- (jj) Mining Works: All assessments or other work required to be performed in relation to the mining claims and the mining rights of the Corporation in order to maintain the Property Rights to date, if any, have been performed to date and the Corporation has complied in all material respects with all applicable governmental laws, regulations and policies in this regard as well as with regard to legal, contractual obligations to third parties in this regard except in respect of mining claims and mining rights that the Corporation intends to abandon or relinquish and except for any non-compliance which would not either individually or in the aggregate have a Material Adverse Effect; all such mining claims and mining rights are in good standing in all material respects as of the date of this Agreement.
- (kk) Operations: To the Knowledge of the Corporation, all operations on the Property have been conducted in all respects in accordance with industry-standard mining, exploration and engineering practices and all applicable workers' compensation and health and safety and workplace laws, regulations and policies have been duly complied with.
- (ll) Preparation of Technical Report: The Corporation made available to the author of the Technical Report prior to the issuance thereof, for the purpose of preparing the Technical Report, all information requested, and to the Knowledge of the Corporation, no such information contained any material misrepresentation as at the relevant time the relevant information was made available; except as otherwise disclosed in the Prospectus.
- (mm) Content of Technical Report: To the Knowledge of the Corporation, the Technical Report accurately and completely sets forth all material technical and scientific information relating to the Property as at the date of such report; since the date of preparation of the Technical Report there has been no change, to the Knowledge of the Corporation, except as otherwise disclosed in the Prospectus, that would disaffirm or change any aspect of the Technical Report in any material respect.
- (nn) NI 43-101: The Corporation is in compliance with NI 43-101 in all material respects in connection with the Property and, other than the Property, the Corporation does not hold any interest in a mineral property that is material to the Corporation for the purposes of NI 43-101.
- (oo) Legislation: The Corporation is not aware of any proposed material changes to existing legislation, or proposed legislation published by a legislative body, which

it reasonably anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) of the Corporation.

- (pp) No Defaults: The Corporation is not in default of any material term, covenant or condition under or in respect of any judgement, order, agreement or instrument to which it is a party or to which it or any of the property or assets thereof are or may be subject, and no event has occurred and is continuing, and to its Knowledge no circumstance exists which has not been waived, which constitutes a default in respect of any commitment, agreement, document or other instrument to which the Corporation is a party or by which it is otherwise bound entitling any other party thereto to accelerate the maturity of any material amount owing thereunder or which could reasonably be expected to have a Material Adverse Effect.
- (qq) Compliance with Employment Laws: The Corporation is in compliance with all laws and regulations respecting employment and employment practices, terms and conditions of employment, pay equity and wages, except where such non-compliance would not constitute an adverse material fact concerning the Corporation or result in a Material Adverse Effect, and has not and is not engaged in any unfair labour practice, there is no labour strike, dispute, slowdown, stoppage, complaint or grievance pending or, to the Knowledge of the Corporation, threatened against the Corporation, no union representation question exists respecting the employees of the Corporation and no collective bargaining agreement is in place or currently being negotiated by the Corporation, the Corporation has not received any notice of any unresolved matter and there are no outstanding orders under any employment or human rights legislation in any jurisdiction in which the Corporation carries on business or has employees, other than as disclosed in the Prospectus, no employee has any agreement as to the length of notice required to terminate his or her employment with the Corporation in excess of 24 months or equivalent compensation and all benefit and pension plans of the Corporation are funded in accordance with applicable laws and no past service funding liability exist thereunder.
- (rr) Employee Plans: Each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, pension, incentive or otherwise contributed to, or required to be contributed to, by the Corporation for the benefit of any current or former officer, director, employee or consultant of the Corporation has been maintained in material compliance with the terms thereof and with the requirements prescribed by any and all statutes, orders, rules, policies and regulations that are applicable to any such plan.
- (ss) Accruals: All material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or provincial pension plan premiums, accrued wages, salaries and commissions and payments for any plan for any officer, director, employee or consultant of the Corporation have been accurately reflected in the books and records of the Corporation.
- (tt) Work Stoppage: There has not been, and there is not currently, any labour trouble which is having a Material Adverse Effect or could reasonably be expected to have a Material Adverse Effect.

(uu) Environmental Compliance: Except as disclosed in the Prospectus:

- (i) to the Knowledge of the Corporation, the property, assets and operations of the Corporation comply in all material respects with all applicable Environmental Laws (which term means and includes, without limitation, any and all applicable federal, provincial, municipal or local laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, or any Environmental Activity (which term means and includes, without limitation, any past or present activity, event or circumstance in respect of a Contaminant (which term means and includes, without limitation, any pollutants, dangerous substances, liquid wastes, hazardous wastes, hazardous materials, hazardous substances or contaminants or any other matter including any of the foregoing, as defined or described as such pursuant to any Environmental Law), including, without limitation, the storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation thereof, or the release, escape, leaching, dispersal or migration thereof into the natural environment, including the movement through or in the air, soil, surface water or groundwater));
- (ii) to the Knowledge of the Corporation, the Corporation has obtained all material licenses, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws (the "**Environmental Permits**") necessary as at the date hereof for the operation of the businesses currently carried on by the Corporation, and each Environmental Permit is valid, subsisting and in good standing and, to the Knowledge of the Corporation, the Corporation is not in material default or breach of any Environmental Permit and, to the Knowledge of the Corporation, no proceeding is pending or threatened to revoke or limit any Environmental Permit;
- (iii) the Corporation does not have any Knowledge of, and has not received any notice of, any material claim, judicial or administrative proceeding, pending or threatened against, or which may materially affect, the Corporation or any of the property, assets or operations thereof, relating to, or alleging any violation of any Environmental Laws, the Corporation is not aware of any facts which could give reasonably be expected to give rise to any such claim or judicial or administrative proceeding and the Corporation nor any of the property, assets or operations thereof is the subject of any investigation, evaluation, audit or review by any Governmental Authority to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is needed in connection with a release of any Contaminant into the environment, except for compliance investigations conducted in the normal course by any Governmental Authority;

- (iv) the Corporation has not given or filed any notice under any federal, provincial or local law with respect to any Environmental Activity, the Corporation does not have any material liability (whether contingent or otherwise) in connection with any Environmental Activity and, to the Knowledge of the Corporation, no notice has been given under any federal, state, provincial or local law or of any material liability (whether contingent or otherwise) with respect to any Environmental Activity relating to or affecting the Corporation or the property, assets, business or operations thereof;
- (v) the Corporation does not store any hazardous or toxic waste or substance on the property thereof and has not disposed of any hazardous or toxic waste, in each case in a manner contrary to any Environmental Laws and, to the Knowledge of the Corporation, there are no Contaminants on any of the premises at which the Corporation carries on business, in each case other than in compliance with Environmental Laws; and
- (vi) to the Knowledge of the Corporation, the Corporation is not subject to any contingent or other material liability relating to non-compliance with Environmental Law.
- (vv) Environmental Audits: There are no environmental audits, evaluations, assessments, studies or tests relating to the Corporation except for ongoing assessments conducted by or on behalf of the Corporation in the ordinary course.
- (ww) No Litigation: There are no actions, suits, proceedings, inquiries or investigations existing, pending or, to the Knowledge of the Corporation, threatened against the Property or assets thereof, at law or equity, or before or by any court, federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which could reasonably be expected to result in a Material Adverse Effect or materially adversely affects the ability of any of them to perform the obligations thereof hereunder and the Corporation is not subject to any judgement, order, writ, injunction, decree, award, rule, policy or regulation of any Governmental Authority, which, either separately or in the aggregate, could reasonably be expected to result in a Material Adverse Effect or materially adversely affects the ability of the Corporation to perform its obligations under this Agreement.
- (xx) Unlawful Payments: The Corporation has not nor, to the Knowledge of the Corporation, any director, officer, agent, employee or other person associated with or acting on behalf of the Corporation, has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds, (iii) violated or is in violation of any provision of the Corruption of Foreign Officials Act (Canada) or the Foreign Corrupt Practices Act (United States), or (iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

