

Dated June 24, 2022

Silverfish Resources Inc.  
9285 203B Street  
Langley, British Columbia V1M 2L9

**Attention: Mr. Joseph Cullen, Chief Executive Officer, President and Director**

Dear Sir:

**RE: Issue and Sale of Securities of Silverfish Resources Inc.**

Leede Jones Gable Inc. (the “**Agent**”) understands that Silverfish Resources Inc. (the “**Corporation**”) proposes to issue and sell 4,000,000 common shares without par value in the capital of the Corporation (“**Common Shares**”) at a price of \$0.25 per Common Share (each, an “**Offered Share**”) for gross proceeds of \$1,000,000 pursuant to an initial public offering (the “**Offering**”). The Company has also granted to the Agent an option (the “**Over-Allotment Option**”), entitling the Agent to exercise, in whole or in part in the sole discretion of the Agent, up to 30 days following closing of the Offering, to sell additional common shares equal to 15% of the Offered Shares at a price of \$0.25 per Common Share to cover the Agent’s over-allocation position, if any. If exercised, the Common Shares issued pursuant to the exercise of the Over-Allotment Option shall be deemed to form part of the Offering for the purposes hereof. Unless the context otherwise requires, all references to the “**Offering**” and “**Offered Shares**” shall include any Common Shares issued or issuable in connection with the exercise of the Over-Allotment Option.

The Agent also understands that the Corporation has prepared and filed the Preliminary Prospectus and all necessary related documentation with respect to the Offered Shares with the Securities Commissions in the Offering Provinces and has received the Preliminary Receipt. The Agent also understands that the Corporation intends to file, without delay and on the terms and conditions set out herein, with the Securities Commissions the Prospectus and all necessary related documentation in order to qualify the Common Shares for distribution in each of the Offering Provinces.

Subject to the terms and conditions hereof, the Agent agrees to act as, and the Corporation appoints the Agent as, the sole and exclusive agent of the Corporation for the Offering and to use its commercially reasonable efforts to secure subscriptions therefor, provided that the Agent shall be under no obligation to purchase any of such Offered Shares as principal. The Agent shall be entitled (but not obligated) in connection with the sale of the Offered Shares to retain as sub-agents other securities dealers and may receive (for delivery to the Corporation at the Closing Time) subscriptions for Offered Shares from other securities dealers. The Agent shall have the exclusive right to select such sub-agents and the fees payable to such sub-agents shall be for the account of the Agent.

If, for whatever reason, the Offering is not completed by the date which is 90 days after the issuance of the Final Receipt, or such later date as agreed to by the Corporation and the Agent and on such terms as may be prescribed by the Securities Commissions, all subscription funds shall be returned to the subscribers without interest or deduction, unless such subscribers have otherwise instructed the Agent.

The Agent shall notify the Corporation in writing of its election to exercise the Over-Allotment Option at any time up to 30 days following the Closing Date, and not later than two business days prior to the proposed closing date for the Over-Allotment Option, which notice shall specify the number of Offered Shares to be offered and sold by the Agent and the proposed Closing Date. In the event that the Over-Allotment Option is exercised, all of the terms and conditions of this agreement shall apply to each closing of the Over-Allotment (as defined herein) mutatis mutandis.

In consideration for its services hereunder the Agent shall be entitled to the Agent’s Fee, expenses, and Compensation Options provided for in paragraph 9. For greater certainty, except as provided for in paragraph 9, the services provided by the Agent in connection herewith will not be subject to applicable sales tax and taxable supplies will be incidental to the exempt financial services provided.

The following are the terms and conditions of this Agreement:

## 1. Definitions

In this Agreement:

- (a) “**Agent**” means Leede Jones Gable Inc;
- (b) “**Agent’s counsel**” means DS Lawyers Canada LLP, or such other legal counsel as the Agent, with the consent of the Corporation, may appoint;
- (c) “**Agent’s Fee**” means the cash fee payable by the Corporation to the Agent equal to 9% of the aggregate gross proceeds of the Offering;
- (d) “**Agreement**” means this agency agreement among the Corporation and the Agent, and words such as “**hereof**”, “**hereto**”, “**herein**” and “**hereby**” refer to this Agreement as the context requires;
- (e) “**Applicable Securities Laws**” includes, collectively, all applicable securities, corporate and other laws, rules, regulations, notices, instruments, blanket orders, decision documents, and published procedures and policies in force in the Offering Provinces;
- (f) “**business day**” means a day which is not Saturday, Sunday or a legal holiday in the City of Vancouver, British Columbia;
- (g) “**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended from time to time;
- (h) “**Closing Date**” means the closing of the Offering or the Over-Allotment Option, as applicable, on such date or dates as the Agent and the Corporation may agree;
- (i) “**Closing Time**” means 8:00 a.m. (Vancouver time), or such other time, on the Closing Date, as the Agent and the Corporation may agree;
- (j) “**Common Share**” means a common share in the capital of the Corporation;
- (k) “**Compensation Options**” means the options to be granted to the Agent or as directed by the Agent to purchase that number of Common Shares equal to 9% of the aggregate number of Offered Shares sold pursuant to the Offering. Each Compensation Option will be exercisable into one Common Share upon payment of \$0.25 per Common Share at any time prior to the date which is twenty-four (24) months from the Closing Date;
- (l) “**Compensation Option Certificate**” means the certificate representing the Compensation Options, substantially in the form attached hereto as Schedule “A”;
- (m) “**Corporation**” means Silverfish Resources Inc., a corporation incorporated under the BCBCA;
- (n) “**Corporation’s auditors**” Manning Elliott LLP, Chartered Professional Accountants of Vancouver, British Columbia or such other firm of accountants appointed as the auditors of the Corporation from time to time;
- (o) “**Corporation’s counsel**” means Harper Grey LLP, or such other legal counsel as the Corporation, with the consent of the Agent, may appoint;
- (p) “**Due Diligence Session**” shall have the meaning set out in subparagraph 2(f);
- (q) “**Exchange**” means the Canadian Securities Exchange;

- (r) **“Final Receipt”** means the receipt or receipts for the Prospectus issued in accordance with the Passport System;
- (s) **“Financial Statements”** means the financial statements contained in the Prospectuses;
- (t) **“Head Option Agreement”** has the meaning set out in the Prospectus;
- (u) **“Indemnified Persons”** means the Agent and the sub-agent of the Agent, and the directors, officers, employees, shareholders and consultants or Agent of the Agent and the sub-agent of the Agent;
- (v) **“Listing Date”** means the date that the Common Shares are listed and posted for trading on the Exchange;
- (w) **“Material Agreements”** means the contracts in the Prospectus listed under the heading “Material Contracts”;
- (x) **“MI 11-102”** means Multilateral Instrument 11-102 *Passport System* of the Canadian Securities Administrators, as amended or replaced;
- (y) **“NI 43-101”** means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*;
- (z) **“NP 11-202”** means National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions*, as amended or replaced;
- (aa) **“Offered Shares”** means Offered Shares issued by the Corporation pursuant to the Offering, including Common Shares issued pursuant to the exercise of the Over-Allotment Option;
- (bb) **“Offering”** means the initial public offering of the Corporation of Offered Shares pursuant to this Agreement;
- (cc) **“Offering Provinces”** means British Columbia, Alberta and Ontario, and elsewhere where permitted by applicable law, and **“Offering Province”** means any one of them;
- (dd) **“Old Timer Property”** means the 5 mineral claims covering 2,020 hectares located in eastern British Columbia, Nelson Mining Division, approximately 17 km southeast of Nelson, British Columbia, and which is the subject matter of the Technical Report.
- (ee) **“Over-Allotment Option”** means the option granted to the Agent to exercise, in whole or in part in the sole discretion of the Agent, up to 30 days following closing of the Offering, to sell additional Common Shares equal to 15% of the Offered Shares, or 600,000 Common Shares;
- (ff) **“Passport System”** means the system and procedures for the filing of prospectuses and related materials in one or more Canadian jurisdictions pursuant to MI 11-102 and NP 11-202;
- (gg) **“Preliminary Prospectus”** means the preliminary long form prospectus of the Corporation dated March 4, 2022 and any amendments thereto, in respect of the qualification for distribution of the Offered Shares in the Offering Provinces;
- (hh) **“Preliminary Receipt”** means the receipt or receipts for the Preliminary Prospectus issued in accordance with the Passport System;
- (ii) **“Prospectus”** means the (final) long form prospectus of the Corporation and any amendments thereto, in respect of the qualification for distribution of the Offered Shares in the Offering Provinces;

- (jj) **“Prospectuses”** means, collectively, the Preliminary Prospectus, and the Prospectus;
- (kk) **“Public Record”** means all information filed by or on behalf of the Corporation with the Securities Commissions, including without limitation, the Prospectuses, any Supplementary Material and any other information filed with the Securities Commissions, or any other securities commission or similar regulatory authority in compliance, or intended compliance, with any Applicable Securities Laws;
- (ll) **“Securities”** means, collectively, the Offered Shares and Compensation Options;
- (mm) **“Securities Commissions”** means the securities commission or similar regulatory authority in each of the Offering Provinces, as the case may be;
- (nn) **“Subsidiary”** means a subsidiary body corporate of the Corporation within the meaning of the BCBCA;
- (oo) **“Supplementary Material”** means, collectively, any amendment to the Prospectuses, any amended or supplemental Prospectuses or any ancillary material, information, evidence, return, report, application, statement or document which may be filed by or on behalf of the Corporation with the Securities Commissions in compliance or intended compliance with the Applicable Securities Laws;
- (pp) **“Tax Act”** means the *Income Tax Act* (Canada), as amended from time to time and any and all rules and regulations made pursuant thereto;
- (qq) **“Technical Report”** means the technical report dated May 25, 2022 entitled ‘National Instrument 43-101 Technical Report on the Old Timer Property’ authored by Linda Caron, M.Sc., P.Eng., and Brad Ulry, B.Sc., P.Geo.; and
- (rr) **“Transfer Agent”** means Endeavor Trust Corporation;