- (yy) Anti-Money Laundering and Unlawful Payments:
- (i) the operations of the Corporation are and have been conducted, at all times, in material compliance with all applicable financial recordkeeping and reporting requirements of applicable anti-money laundering statutes of the jurisdictions in which the Corporation conducts business, the rules and regulations thereunder and any related or similar rules or regulations, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Corporation with respect to the Anti-Money Laundering Laws is pending or, to the Knowledge of the Corporation, threatened;
 - (ii) the Corporation has not, directly or indirectly: (A) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction; or (B) made any contribution to any candidate for public office, in either case where either the payment or the purpose of such contribution, payment or gift was, is or would be prohibited under the Canada Corruption of Foreign Public Officials Act (Canada) or the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (United States) or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to the Corporation and its operations, and will not use any portion of the proceeds of the Offering, in contravention of such legislation; and
 - (iii) the Corporation or, to the Knowledge of the Corporation, any director, officer, agent, employee, affiliate or person acting on behalf of the Corporation has not been or is not currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department and the Corporation will not directly or indirectly use any proceeds of the distribution of the Offered Units or lend, contribute or otherwise make available such proceeds to the Corporation or to any affiliated entity, joint venture partner or other person or entity, to finance any investments in, or make any payments to, any country or person targeted by any of the sanctions of the United States.
- (zz) Intellectual Property: The Corporation owns or possesses adequate enforceable rights to use all trademarks, copyrights and trade secrets used or proposed to be used in the conduct of the business thereof and, to the Knowledge of the Corporation, the Corporation is not infringing upon the rights of any other person with respect to any such trademarks, copyrights or trade secrets and no other person has infringed any such trademarks, copyrights or trade secrets.

- (aaa) Non-Arm's Length Transactions: Except as disclosed in the Prospectus and to the Agent, the Corporation does not owe any amount to, nor has the Corporation any present loans to, or borrowed any amount from or is otherwise indebted to, any officer, director, employee or securityholder of any of them or any person not dealing at "arm's length" (as such term is defined in the Income Tax Act (Canada)) with any of them except for usual employee reimbursements and compensation paid or other advances of funds in the ordinary and normal course of the business of the Corporation. Except for usual employee or consulting arrangements made in the ordinary and normal course of business, and except as described in the Prospectus, the Corporation is not a party to any contract, agreement or understanding with any officer, director, employee or securityholder of any of them or any other person not dealing at arm's length with the Corporation. Except as described in the Prospectus, no officer, director, employee or securityholder of the Corporation has any cause of action or other claim whatsoever against, or owes any amount to, the Corporation except for claims in the ordinary course of the business of the Corporation such as for accrued vacation pay or other amounts or matters which would not be material to the Corporation.
- (bbb) Minute Books: The minute book of the Corporation has been or will be made available to the Agent or counsel to the Agent, are complete and accurate in all material respects, except for minutes of board meetings or resolutions of the board of directors that have not been formally approved by the board of directors or items in the minute book that are not current, but which are not material in the context of the Corporation on a consolidated basis.
- (ccc) Commission: Other than the Agent, there is no person acting or purporting to act at the request or on behalf of the Corporation that is entitled to any brokerage or finder's fee in connection with the transactions contemplated by this Agreement as a result of actions taken by the Corporation.
- (ddd) No Withholding of Public Information: The Corporation has not withheld from the Agent any fact or information relating to the Corporation or to the Offering that would reasonably be expected to be material to the Agent.
- (eee) COVID-19. Except as disclosed in the Prospectus and except as mandated by or in conformity with the recommendations of a Governmental Entity, there has been no closure, demobilization, shut-down, suspension, postponement or disruption at the Corporation's facilities or to the operations or workforce productivity of the Corporation and the Subsidiaries as a result of the novel coronavirus outbreak (the "**COVID-19 Outbreak**"). The Corporation and the Subsidiaries have been monitoring the COVID-19 Outbreak and the potential impact at all of their operations and have put appropriate control measures in place to ensure the wellness of all of its employees while continuing to operate.

9. Representations and Warranties of the Agent. The Agent represents, warrants and covenants to and with the Corporation that:

- (a) it is a valid and subsisting corporation and in good standing under the law of the jurisdiction in which it was incorporated;
- (b) it has good and sufficient right and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein;
- (c) this Agreement has been authorized, executed and delivered by the Agent and constitutes a valid and legally binding obligation of the Agent enforceable against the Agent in accordance with the terms hereof, except in any case as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;
- (d) it is a broker registered under the Securities Laws; and
- (e) it will sell the Offered Units in compliance with the Securities Laws.

10. Closing Deliveries. The purchase and sale of the Offered Units shall be completed at the Closing Time electronically or at such place as the Agent and the Corporation may agree. At or prior to the Closing Time, the Corporation shall duly and validly deliver to the Agent:

- (a) one or more certificate(s) (whether in definitive form or electronic form deposited via CDS Clearing and Depository Services Inc.) representing the Offered Units, Unit Shares and/or Unit Warrants, as the case may be, registered in such name or names as the Agent may notify the Corporation in writing not less than 48 hours prior to Closing;
- (b) one or more certificate(s) representing the Corporate Finance Fee Units, Agent's Commission Units (if any) and Compensation Warrants, registered in such name or names as the Agent may notify the Corporation in writing not less than 48 hours prior to closing;

against payment by the Agent to the Corporation, at the direction of the Corporation, in lawful money of Canada by certified cheque or wire transfer an amount equal to the aggregate purchase price for the Offered Units, as the case may be, being issued and sold hereunder less the Commission, the Corporate Finance Fee, and all of the estimated out-of-pocket expenses of the Agent payable by the Corporation to the Agent in accordance with Section 17 hereof.