**“affiliate”, “associate”, “distribution”, “insider”, “misrepresentation”, “material change” and “material fact”** shall have the meanings ascribed thereto under the Applicable Securities Laws.

Capitalized terms not otherwise defined in this Agreement shall have the meaning set out in the Prospectus.

## 2. **Covenants as to Creation and Qualification**

The Corporation:

- (a) agrees that the Securities will be duly and validly authorized and issued;
- (b) shall elect and comply in all material respects with the Passport System and will:
  - (1) file the Prospectus and other documents required under the Applicable Securities Laws with the Securities Commissions in each of the Offering Provinces; and
  - (2) obtain from the British Columbia Securities Commission and the Ontario Securities Commission the Final Receipt, evidencing that a receipt for the Prospectus has been issued in Alberta, British Columbia and Ontario and has been deemed to have been issued in each of the Offering Provinces, or otherwise obtained a receipt for the Prospectus from each of the Securities Commissions;

and shall have taken all other steps and proceedings that may be necessary on its part in order to qualify the Offered Shares and Compensation Options for distribution in each of the Offering

Provinces by the Agent who are registered in a category permitting them to distribute the Offered Shares under the Applicable Securities Laws and who comply with the Applicable Securities Laws;

- (c) covenants that it will use its reasonable commercial efforts to obtain the Final Receipt not later than August 1, 2022, and if not obtained by such date, the Corporation will continue to use its reasonable commercial efforts to obtain the Final Receipt;
- (d) covenants that it will use its reasonable commercial efforts to obtain, on or prior to the issuance of the Final Receipt, all necessary approvals of the Exchange for the listing on the Exchange of the Common Shares (including the Common Shares issuable upon the exercise of the Compensation Option), subject only to satisfaction of conditions of the Exchange satisfactory to the Agent, acting reasonably, and thereafter maintain its listing on the Exchange;
- (e) shall, prior to the filing of the Prospectus and, during the period of distribution of the Offered Shares, prior to the filing with any Securities Commissions of any Supplementary Material, have allowed the Agent and the Agent's counsel to participate fully in the preparation of and to approve the form of such documents (such approval not to be unreasonably withheld);
- (f) prior to the filing of the Prospectus or any Supplementary Material and the Closing Time, will allow the Agent to participate fully in the preparation of such documents and will allow the Agent and the Agent's counsel, advisors and representatives to conduct all additional due diligence investigations, which they may reasonably require in order to fulfill their obligations as Agent in connection with the distribution of the Offered Shares and in order to enable them to execute the certificate required to be executed by them in the Prospectus and any Supplementary Material, which may include investigations conducted up to the Closing Time, including the holding of one or more due diligence sessions to be held at or prior to the Closing Time (collectively, the "**Due Diligence Session**") with officials of the Corporation, outside counsel, auditors and Qualified Persons (as defined in NI 43-101). The Agent shall distribute a list of written questions to be answered in advance of such Due Diligence Session and the Corporation shall provide written responses to such questions and shall use its best efforts to have its outside counsel, its auditors and Qualified Persons (as defined in NI 43-101) provide written responses to such questions in advance of the Due Diligence Session. The Agent may waive holding actual due diligence sessions and instead rely on the written responses to such questions, in which case Due Diligence Session will mean the written responses;
- (g) shall use its reasonable commercial efforts to take or cause to be taken all such steps and proceedings, including fulfilling all legal, regulatory and other requirements as required under Applicable Securities Laws to qualify the Offered Shares and Compensation Options for distribution in the Offering Provinces, and shall not withdraw the Prospectus from the Offering Provinces without the prior written consent of the Agent; and
- (h) shall duly, faithfully and punctually perform all the obligations to be performed by it pursuant to this Agreement and shall comply with its covenants and agreements hereunder.