11. Agent's Conditions. The obligation of the Agent to complete the transactions contemplated by this Agreement at the Closing Time shall be subject to the following conditions (it being understood that the Agent may waive in whole or in part or extend the time for compliance with any of such terms and conditions without prejudice to its rights in respect of any other of the following terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agent any such waiver or extension must be in writing):

- (a) the Agent shall have received favourable legal opinions addressed to the Agent, in form and substance satisfactory to the Agent's counsel, dated the Closing Date, from Burstall LLP, counsel to the Corporation, and where appropriate, local counsel to the Corporation, which counsel in turn may rely, as to matters of fact, on certificates of public officials and officers of the Corporation, substantially to the effect of the below:
- (i) each of the Corporation and its Subsidiaries has been duly incorporated and is validly subsisting under the laws of the jurisdiction of its incorporation and has all the requisite corporate capacity, power and authority to carry on its business as conducted by it and as proposed to be conducted by it in each case as described in the Final Offering Documents;
 - (ii) as to the Corporation being a "reporting issuer" not included on the list of issuers in default in the Qualifying Jurisdictions;
 - (iii) as to the authorized and issued capital of the Corporation;
 - (iv) as to the corporate power and authority of the Corporation to execute, deliver and perform its obligations under this Agreement to create, issue and sell, as applicable, the Offered Units, the Compensation Warrants, the Corporate Finance Fee Units and the Agent's Commission Units;
 - (v) as to the corporate power and authority of the Corporation to execute and deliver the Preliminary Prospectus and the Final Prospectus;
 - (vi) all necessary corporate action having been taken by the Corporation to authorize the execution and delivery by it of this Agreement and the performance by it of its obligations hereunder;
 - (vii) all necessary corporate action having been taken by the Corporation to authorize the execution and delivery by it of the Preliminary Prospectus and the Final Prospectus and the filing thereof in each of the Qualifying Jurisdictions in accordance with the Securities Laws;
 - (viii) this Agreement, having been duly authorized, executed and delivered by the Corporation and constituting a valid and legally binding obligation of the Corporation enforceable against it in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, liquidation, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and the qualification that the enforceability of rights of indemnity, contribution and waiver and the ability to sever unenforceable terms may be limited by applicable law;
 - (ix) the execution and delivery of this Agreement and the performance by the Corporation of its obligations hereunder, the sale or issuance of the Offered Units, the Compensation Warrants, the Corporate Finance Fee Units and the Agent's Commission Units do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with the constating documents of the

Corporation, any applicable corporate laws or any applicable Securities Laws;

- (x) (i) the Offered Units, Corporate Finance Fee Units, Agent's Commission Units, the Compensation Warrant and the Common Shares underlying the Offered Units, Corporate Finance Fee Units, Agent's Commission Units, the Compensation Warrant have been duly and validly authorized and, if applicable, reserved for issuance; and (ii) when the Offered Units, Corporate Finance Fee Units, the Compensation Warrant, and, if applicable, the Agent's Commission Units have been delivered and paid for in accordance with this Agreement on the applicable Closing Date or date of exercise, as applicable, the Common Shares underlying the Offered Units, Corporate Finance Fee Units, the Compensation Warrant, and, if applicable, the Agent's Commission Units, will be, validly issued as fully paid and non-assessable Common Shares;
- (xi) all necessary documents have been filed, all necessary proceedings have been taken and all legal requirements have been fulfilled as required under applicable Securities Laws in order to qualify the distribution of the Offered Units to the public in each of the Qualifying Jurisdictions by or through investment dealers and brokers duly registered under the applicable laws of such provinces who have complied with the relevant provisions of applicable Securities Laws, the issuance of the Corporate Finance Fee Units, Compensation Warrants and the Agent's Commission Units (if any) to the Agent;
- (xii) all necessary corporate action has been taken by the Corporation to authorize the execution of each of the Preliminary Prospectus and the Final Prospectus, and, if applicable, any other Prospectus Amendments and the filing of such documents under applicable Securities Laws in each of the Qualifying Jurisdictions, and to authorize the use and delivery of the Final Reg D Private Placement Memorandum, if applicable, including any amendments thereto;
- (xiii) the statements and opinions concerning tax matters set forth in the Final Prospectus under the headings (including for certainty, all subheadings under such headings) "Eligibility for Investment" insofar as they purport to describe the provisions of the laws referred to therein are fair and adequate summaries of the matters discussed therein subject to the qualifications, assumptions and limitations set out under such headings;
- (xiv) the attributes of the Offered Units, Corporate Finance Fee Units, Agent's Commission Units (if any) and Compensation Warrants conform in all material respects with the description thereof contained in the Final Prospectus; and
- (xv) subject only to satisfaction by the Corporation of the standard listing conditions and requirements set forth in the conditional approval letter of the CSE, the Unit Shares, Unit Warrant Shares, Corporate Finance Fee Unit Shares, Agent's Commission Unit Shares and Compensation Warrant Shares have been conditionally listed and posted for trading on the CSE;

- (b) If any Offered Units are sold in the United States, the Agent shall have received at the Closing Time an opinion of U.S. counsel to the Corporation, in form and substance reasonably satisfactory to the Agent, to the effect that in connection with the offer, sale and delivery of such Offered Units, no registration of the Offered Units is required under the U.S. Securities Act;
- (c) the Agent shall have received an opinion dated the Closing Date, in form and substance satisfactory to the Agent's counsel, acting reasonably, from Burstall LLP regarding the Property, including with respect to: (i) the registered ownership of the Mining Rights forming part of the Property, (ii) the good standing under applicable laws of the Mining Rights forming part of the Property and (iii) the registered Encumbrances relating to the Mining Rights forming part of the Property;
- (d) the Agent shall have received an incumbency certificate dated the Closing Date including specimen signatures of the Chief Executive Officer, the Chief Financial Officer and any other officer of the Corporation signing this Agreement or any document delivered hereunder;
- (e) the Agent shall have received a certificate, dated the Closing Date, of such two senior officers of the Corporation as are acceptable to the Agent, acting reasonably, addressed to the Agent and its counsel to the effect that, to the best of their Knowledge, information and belief, after due enquiry and without personal liability:
 - (i) the representations and warranties of the Corporation in this Agreement are true and correct in all material respects as if made at and as of the Closing Time and the Corporation has performed all covenants and agreements and satisfied all conditions on its part to be performed or satisfied in all material respects at or prior to the Closing Time;
 - (ii) no order, ruling or determination having the effect of suspending the sale or ceasing, suspending or restricting the trading of Common Shares in the Qualifying Jurisdictions has been issued or made by any stock exchange, securities commission or regulatory authority and is continuing in effect and, to the Knowledge of the officers, no proceedings, investigations or enquiries for that purpose have been instituted or are pending;
 - (iii) the bylaws of the Corporation delivered at Closing are full, true and correct copies, unamended, and in effect on the date thereof;
 - (iv) the minutes, resolutions and other records of various proceedings and actions of the Corporation's Board of Directors relating to the Offering and delivered at Closing are full, true and correct copies thereof and have not been modified or rescinded as of the date thereof; and
 - (v) subsequent to the respective dates as at which information is given in the Prospectus, there has not been a Material Adverse Change other than as disclosed in the Prospectus or any Supplementary Material, as the case may be.
- (f) the Agent shall have received a letter dated as of the Closing Date, in form and substance satisfactory to the Agent, acting reasonably, addressed to the Agent

and the directors of the Corporation from the Corporation's Auditors confirming the continued accuracy of the comfort letter to be delivered to the Agent pursuant to Section 5(a)(ii) hereof with such changes as may be necessary to bring the information in such letter forward to a date not more than two Business Days prior to the Closing Date, which changes shall be acceptable to the Agent, acting reasonably;

- (g) the Unit Shares, the Unit Warrant Shares, Corporate Finance Fee Unit Shares, Agent's Commission Unit Shares (if any), Compensation Warrant Shares and the Common Shares issuable upon exercise of the Warrants comprising the Compensation Warrants shall have been approved for listing on the CSE, subject only to the official notices of issuance and fulfilment of the Standard Listing Conditions;
- (h) the Agent and its counsel shall have been provided with information and documentation, reasonably requested relating to their due diligence inquiries and investigations and shall not have identified any material adverse changes or misrepresentations or any items materially adversely affecting the Corporation's affairs which exist as of the date hereof but which have not been disseminated to the public in accordance with applicable Securities Laws;
- (i) the Agent shall have received a certificate of good standing in respect of the Corporation;
- (j) the Agent shall have received certificates or lists, issued under the Securities Laws of the Qualifying Jurisdictions stating or evidencing that the Corporation is not in default under such Securities Laws;
- (k) the Agent shall have receive a certificate from the Warrant Agent as to its appointment as warrant agent in respect of the Unit Warrants; and
- (l) the Agent shall have received a certificate from the Transfer Agent as to the number of Common Shares issued and outstanding as at a date no more than two Business Days prior to the Closing Date.