### **3. Delivery of Prospectus and Related Documents**

The Corporation shall deliver or cause to be delivered without charge to the Agent and the Agent's counsel the documents set out below at the respective times indicated:

- (a) prior to or contemporaneously, as nearly as practicable, with the filing with the Securities Commissions of each of the Prospectuses:
  - (i) copies of the Prospectuses, signed as required by the Applicable Securities Laws; and
  - (ii) if requested by the Agent, acting reasonably, copies of any documents referred to therein which have not previously been delivered to the Agent;

- (b) as soon as they are available, copies of any Supplementary Material, if required, signed as required by the Applicable Securities Laws;
- (c) a “long-form” comfort letter or comfort letters dated the date of the Prospectus, in form and substance satisfactory to the Agent, addressed to the Agent from the Corporation’s auditors, and based on a review completed not more than two Business Days prior to the date of the Prospectus, with respect to certain financial and accounting information relating to the Corporation in the Prospectus, which letter shall be in addition to the auditors’ reports contained in the Prospectus and any auditors’ comfort letters addressed to the Securities Commissions;
- (d) comfort letters and other documents substantially similar to those referred to in subparagraph 3(c) of this Agreement will be delivered to the Agent and the Agent’s counsel with respect to any Supplementary Material or other relevant document, concurrently with the filing of the Supplementary Material or other relevant document; and
- (e) prior to the filing of the Prospectus, evidence satisfactory to the Agent, acting reasonably, of the approval of the listing for trading on the Exchange of the Common Shares (including the Common Shares issuable upon the exercise of the Compensation Options).

#### **4. Material Change and Certain Other Covenants**

The Corporation agrees:

- (a) that during the period of distribution of the Offered Shares and Compensation Options, it will promptly inform the Agent with full particulars of:
  - (i) any material change (actual, anticipated or threatened) in or affecting the business, operations, revenues, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation;
  - (ii) any change in any material fact contained or referred to in the Public Record; and
  - (iii) the occurrence of a material fact or event which, in any such case, is, or may be, of such a nature as to:
    - (A) render any portion of the Public Record untrue, false or misleading in any material respect;
    - (B) result in a misrepresentation in the Public Record; or
    - (C) result in the Public Record not complying with the Applicable Securities Laws,provided that if the Corporation is uncertain as to whether a material change, change, occurrence or event of the nature referred to in this section has occurred, the Corporation shall promptly inform the Agent of the full particulars of the occurrence giving rise to the uncertainty and shall consult with the Agent as to whether the occurrence is of such nature;
- (b) that during the period of distribution of the Offered Shares, it will promptly inform the Agent with full particulars of:
  - (i) any request of the Securities Commissions or any similar regulatory authority for any amendment to, or to suspend or prevent the use of the Prospectus, any Supplementary Material or any other part of the Public Record or for any additional information;

- (ii) the issuance by the Securities Commissions or similar regulatory authority, the Exchange, or by any other competent authority of any order to cease or suspend trading of any securities of the Corporation or of the institution or threat of institution of any proceedings for that purpose; or
  - (iii) the receipt by the Corporation of any communication from the Securities Commissions, or similar regulatory authority, the Exchange or any other competent authority, relating to the Prospectuses, any Supplementary Material, any other part of the Public Record, the distribution of the Offered Shares and Compensation Options, or the listing of the Common Shares (including the Common Shares issuable upon the exercise of the Compensation Options) on the Exchange;
- (c) it will promptly comply to the reasonable satisfaction of the Agent and the Agent's counsel with Applicable Securities Laws with respect to any material change, change, occurrence or event of the nature referred to in subparagraphs 4(a) or (b) above and the Corporation will prepare and file promptly at the Agent's request any amendment to the Prospectus or Supplementary Material as may be required under Applicable Securities Laws, provided that the Corporation shall have allowed the Agent and the Agent's counsel to participate fully in the preparation of any Supplementary Material, and to conduct all due diligence investigations which the Agent may reasonably have required in order to fulfil their obligations as Agent and in order to enable the Agent to execute the certificate required to be executed by them in, or in connection with such Supplementary Material;
- (d) that during the period from the effective date hereof until the completion of the distribution of the Offered Shares, it will promptly provide to the Agent for review by the Agent and the Agent's counsel prior to filing or issuance:
  - (i) any financial statement of the Corporation;
  - (ii) any document intended to be filed as part of the Public Record;
  - (iii) any press release of the Corporation; and
  - (iv) any amendment to the Prospectus;
- (e) that during the period commencing the effective date hereof and ending 90 days after the Closing Date, the Corporation shall not, except for:
  - (i) issuances of stock options and other securities pursuant to Corporation's stock option plan or similar Common share compensation plan or arrangement described in the Prospectus, and the issuance of the Common Shares issuable pursuant to the exercise thereof;
  - (ii) issuances of Common Shares or securities convertible into Common Shares in connection with convertible securities existing as of the date hereof and described in the Prospectus; or
  - (iii) issuances of Common Shares as contemplated pursuant to the Material Agreements;issue or agree to issue any Common Shares, or any securities exchangeable or convertible into Common Shares, without the prior written consent of the Agent, not to be unreasonably withheld; and
- (f) that no press release or similar public announcement concerning this Agreement or any other instrument relating hereto, or the relationship between the Corporation and the Agent shall be made without the prior written consent of the Agent, such consent not to be unreasonably withheld.