12. All Terms to be Conditions. The Corporation agrees that the conditions contained in Section 11 will be complied with insofar as the same relate to acts to be performed or caused to be performed by the Corporation and that it will use its commercially reasonable efforts to cause all such conditions to be complied with. Any breach or failure to comply with any of the conditions set out in Section 11 shall entitle the Agent to terminate its obligations under this Agreement, by written notice to that effect given to the Corporation at or prior to the Closing Time. It is understood that the Agent may waive, in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to the rights of the Agent in respect of any such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agent any such waiver or extension must be in writing.

13. Termination Events. In addition to any other remedies which may be available to the Agent, the Agent may terminate its obligations under this Agreement by delivering written notice to that effect to the Corporation at or prior to the Closing Time, if:

- (a) the Agent is not satisfied, in its sole discretion, acting reasonably, with the results of its due diligence review and investigations;

- (b) there shall be any material change in the affairs of the Corporation, or there should be discovered any previously undisclosed material fact which, in the reasonable opinion of the Agent, has or would be expected to have a significant adverse effect on the market price or value of the Common Shares of the Corporation, or a purchaser's decision to purchase the Offered Units;
- (c) any order, inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, announced or threatened or made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality against the Corporation or any of its officers or directors, including, without limitation, by the Securities Regulators, or any law or regulation is enacted or changed which in the opinion of the Agent acting reasonably, operates or threatens to prevent, cease or restrict the issuance or trading of the securities of the Corporation by the Corporation or its officers or directors or materially and adversely affects or will materially and adversely affect the market price or value of the securities of the Corporation;
- (d) there should develop, occur or come into effect or existence any event, action, state, accident, condition, terrorist event or major financial occurrence of national or international consequence or any law or regulation which in the reasonable opinion of the Agent seriously adversely affects, or will, or would reasonably be expected to, seriously adversely affect, the financial markets or the business, operations or affairs of the Corporation, on a consolidated basis;
- (e) following a consideration of the history, business, products, property or affairs of the Corporation or its directors and officers or of the state of the financial markets in general, or the state of the market for the Corporation's securities in particular, the Agent determines, in its sole discretion, acting reasonably, that it is not in the interest of the purchasers to complete the purchase and sale of the Offered Units;
- (f) the Offered Units cannot, in the reasonable opinion of the Agent, be profitably marketed due to the state of the financial markets, or the market for the Offered Units in particular;
- (g) the Agent determines that the Corporation is in breach of a material term, condition or covenant of this Agreement;
- (h) any order to cease, halt or suspend trading (including an order prohibiting communications with persons in order to obtain expressions of interest) in the securities of the Corporation prohibiting or restricting the Offering is made by a competent regulatory authority and that order is still in effect;
- (i) the Agent determines that any of the representations or warranties made by the Corporation in this Agreement is false in any material respect or has become false in any material respect; or
- (j) the Agent and the Corporation agree in writing to terminate this Agreement.

14. Exercise of Termination Right. If this Agreement is terminated by the Agent pursuant to Section 13, there shall be no further liability to the Corporation on the part of the Agent or of the Corporation to the Agent, except in respect of any liability which may have arisen or may thereafter arise under Sections 16 and 17. The right of the Agent to terminate its respective obligations under this Agreement is in addition to such other remedies as it may have in respect of any default,

act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement.

15. Survival of Representations and Warranties. The representations, warranties, covenants and indemnities of the Corporation and the Agent contained in this Agreement will survive the Closing for a period of two years following the Closing Date, except for the obligations pursuant to Section 16, which shall survive indefinitely.

16. Indemnity.

(a) Rights of Indemnity

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

- (i) any information or statement (except any Agent's Information) contained in the Prospectus, including any Prospectus Amendments or in any certificates of the Corporation, delivered pursuant to this Agreement which at the time and in light of the circumstances under which it was made contains or is alleged to contain a misrepresentation within the meaning of applicable Securities Laws;
- (ii) any omission or alleged omission to state in the Prospectus, including any Prospectus Amendments or any certificates of the Corporation delivered pursuant to this Agreement, any material fact required to be stated in such document or necessary to make any statement in such document not misleading in light of the circumstances under which it was made and also including an omission or alleged omission that would be a misrepresentation within the meaning of applicable Securities Laws;
- (iii) any misrepresentation or alleged misrepresentation (except a misrepresentation or alleged misrepresentation which is based upon information relating solely to the Agent and furnished in writing to the Corporation by the Agent or the Agent's counsel, as the case may be, expressly for inclusion in the Prospectus) contained in or incorporated by reference into the Prospectus including any Prospectus Amendments or in any other document or material filed or delivered by or on behalf of the Corporation pursuant hereto or any other information filed with the Securities Regulators in compliance, or intended compliance, with any Securities Laws;
- (iv) any order made, prohibition or restriction in trading made, or enquiry, investigation or proceedings commenced or threatened by any court,

securities commission, stock exchange or other competent authority based upon any actual or alleged untrue statement of a material fact or omission or any misrepresentation or alleged misrepresentation within the meaning of the applicable Securities Laws contained in or omitted from the Prospectus including any Prospectus amendments or based upon any failure to comply with the applicable Securities Laws (other than any failure or alleged failure to comply by the Agent), or any change of law or the interpretation or administration thereof which operates to prevent or restrict the trading in or the sale or distribution of the Offered Units in any of the Qualifying Jurisdictions or the United States;

- (v) the non-compliance or alleged non-compliance by the Corporation with any Securities Laws in connection with the transactions contemplated by this Agreement, including the Corporation's non-compliance with any statutory requirement to make any document available for inspection; or
- (vi) any breach by the Corporation of its representations, warranties, covenants or obligations to be complied with under this Agreement or any other document to be delivered pursuant to this Agreement,

provided, however, that in the case of subsections 16(a)(i), (v) or (vi) only, no party shall be entitled, to the extent that a court of competent jurisdiction in a final judgement from which no appeal can be made has determined that the liabilities, claims, losses, costs, damages, expenses, proceedings, suits or actions were primarily caused by such party's breach of agreement, gross negligence, fraud or willful misconduct, to indemnification from any person who has not engaged in such breach of agreement, gross negligence, fraud or willful misconduct (provided that for greater certainty, the foregoing shall not disentitle an Agent from claiming indemnification hereunder to the extent that the negligence, if any, relates to the Agent's failure to conduct adequate "due diligence"), and in such case the indemnity provided for in this Section 16 shall cease to apply and the Indemnified Party (as defined herein) shall promptly reimburse the Corporation for any funds advanced to the Indemnified Party in respect of such liabilities, claims, losses, costs, damages, expenses, proceedings, suits or actions.

(b) Limitations of Indemnity

An Indemnified Party shall cease to be entitled to the rights of indemnity and contribution contained in Section 16:

- (i) if the Corporation has complied with the provisions of Section 5 and the person asserting the Claim (as defined below) for which indemnity would otherwise be available was not delivered a copy of the Final Prospectus or was not provided with a copy of an amendment which corrects any misrepresentation contained in the Final Prospectus, which is the basis for such Claim and which Final Prospectus is required under the applicable Securities Laws or the terms of this Agreement to be delivered to such person by the Agent or members of any Selling Firm; and
- (ii) if and to the extent that a court of competent jurisdiction in a final judgment from which no appeal can be made determines that a Claim to which such Indemnified Party is subject was caused by or resulted from the breach of

agreement, gross negligence, fraud or willful misconduct of such Indemnified Party.

(c) Notification of Claims

If any matter or thing contemplated by subsection 16(a) (any such matter or thing being referred to as a "**Claim**") is asserted against any person or company in respect of which indemnification is or might reasonably be considered to be provided, such person or company (the "**Indemnified Party**") will notify the Corporation in writing as soon as possible of the particulars of such Claim (but the omission so to notify the Corporation of any potential Claim shall not relieve the Corporation from any liability which it may have to any Indemnified Party and any omission so to notify the Corporation of any actual Claim shall affect the Corporation's liability only to the extent that such omission prejudices the defence of such Claim or results in any material increase in the liability of the Corporation hereunder).

(d) Retaining Counsel

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

- (i) the defence shall be conducted through legal counsel reasonably satisfactory to the Indemnified Party, and
- (ii) the Corporation shall not, without the written consent of the Indemnified Party, acting reasonably, effect the settlement or compromise of, or consent to the entry of any judgement with respect to, any pending or threatened Claim in respect of which indemnification or contribution may be sought under this Agreement (whether or not the Indemnified Party is an actual or potential party to such Claim) unless such settlement, compromise or judgement: (i) includes an unconditional release of the Indemnified Party from all liability arising out of such Claim; and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any Indemnified Party.

In any Claim, the Indemnified Party shall have the right to retain other counsel to act on his, her or its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party, unless:

- (iii) the Corporation and the Indemnified Party shall have mutually agreed to the retention of the other counsel;
- (iv) the Corporation shall have failed to retain counsel within 14 days following receipt by the Corporation of notice of any such Claim from the Indemnified Party; or
- (v) the Indemnified Party is advised by counsel that there is an actual or potential conflict in the Corporation's and its interests or additional defences are available to the Indemnified Party, which makes representation by the same counsel inappropriate,

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

(e) Reimbursement

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

(f) Contribution

In order to provide for a just and equitable contribution in circumstances in which the indemnity provided for above would otherwise be available in accordance with its terms but is, for any reason, held to be unavailable to or unenforceable by the Indemnified Party or enforceable otherwise than in accordance with its terms, the Corporation and the Indemnified Party shall contribute to the aggregate of all claims, expenses, costs and liabilities and all losses (other than loss of profits and other consequential damages relating to the offer by the Agent of the Offered Units pursuant to this Agreement) in such proportion as is appropriate to reflect: (i) the relative benefits of the Corporation on the one hand and the Agent on the other hand from the offering of Offered Units as contemplated by this Agreement; or (ii) if the allocation provided by (i) above is not permitted by Applicable Law, not only the relative benefits of the Corporation on the one hand and the Agent on the other hand from the offering of Offered Units as contemplated by this Agreement, but also the relative fault of the Corporation and the Agent with respect to such Claim, whether or not the Corporation has been sued together with the Agent or sued separately from the Agent, provided, however, that:

- (i) the Agent shall not in any event be liable to contribute, in the aggregate, any amounts in excess of the aggregate fees actually received by the Agent from the Corporation under this Agreement (exclusive of amounts paid for reimbursement of expenses under this Agreement or amounts paid to an Indemnified Party under this Agreement);

- (ii) each Agent shall not in any event be liable to contribute, individually, any amount in excess of such Agent's portion of the aggregate fees actually received from the Corporation under this Agreement (exclusive of amounts paid for reimbursement of expenses under this Agreement or amounts paid to an Indemnified Party under this Agreement); and
- (iii) no party who has been determined by a court of competent jurisdiction in a final judgement from which no appeal can be made to have engaged in any fraud, fraudulent misrepresentation or gross negligence shall be entitled to claim contribution from any other person who has not been so determined to have engaged in such fraud, fraudulent misrepresentation or gross negligence.

The relative benefits received by the Corporation, on the one hand, and the Agent, on the other hand, shall be deemed to be in the same proportion that the total proceeds of the Offering received by the Corporation (net of fees actually received by the Agent but before deducting expenses) bear to the fees actually received by the Agent. The amount paid or payable by an Indemnified Party as a result of such losses, claims, damages, liabilities, costs or expenses (or Claims in respect thereof) referred to above, shall be deemed to include any reasonable legal or other expenses incurred by such Indemnified Party in connection with investigating or defending any such losses, claims, damages, liabilities, costs or reasonable expenses (or Claims in respect thereof), whether or not resulting in any such Claim.

The Corporation hereby waives its rights to recover contribution from the Agent with respect to any liability of the Corporation by reason of or arising out of any misrepresentation in the Prospectuses including any Prospectus amendments or any certificates of the Corporation delivered pursuant to this Agreement; provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of any misrepresentation which is based solely upon any Agent's Information.

Each of the Corporation and the Agent agree that it would not be just and equitable if contributions pursuant to this Agreement were determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to above.

(g) Right in Favour of Others

It is the intention of the Corporation to constitute the Agent as trustee for each of their respective subsidiaries and affiliates, and each of their respective directors, officers, partners, employees, agents and controlling persons (if any), and each shareholder of the Agent, and the successors and assigns of all the foregoing persons, of the covenants of the Corporation under this Section 16 and the Agent agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

(h) Waiver

The Corporation waives any right it may have of first requiring an Indemnified Party to proceed against or enforce any other right, power, remedy or security or claim or to claim payment from any other person before claiming under this indemnity. It

is not necessary for an Indemnified Party to incur expense or make payment before enforcing such indemnity.

(i) No Derogation of Other Rights

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

17. Expenses. The Corporation shall pay all reasonable expenses and fees in connection with the Offering contemplated by this Agreement, including, without limitation, expenses of or incidental to the issue, sale or distribution of the Offered Units and the filing of the Offering Documents and expenses of or incidental to all other matters in connection with the transaction set out in this Agreement, including, without limitation, the fees and expenses payable in connection with the distribution of the Offered Units, the fees and expenses of the Corporation's counsel and of local counsel to the Corporation, the fees and expenses of the auditors and the transfer agent for the Common Shares, the fees and expenses of the Warrant Agent, all costs incurred in connection with the preparation and printing of the Offering Documents and certificates representing the Unit Shares, Unit Warrants and Compensation Options, the miscellaneous fees and expenses of the Agent and the reasonable fees and disbursements of the Agent's counsel, provided the legal fees of the Agent's counsel shall not exceed \$45,000 excluding all disbursements and applicable taxes, without the prior approval of the Corporation, whether or not the Offering is completed. All fees and expenses incurred by the Agent or on its behalf shall be payable by the Corporation immediately upon receiving an invoice therefor from the Agent and shall be payable whether or not the Offering is completed. At the option of the Agent, such fees and expenses may be deducted from the gross proceeds of the Offering otherwise payable to the Corporation at Closing. The Agent acknowledges receipt of the sum of \$20,000 with such funds representing an advance with respect to the expenses of the Agent payable pursuant to this Section 17.