## 5. Agent's Covenants

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

- (a) will offer the Offered Shares for sale to the public in the Offering Provinces, directly and through sub-agents, if any, in compliance with the Applicable Securities Laws and upon the terms and conditions set forth in this Agreement. The Agent shall be obligated only to use its commercially reasonable efforts to effect the distribution of the Offered Shares and shall be under no obligation to purchase any Offered Shares as principal, or to retain any sub-agent. Notwithstanding the foregoing, the Agent will not be liable to the Corporation under this subparagraph 5(a) with respect to a default by any sub-agent under this subparagraph 5(a) if the Agent is not itself also in default;
- (b) will not solicit subscriptions for the Offered Shares, trade in Offered Shares or otherwise do any act in furtherance of a trade of Offered Shares in any jurisdictions outside of the Offering Provinces and will cause a similar covenant to be contained in any agreement entered into with any sub-agent, if any, established in connection with the distribution of the Offered Shares;
- (c) will conduct activities in connection with the proposed offer and sale of the Offered Shares in compliance with all the Applicable Securities Laws and upon the terms and conditions set forth in the Prospectus and this Agreement and cause a similar covenant to be obtained from sub-agent, if any, in connection with the distribution of the Offered Shares and will indemnify the Corporation from all losses incurred by it as a result of a violation by the Agent of Applicable Securities Laws;
- (d) it is a corporation incorporated and existing under the laws of its jurisdiction or incorporation;
- (e) it will refrain from advertising the Offering in (A) printed public media of general and regular paid circulation, (B) radio, (C) television or (D) telecommunications, including electronic display and not make use of any green sheet or other internal marketing document without the consent of the Corporation, such consent to be promptly considered and not to be unreasonably withheld;
- (f) it will comply with, and ensure that its directors, officers, employees and affiliates comply with all applicable market stabilization rules and requirements of the Securities Commissions and Applicable Securities Laws; and
- (g) it is and will be, at the Closing Time, duly registered under the Applicable Securities Laws under a category that permits it to sell the Offered Shares in the Offering Provinces.

## 6. Representations and Warranties of the Corporation

The Corporation represents and warrants to the Agent and acknowledges that the Agent and the Agent's counsel are relying upon such representations and warranties, that:

- (a) delivery of each of the Prospectuses or any Supplementary Material shall constitute a representation and warranty to the Agent by the Corporation that:
  - (i) all of the information and statements contained in the Prospectuses, Public Record or any Supplementary Material, as the case may be:
    - (1) are at the respective dates of such documents, true and correct in all material respects;
    - (2) contain no misrepresentation; and
    - (3) constitute full, true and plain disclosure of all material facts relating to the Corporation, and the distribution of the Offered Shares;



other than any information or statements relating solely to the Agent and furnished to the Corporation by the Agent in writing expressly for inclusion in the Prospectuses or the Supplementary Material;

- (ii) the Prospectuses or any Supplementary Material, as the case may be, comply in all material respects with the Applicable Securities Laws;
  - (iii) there has been no intervening material change (actual, proposed or prospective, whether financial or otherwise), from the date of the Prospectuses and any Supplementary Material to the time of delivery thereof in the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation;
  - (iv) the Financial Statements fairly present, in all material respects and in accordance with internal financial reporting standards consistently applied, the financial position and condition of the Corporation as at the dates thereof and the results of the operations of the Corporation for the periods then ended and reflect all liabilities (absolute, accrued, contingent or otherwise) of the Corporation as at the dates thereof, in all material respects, and in accordance with internal financial reporting standards consistently applied;
  - (v) based upon representations made by the Corporation's auditors to the Corporation, the Corporation's auditors are independent chartered accountants with respect to the Corporation as required by Applicable Securities Laws; and
  - (vi) there has not been any reportable disagreement (within the meaning of Section 4.11 of National Instrument 51-102 - *Continuous Disclosure Obligations* of the Canadian Securities Administrators) with the Corporation's auditors;
- (b) the Corporation has been duly incorporated and organized and is valid and subsisting under the laws of their incorporation, and have all requisite corporate authority and power to carry on their business as now conducted by them and to own their assets;
  - (c) the Corporation is qualified to carry on business under the laws of each jurisdiction in which it carries on a material portion of their business;
  - (d) the Corporation has full power and authority to enter into the Material Agreements and Compensation Option Agreement, certificates and to perform its obligations set out herein (including, without limitation, to issue the Securities) and the Material Agreements and Compensation Option Agreement have been or will be duly authorized, executed and delivered by the Corporation, and the Material Agreements and Compensation Option Agreement are legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their respective terms subject to the general qualification that:
    - (i) the enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting creditors' rights;
    - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
    - (iii) the enforceability of any provision exculpating a party from liability or duty otherwise owed by it may be limited under applicable law;
    - (iv) the enforceability of provisions which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of such document would be determined only in the discretion of the court;