18. Right of First Refusal.

- (a) If at any time from the date hereof until the date that is 12 months from the Closing Date (the "**Financing Term**"), the Corporation (i) proposes to obtain additional debt or equity financing, (ii) proposes a material corporate transaction, such as an amalgamation, recapitalization, merger, take-over bid, joint venture, plan of arrangement or reorganization, or (iii) receives an unsolicited take-over bid, and the Corporation requires the services of a lead manager, underwriter, private placement agent and/or exclusive financial advisor, or other professional services, sponsorship or advisory services performed (or normally performed) by a broker or investment dealer, the Corporation agrees to engage the Agent as its co-lead manager, underwriter, private placement agent and/or exclusive financial advisor (as the case may be, depending on the nature of the transaction) in connection with such transaction (in each case a "**Financing Transaction**"), subject to agreeing on mutually acceptable fee arrangements and notwithstanding anything to the contrary stated herein the Agent shall have the right of first refusal for such

Financing Transaction. The terms and conditions relating to any such services will be outlined in a separate engagement letter, underwriting agreement or agency agreement and the fees for such services will be in addition to the fees payable pursuant to this Agreement, will be negotiated separately and in good faith and will be consistent with fees paid to North American investment bankers for similar services to similar companies.

- (b) Notwithstanding Section 18(a), if during the Financing Term the Corporation receives an unsolicited offer to provide any such services from another lead manager, underwriter, private placement agent or exclusive financial advisor (as the case may be, depending on the nature of the transaction), professional services, sponsorship or advisory services performed (or normally performed) by a broker or investment dealer, the Corporation shall provide written notice to the Agent of the terms of the proposed transaction and the Agent will have the option to accept the mandate on substantially the same terms as set out in the notice. If the Agent declines to accept the terms of the offer from the Corporation, the Corporation may engage any other person as manager, underwriter, private placement agent and/or financial advisor, provided that such terms and conditions or any such engagement shall be no more favourable to such other person as the terms and conditions offered by the Corporation to the Agent. Where the Agent declines to accept the terms of the offer, the right shall be waived for that particular engagement only. If the Agent declines, the Corporation may proceed with such offering through another agent or underwriter (it being acknowledged and agreed by the Agent that if the Corporation issues any securities to which the foregoing would apply, but does not retain or utilize a registered dealer as agent therefore, the foregoing shall not apply to such issuance, unless any of the subscribers to the issuance of such securities is a subscriber or beneficial purchaser of securities pursuant to the Offering), provided the arrangements are entered into within 30 days thereafter.
- (c) If the Corporation does not complete the Offering, but the Corporation or any affiliate or subsidiary thereof completes any debt or equity financing transaction (excluding a bank loan from commercial bank lenders) prior to the date that is 180 days following the termination of this Agreement (any such transaction, an "**Alternative Transaction**") in respect of which the Agent is not the sole underwriter, placement agent, arranger or initial purchaser, or in respect of which the Agent does not receive at least the same amount of compensation pursuant to the Alternative Transaction as to which it would have been entitled under the Offering, the Agent shall be entitled to receive immediately upon the completion of such Alternative Transaction, the lesser of (i) the amount of compensation assuming completion of the maximum Offering, and (ii) the commission and Compensation Warrants calculated based on the amount raised pursuant to the Alternative Transaction; provided, however, that the Agent shall not be entitled to any amount under this Section in the event that the Agent voluntarily terminates this Agreement (other than as a result of a material breach by the Corporation of its obligations thereunder) or the Corporation voluntarily terminates this Agreement as a result of a material breach by the Agent of its obligations hereunder.

19. **Advertisements and Press Releases.**

- (a) The Corporation acknowledges that the Agent shall have the right, subject always to Section 3(a) and (c) of this Agreement, at its own expense, subject to the prior

consent of the Corporation, such consent not to be unreasonably withheld, to place such advertisement or advertisements relating to the sale of the Offered Units contemplated herein as the Agent may consider desirable or appropriate and as may be permitted by applicable law. The Corporation and the Agent each agree that they will not make or publish any advertisement in any media whatsoever relating to, or otherwise publicize, the transaction provided for herein so as to result in any exemption from the prospectus and registration or other similar requirements under applicable securities legislation in any of the provinces of Canada or any other jurisdiction in which the Offered Units shall be offered and sold being unavailable in respect of the sale of the Offered Units to prospective purchasers.

- (b) Subject to compliance with applicable law, any press release of the Corporation relating to the Offering will be provided in advance to the Agent, and the Corporation will use commercially reasonable efforts to agree to the form and content thereof with the Agent prior to the release thereof. More particularly, in order to comply with applicable U.S. securities laws, 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 shall include the following:

"This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available."

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

- (a) If to the Corporation, to:

Taurus Gold Corp.
9768 – 170th Street, Suite 239
dmonton, Alberta T5T 5L4

Email: [redacted – personal information]
Attention: Lori Walton

with a copy (for information purposes only and not constituting notice) to:
Burstall LLP

Suite 1600 Dome Tower
333 - 7th Avenue SW
Calgary, Alberta T2P 2Z1

Email: parken@burstall.com
Attention: Alex Parken

(b) to the Agent, to:

Canaccord Genuity Corp.
520 3rd Avenue SW, Suite 2400
Calgary, Alberta T2P 0R3

Email: [redacted – personal information]
Attention: Jeff German

With a copy (for information purposes only and not constituting notice), to:

Boughton Law Corporation
595 Burrard Street, Suite 700
Vancouver, British Columbia V7X 1S8

Email: cnest@boughtonlaw.com
Attention: Conrad Nest

and if so given, shall be deemed to have been given and received upon receipt by the addressee or a responsible officer of the addressee if delivered, or upon delivery if emailed during normal business hours, as the case may be. Any party may, at any time, give notice in writing to the others in the manner provided for above of any change of address or email address.

- 21. Time of the Essence.** Time shall, in all respects, be of the essence hereof.
- 22. Canadian Dollars.** All references herein to dollar amounts are to lawful money of Canada.
- 23. Headings.** The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.
- 24. Singular and Plural, etc.** Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.
- 25. Entire Agreement.** This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings, including, without limitation, the Letter Agreement. This Agreement may be amended or modified in any respect by written instrument only signed by each of the parties hereto.
- 26. Severability.** If one or more provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.
- 27. Governing Law.** This Agreement is governed by the law of British Columbia, and the parties hereto irrevocably attorn and submit to the jurisdiction of the courts of British Columbia with respect to any dispute related to this Agreement.
- 28. No Fiduciary Duty.** The Corporation hereby acknowledges that (i) the transactions contemplated hereunder are arm's-length commercial transactions between the Corporation, on the one hand, and the Agent and any affiliate through which it may be acting, on the other, (ii) the Agent is acting as agent but not as fiduciary of the Corporation and (iii) the Corporation's

engagement of the Agent in connection with the Offering and the process leading up to the Offering is as agent and not in any other capacity. Furthermore, the Corporation agrees that it is solely responsible for making its own judgments in connection with the Offering (irrespective of whether the Agent has advised or is currently advising the Corporation on related or other matters). The Agent has not rendered advisory services beyond those, if any, required of an investment dealer by Securities Laws in respect of an offering of the nature contemplated by this Agreement and the Corporation agrees that it will not claim that the Agent has rendered advisory services beyond those, if any, required of an investment dealer by Securities Laws in respect of the Offering, or that the Agent owes a fiduciary or similar duty to the Corporation, in connection with such transaction or the process leading thereto.

29. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Corporation and the Agent and its respective successors and permitted assigns. This Agreement shall not be assignable by any party hereto without the prior written consent of the other party.

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

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

32. Counterparts. This Agreement may be executed in two or more counterparts and may be delivered by facsimile transmission or other means of electronic transmission, each of which will be deemed to be an original and all of which will constitute one agreement, effective as of the reference date given above.

[The remainder of this page has been left blank intentionally.]

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

Yours very truly,

CANACCORD GENUITY CORP.

Per: "Jeff German"
Authorized Signing Officer

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

DATED as of the 14th day of June, 2021.

TAURUS GOLD CORP.

Per: "Lori Walton"
Authorized Signing Officer

SCHEDULE "A"

UNITED STATES OFFERS AND SALES

As used in this Schedule "A", the following terms shall have the following meanings:

"Accredited Investor" has the meaning ascribed thereto in Rule 501(a) of Regulation D;

"Directed Selling Efforts" means "directed selling efforts" as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Units, and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Units;

"Disqualification Event" has the meaning set forth in Section A.9 below;

"Foreign Issuer" means a "foreign issuer" as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule, it means any issuer which is (a) the government of any country other than the United States or of any political subdivision of a country other than the United States; or (b) a corporation or other organization incorporated under the laws of any country other than the United States, except an issuer meeting the following conditions as of the last business day of its most recently completed second fiscal quarter: (1) more than 50 percent of the outstanding voting securities of such issuer are directly or indirectly owned of record by residents of the United States; and (2) any of the following; (i) the majority of the executive officers or a majority of the directors are United States citizens or residents, (ii) more than 50 percent of the assets of the issuer are located in the United States, or (iii) the business of the issuer is administered principally in the United States;

"General Solicitation or General Advertising" means "general solicitation or general advertising", as used in Rule 502(c) of Regulation D, including any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

"Issuer Covered Person" has the meaning set forth in Section A.9 below;

"Offshore Transaction" means "offshore transaction" as that term is defined in Regulation S; and **"Qualified Institutional Buyer"** means a "qualified institutional buyer" as that term is defined in Rule 144A;

"Rule 144A" means Rule 144A adopted by the SEC under the U.S. Securities Act;

"SEC" means the United States Securities and Exchange Commission; and

"Substantial U.S. Market Interest" means "substantial U.S. market interest" as that term is defined in Regulation S.

"U.S. Person" means a "U.S. person" as such term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act; and

"U.S. Purchaser" means an original purchaser of the Offered Units that is either an Accredited Investor or Qualified Institutional Buyer who was, at the time of purchase, (a) a U.S. Person, (b) any person purchasing such Offered Units on behalf of, or for the account or benefit of, any U.S. Person or any person in the United States, (c) any person who receives or received an offer to acquire such Offered Units while in the United States, and (d) any person who was in the United States at the time such person's buy order was made or the applicable exhibit pursuant to the Reg D Private Placement Memorandum pursuant to which such Offered Units were acquired was executed or delivered.

All other capitalized terms used but not otherwise defined in this Schedule "A" shall have the meanings assigned to them in the agency agreement to which this Schedule A is attached.

A. Representations, Warranties and Covenants of the Corporation

The Corporation represents and warrants to and covenants with the Agents that:

1. It is, and on the Closing Date, the Option Closing Date and the date of any other sale of Offered Units pursuant to the Agency Agreement will be, a Foreign Issuer with no Substantial U.S. Market Interest with respect to any of its securities.
2. Except with respect to offers and sales made by the Agents through their U.S. Affiliates in accordance with this Schedule A (i) to Accredited Investors pursuant to Rule 506(b) of Regulation D and (ii) to persons outside the United States in an Offshore Transaction in reliance upon the exclusion from the registration requirements available pursuant to Rule 903 of Regulation S, neither the Corporation nor any of its affiliates, nor any person acting on its or their behalf (other than the Agents, the U.S. Affiliate(s), their respective affiliates or any person acting on their behalf, in respect of which no representation, warranty or covenant is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Units to a person in the United States; or (B) any sale of Offered Units unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States or (ii) the Corporation, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States.
3. None of the Corporation, any of its affiliates or any persons acting on its or their behalf (other than the Agents, the U.S. Affiliate(s), their respective affiliates or any person acting on their behalf, in respect of which no representation, warranty or covenant is made) has made or will make any Directed Selling Efforts or has engaged or will engage in any form of General Solicitation or General Advertising or has acted or will act in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in the United States with respect to the Offered Units.
4. The Corporation is not, and as a result of the sales of the Offered Units will not be, an investment company within the meaning of the United States Investment Company Act of 1940, as amended.
5. The Corporation has not sold, offered for sale or solicited any offer to buy and will not sell, offer for sale or solicit any offer to buy, during the period beginning six

months prior to the start of the Offering of the Offered Units and ending six months after the completion of the Offering of the Offered Units, any of its securities in the United States in a manner that would be integrated with and would cause the exemption from registration provided by Rule 506(b) of Regulation D, or the exclusion from registration provided by Rule 903 of Regulation S, to be unavailable with respect to offers and sales of the Offered Units pursuant to this Schedule A.

6. The Corporation will not take any action that would cause the exemptions or exclusions from registration provided by Rule 506(b) of Regulation D or Rule 903 of Regulation S to be unavailable with respect to offers and sales of the Offered Units pursuant to the Agency Agreement including this Schedule A.
7. Neither the Corporation nor any of its predecessors or affiliates has been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.
8. None of the Corporation, its affiliates or any person on behalf of any of them (other than the Agents, the U.S. Affiliate, their respective affiliates or any person acting on their behalf, in respect of which no representation is made) has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with this Offering.
9. With respect to the Offered Units to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D, none of the Corporation, any of its predecessors, any director, executive officer, other officer of the Corporation participating in the Offering, any beneficial owner of 20% or more of the Corporation's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Corporation in any capacity at the time of sale (each, an "Issuer Covered Person" and, together, "Issuer Covered Persons") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the U.S. Securities Act (a "Disqualification Event"). The Corporation has not paid and will not pay, nor is it aware of any person that has paid or will pay, directly or indirectly, any remuneration to any person (other than the Dealer Covered Persons, as defined below) for solicitation of purchasers of Offered Units pursuant to Rule 506(b) of Regulation D.

B. Representations, Warranties and Covenants of the Agents

Each Agent represents and warrants to and covenants and agrees with the Corporation that:

1. It acknowledges that the Offered Units have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold except pursuant to an exclusion or exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. It has offered and sold and will offer and sell the Offered Units only (i) outside the United States in an Offshore Transaction in accordance with Rule 903 of Regulation S, or (ii) in the United States as provided in this Schedule A. Accordingly, neither the Agent, nor the U.S. Affiliate(s), nor any of their affiliates, nor any persons acting on its or their behalf: (i) have engaged or will engage in any Directed Selling Efforts; or (ii) except as permitted by this Schedule A, have made or will make (x) any offers to sell Offered Units in the United States or to, or for the

account or benefit of, U.S. Persons or (y) any sale of Offered Units unless at the time the purchaser made its buy order therefor, the Agents, the U.S. Affiliate or other person acting on any of their behalf reasonably believed that such purchaser was outside the United States.