- (v) the equitable or statutory powers of the courts in Canada having jurisdiction to stay proceedings before them and the execution of judgments;
  - (vi) rights to indemnity and contribution hereunder may be limited under applicable law; and
  - (vii) the enforceability may be limited by applicable laws regarding limitation of actions;
- (e) at the date of issuance, the Common Shares to be issued pursuant to this Agreement will, upon issuance, be issued as fully paid and non-assessable Common Shares. The Common Shares issuable upon the exercise of the Compensation Options will, when issued pursuant to the terms of the Compensation Option Agreement, be validly issued as fully paid and non-assessable Common Shares;
- (f) the Corporation is not in default or breach of the execution and delivery of, and the performance of and compliance with the terms of this Agreement and the Material Agreements and the Compensation Option Agreement by the Corporation, or any of the transactions contemplated hereby, do not and will not result in any breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, would result in a breach of or constitute a default under, any term or provision of the articles, by-laws, other constating documents or resolutions of the directors or shareholders of the Corporation or any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document, to which the Corporation is a party or by which it is bound, or any judgment, decree, order, statute, rule or regulation applicable to the Corporation, which default or breach might reasonably be expected to materially adversely affect the business, operations, capital or condition (financial or otherwise) of the Corporation or its properties and assets;
- (g) the Corporation maintains a system of internal accounting controls sufficient to provide reasonable assurance that transactions are recorded as necessary to facilitate preparation of financial statements in conformity with internal financial reporting standards to maintain accountability for assets;
- (h) there are no material actions, suits, proceedings or inquiries existing or, to the knowledge of the Corporation, pending or threatened against or affecting the Corporation at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality which in any way materially adversely affects, or may in any way materially adversely affect, the business, operations, capital or condition (financial or otherwise) of the Corporation or its assets or which affects or may affect the distribution of the Common Shares, or the distribution of the Compensation Options and the Common Shares upon exercise of the Compensation Options and the Corporation is not aware of any existing ground on which such action, suit, proceeding or inquiry might be commenced with any reasonable likelihood of success, which have not been disclosed in the Prospectuses;
- (i) there has not been any material change in the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Corporation from the position set forth in the Financial Statements except as contemplated by the Prospectuses and there has not been any adverse material change in the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation since the date of the Financial Statements; and since that date there have been no material facts, transactions, events or occurrences which could materially adversely affect the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation which have not been disclosed in the Prospectuses;
- (j) the authorized share capital of the Corporation is as disclosed in the Prospectuses of which 9,950,000 fully paid Common Shares, and no other shares, are issued and outstanding;

- (k) the Corporation does not have any Subsidiaries;
- (l) no person holds any securities convertible or exchangeable into any unissued securities of the Corporation, or has any agreement, warrant, option, right or privilege being or capable of becoming an agreement, warrant, option or right for the purchase or other acquisition of any unissued securities of the Corporation, except as disclosed in the Prospectus;
- (m) the form and terms of definitive certificates representing the Common Shares and Compensation Options, will, at the Closing Time, be duly approved and adopted by the Corporation and comply with all legal requirements relating thereto;
- (n) the Corporation has the necessary corporate power and authority to execute, deliver and file the Prospectuses and any Supplementary Materials and, prior to filing the Prospectuses or Supplementary Materials, as applicable, all requisite action will have been taken by the Corporation to authorize the execution, delivery and filing of the Prospectuses and Supplementary Materials;
- (o) neither the Securities Commissions, other securities commissions or similar regulatory authorities, the Exchange or any other stock exchanges have issued any order which is currently outstanding ceasing, halting, suspending or preventing trading in any securities of the Corporation, no such proceeding is, to the knowledge of the Corporation, pending, contemplated or threatened;
- (p) the Corporation is not in default of any requirement of Applicable Securities Laws in any material respect;
- (q) to the knowledge of the Corporation, no insider of the Corporation has a present intention to sell any securities of the Corporation;
- (r) the Corporation does not owe any money to, nor has the Corporation any present loans to, or borrowed any monies from, is or otherwise indebted to any officer, director, employee, shareholder, partner, any person not dealing at "arm's length" (as such term is defined in the Tax Act) with the Corporation or any person with similar powers and authorities as those listed above, except for usual employee reimbursements and compensation paid in the ordinary and normal course of the business of the Corporation;
- (s) the Corporation is not a party to any contract, agreement or understanding with any officer, director, employee, shareholder, any other person not dealing at "arm's length" (as such term is defined in the Tax Act) with the Corporation or any person with similar powers and authorities as those listed above, which may have a material adverse effect on the conduct of the business, operations, financial condition or income of the Corporation, except as disclosed herein or in the Prospectus;
- (t) with such exceptions as are not material to the Corporation, the Corporation has timely filed all necessary tax returns and notices and have paid or made provision for all applicable taxes of whatever nature for all tax years to the date hereof to the extent such taxes have become due or have been alleged to be due and the Corporation is not aware of any material tax deficiencies or material interest or penalties accrued or accruing, or alleged to be accrued or accruing thereon which have not otherwise been provided for by the Corporation;
- (u) the minute books of the Corporation is, in all material respects, true and correct and contain copies of all minutes of all meetings and all resolutions of the directors, committees of directors and shareholders of the Corporation and all such meetings were duly called and properly held and all consent resolutions were properly adopted;
- (v) the books of account and other records of the Corporation, whether of a financial or accounting nature or otherwise, have been maintained in accordance with prudent business practices;

- (w) the information and statements set forth in the Public Record, as such relate to the Corporation, were in all material respects, true, correct, and complete and did not contain any misrepresentation as of the respective dates of such information or statements, the Public Record complies with Applicable Securities Laws in all material respects, no material change has occurred in relation to the Corporation which is not disclosed in the Public Record;
- (x) other than as provided for in this Agreement, the Corporation has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finders fees, commissions or other similar forms of compensation with respect to the transactions contemplated in this Agreement;
- (y) there is presently no material plan in place for retirement bonus, pension benefits, unemployment benefits, deferred compensation, severance or termination pay, insurance, sick leave, disability, salary continuation, legal benefits, vacation or other employee incentives or compensation that is contributed to or required to be contributed to by the Corporation for the benefit of any current or former director, officer, employee, consultant or partner of the Corporation;
- (z) the Corporation is not a party to or bound by any agreement of guarantee, indemnification or any other like commitment of the obligations, liabilities (contingent or otherwise) of indebtedness of any other person;
- (aa) except as disclosed in the Public Record, no officer, director, employee, partner or any other person not dealing at arm's length with the Corporation, any associate or affiliate of any such person, owns, has or is entitled to any royalty or any other encumbrances or claims of any nature whatsoever on the properties or other assets of the Corporation or any revenue or rights attributed thereto;
- (bb) except as disclosed in the Prospectuses, neither the Corporation nor any of its holders of Common Shares is a party to any shareholders agreement, escrow agreement, pooling agreement, voting trust or other similar type of arrangements in respect of outstanding securities of the Corporation;
- (cc) to the knowledge of the Corporation, the Corporation has not entered into any agreements or made any covenants with any parties, including without limitation any rights of first refusal, that would restrict the Corporation from entering into this Agreement;
- (dd) the Corporation has conducted and is conducting its businesses in compliance in all material respects with all applicable laws, rules and regulations and, in particular, all applicable licensing and environmental legislation, regulations or by-laws or other lawful requirement of any governmental or regulatory bodies applicable to the Corporation of each jurisdiction in which it carries on business and holds all material licenses, registrations and qualifications in all jurisdictions in which it carries on business which are necessary or desirable to carry on the business of the Corporation as now conducted and as presently proposed to be conducted, and all such licenses, registrations or qualifications are valid and existing and in good standing, except where the lack of such valid or existing license, registration or qualification would not have any material adverse effect on the business of the Corporation, and none of such licenses, registrations or qualifications contains any burdensome term, provision, condition or limitation which has or is likely to have any material adverse effect on the business of the Corporation as now conducted or as proposed to be conducted;
- (ee) the Corporation is in compliance with all its material obligations, covenants and terms contained in any banking, mortgage or other financing agreements which it is a party to;
- (ff) no authorization, approval or consent of any court or governmental authority or agency is required to be obtained by the Corporation in connection with the sale and delivery of the Offered Shares hereunder, except such as may be required under the Applicable Securities Laws;
- (gg) the Transfer Agent, at its offices in the City of Vancouver, in the Province of British Columbia, is the duly appointed registrar and transfer agent for the Common Shares;