2. It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Offered Units, except with the U.S. Affiliate(s), any Selling Firms, or with the prior written consent of the Corporation.
3. It shall require the U.S. Affiliate(s) and any Selling Firms to agree, for the benefit of the Corporation, to comply with, and shall use its best efforts to ensure that the U.S. Affiliate(s) and any Selling Firms comply with, the provisions of this Schedule A as if such provisions applied to such persons.
4. All offers and sales of the Offered Units U.S. Purchasers by the Agent or its U.S. Affiliate(s) will be effected by the U.S. Affiliate(s) in accordance with all applicable U.S. federal and state broker-dealer requirements. Such U.S. Affiliate(s) are, and will be on the date of each such offer or sale of Offered Units, duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and the securities laws of each state in which such offer or sale is made (unless exempted from the respective state's broker-dealer registration requirements) and members of and in good standing with the Financial Industry Regulatory Authority, Inc.
5. Any offer, sale or solicitation of an offer to buy Offered Units that has been made or will be made by the Agent or the U.S. Affiliate(s) to U.S. Purchasers, was or will be made only to (i) Qualified Institutional Buyers or Accredited Investors pursuant to and in accordance with the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D and similar exemptions from the securities laws of the states of the United States, and (ii) persons outside the United States in Offshore Transactions that are exempt from registration pursuant to Rule 903 of Regulation S.
6. It will provide each offeree of Offered Units pursuant to Rule 506(b) of Regulation D a copy of the Reg D Private Placement Memorandum. It will provide each purchaser of Offered Units pursuant to Rule 506(b) of Regulation D a copy of the Reg D Private Placement Memorandum prior to the time of purchase of any Offered Units.
7. Prior to any sale of Offered Units to, or for the account or benefit of, U.S. Persons, it will require each (i) purchaser that is an Accredited Investor to execute and deliver to the Corporation, the Agent and the U.S. Affiliate, Exhibit II to the Reg D Private Placement Memorandum; and (ii) purchaser that is Qualified Institutional Buyer to execute and deliver to the Corporation, the Agent and the U.S. Affiliate, Exhibit I to the Reg D Private Placement Memorandum. Offers and sales of Offered Units in the United States or to, or for the account or benefit of, U.S. Persons, have not been and shall not be made by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.
8. At least one Business Day prior to any sale of Offered Units pursuant to the Agency Agreement, it shall provide the Corporation with a list of all U.S. Purchasers, together with their addresses (including state of residence), the number of Offered Units purchased and the registration and delivery instructions for the Offered Units.

9. All U.S. Purchasers of the Offered Units shall be informed that the Offered Units have not been and will not be registered under the U.S. Securities Act and applicable state securities laws and are being offered and sold to such U.S. Purchasers in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D.
10. Neither it nor any person acting on its behalf has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with this Offering.
11. None of it, its U.S. Affiliate(s), any of their respective general partners or managing members, any director or executive officer of any of the foregoing, any other officer of any of the foregoing participating in the offering of the Offered Units pursuant to Rule 506(b) of Regulation D, or any other officer or employee of any of the foregoing that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers of Offered Units pursuant to Rule 506(b) of Regulation D (each, a "Dealer Covered Person", and together with the Dealer Covered Persons associated with the other Agents, the "Dealer Covered Persons") is subject to any Disqualification Event. Neither it nor its U.S. Affiliate(s) has paid or will pay, nor is it aware of any other person that has paid or will pay, directly or indirectly, any remuneration to any person (other than the Dealer Covered Persons) for solicitation of purchasers of Offered Units pursuant to Rule 506(b) of Regulation D.
12. At Closing, the Agent, together with the U.S. Affiliate, will provide a certificate, substantially in the form of Exhibit A to this Schedule A, relating to the manner of the offer and sale of the Common Shares to U.S. Purchasers, or will be deemed to have represented that they did not offer or sell Offered Units to U.S. Purchasers.

At each closing, the Agent, together with its U.S. Affiliate(s), will provide a certificate, substantially in the form of Exhibit A to this Schedule A, relating to the manner of the offer and sale of the Offered Units in the United States and to, or for the account or benefit of, U.S. Persons, or will be deemed to have represented that neither it nor any of its affiliates offered or sold Offered Units in the United States or to, or for the account or benefit of, U.S. Persons.

EXHIBIT A TO SCHEDULE A**AGENT'S CERTIFICATE**

In connection with the purchase in the United States of common shares (the "Securities") of Taurus Gold Corp. (the "Corporation") pursuant to the Agency Agreement dated June 14, 2021, among the Corporation and the Agent named therein (the "Agency Agreement"), the undersigned Agent and the placement agent in the United States for such Agent (the "U.S. Affiliate") do hereby certify to the Corporation as follows:

1. All offers and sales of the Securities in the United States or to or for the account or benefit of U.S. Persons by us were effected by or through the undersigned U.S. Affiliate.
2. The U.S. Affiliate is, and at all relevant times was, a duly registered broker or dealer with the United States Securities and Exchange Commission and under the laws of each applicable state of the United States (unless exempted from the respective state's broker-dealer registration requirements) and is a member of and in good standing with the Financial Industry Regulatory Authority, Inc. on the date hereof and the date on which each offer was made by it in the United States, and all offers and sales of the Securities in the United States by us have been effected by the U.S. Affiliate in compliance with all U.S. federal and state securities (including broker-dealer) laws.
3. Immediately prior to making any offers to any U.S. Purchaser, we had reasonable grounds to believe and did believe that the U.S. Purchaser was either (i) a Qualified Institutional Buyer, or (ii) an Accredited Investor, and, on the date hereof, we continue to believe that each such U.S. Purchaser purchasing Offered Units from us is either a Qualified Institutional Buyer or an Accredited Investor.
4. No form of General Solicitation or General Advertising was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television or the internet or any seminar or meeting whose attendees had been invited by General Solicitation or General Advertising, in connection with the offer or sale of the Offered Units to U.S. Purchasers.
5. Each U.S. Purchaser was provided with a copy of the Reg D Private Placement Memorandum, and, prior to the sale of Offered Units to any U.S. Purchaser, each such U.S. Purchaser was provided with a copy of the Reg D Private Placement Memorandum.
6. No form of General Solicitation or General Advertising was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television or the internet or any seminar or meeting whose attendees had been invited by General Solicitation or General Advertising, in connection with the offer or sale of the Securities in the United States or to, or for the account or benefit of, U.S. Persons.
7. Neither we nor the U.S. Affiliate, have taken or will take any action that would constitute a violation of Regulation M under the U.S. Exchange Act.

8. The offering of the Securities by us has been conducted by us in accordance with the terms of the Agency Agreement including Schedule A thereto.
9. Neither we, the U.S. Affiliate, nor any Persons acting on our or the U.S. Affiliate's behalf, have engaged in any Directed Selling Efforts.
10. Prior to any sale of Securities by us in the United States or to, or for the account or benefit of, a U.S. Person, we caused each such purchaser thereof to execute a U.S. Subscription Agreement in the form attached to the U.S. Private Placement Memorandum.

Terms used in this certificate have the meanings given to them in the Agency Agreement, including Schedule A thereto, unless otherwise defined herein.

DATED this _____ day of _____, 2021.

CANACCORD GENUITY CORP.

By: _____
Name: ◆
Title: ◆

[AGENT'S U.S. AFFILIATE]

By: _____
Name: ◆
Title: ◆