- (hh) the Corporation is in material compliance with the terms of the Material Agreements and the Corporation is not aware of any default or breach of a material nature under any of such Material Agreements by any other party thereto;
- (ii) to the knowledge of the Corporation, the Head Option Agreement is in good standing, and the Corporation has not been made aware of any default or breach of a material nature under the Head Option Agreement by the parties thereto;
- (jj) to the knowledge of the Corporation, the Technical Report does not contain a material misrepresentation and the Corporation has no knowledge of a material adverse change in any information provided to the authors of the Technical Report since the date that such information was so provided. The Corporation has no reason to believe the Technical Report does not fully comply with the requirements set out in NI 43-101;
- (kk) although it does not warrant title, except as set out in the Prospectus:
  - (i) the Corporation does not have reason to believe that it does not have title to or the irrevocable right to prospect, explore for, mine and sell such minerals contained on or in the properties described in the Prospectuses (for the purpose of this clause, the foregoing are referred to as the “**Interests**”) and does represent and warrant that the Interests are free and clear of adverse claims created by, through or under the Corporation; and
  - (ii) the Corporation is not aware of any defects, failures or impairments in the title of the Corporation to their Interests, subject always to the terms of applicable leases, agreements, laws, regulations, orders and directives of general application and other permitted encumbrances arising in the ordinary course of business, whether or not an action, suit, proceedings or inquiry is pending or threatened and whether or not discovered by any third party, which in aggregate could have a material adverse affect on the Interests;
- (ll) except to the extent that any violation or other matter referred to in this subsection does not have a material adverse effect on the business, financial condition, assets, properties, liabilities or operations of the Corporation:
  - (i) the Corporation is not in violation of any applicable federal, provincial, state, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental, health or safety matters (collectively, “**Environmental Laws**”);
  - (ii) the Corporation has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of Environmental Laws;
  - (iii) there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes into the earth, air or into any body of water or any municipal or other sewer or drain water systems by the Corporation that have not been remedied;
  - (iv) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of the Corporation;
  - (v) the Corporation has not failed to report to the proper governmental body the occurrence of any event which is required to be so reported by any Environmental Law;
  - (vi) the Corporation holds all licenses, permits and approvals required under any Environmental Laws in connection with the operation of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, and the Corporation has not received any notification pursuant to any Environmental Laws

that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto, or that any license, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated; and

- (vii) the Corporation has not received any notice of, or been prosecuted for any offence alleging, material non-compliance with any Environmental Laws, and the Corporation has not settled any allegation of material non-compliance short of prosecution;
- (mm) any and all operations of the Corporation and, to the knowledge of the Corporation, any and all operations by third parties, on or in respect of the assets and properties of the Corporation have been conducted in accordance with good mining industry practices and in material compliance with applicable laws, rules, regulations, orders and directions of governmental and other competent authorities;
- (nn) in respect of the assets and properties of the Corporation that are or will be operated by them, the Corporation holds all valid licenses, permits and similar rights and privileges that are required and necessary under applicable law to operate the assets and properties of the Corporation as presently operated, except where a failure to hold such valid licenses, permits and similar rights would not have a material adverse effect on the Corporation;
- (oo) there is no material fact or material change related to the Corporation which has not been generally disclosed; and
- (pp) the responses given by the Corporation and its directors, officers, as applicable, in the Due Diligence Session were true and correct where they relate to matters of fact, and the Corporation and its directors, officers, as applicable, have responded in as thorough and complete fashion as possible, having regard to the nature of the questions and the time period that existed to address the due diligence questions and provide responses. Where the responses reflect the opinion or view of the Corporation or its directors, officers, as applicable, such opinions or views were honestly held at the time they were given.

## **7. Conditions**

The obligations of the Agent hereunder shall be conditional upon the Agent receiving on or prior to the Closing Date:

- (a) a legal opinion of the Corporation's counsel addressed to the Agent, substantially in the form attached hereto as Schedule "B". In connection with such opinion, the Corporation's counsel may rely on the opinions of local counsel acceptable to counsel of the Agent, acting reasonably, as to the qualification for distribution of the Offered Shares or opinions may be given directly by local counsel of the Corporation with respect to those items and as to other matters governed by the laws of jurisdictions other than the province in which the Corporation's counsel is qualified to practice and may rely, to the extent appropriate in the circumstances, as to matters of fact on certificates of officers of the Corporation and others;
- (b) a certificate of the Corporation dated the Closing Date, addressed to the Agent and signed on the Corporation's behalf by its Chief Executive Officer and Chief Financial Officer or such other officers or directors of the Corporation satisfactory to the Agent, acting reasonably, certifying that:
  - (i) the Corporation has complied with and satisfied all terms and conditions of this Agreement and the Material Agreements on its part to be complied with or satisfied at or prior to the Closing Time other than those which have been waived by the Agent;

- (ii) the representations and warranties of the Corporation set forth in this Agreement are true and correct at the Closing Time, as if made at such time;
  - (iii) no event of a nature referred to in subparagraphs 12(a), (b), (c), (f) or (g) has occurred or to the knowledge of such officers is pending, contemplated or threatened, except in the case where the Corporation has consulted with the Agent pursuant to subparagraph 4(a);
  - (iv) the Corporation has made and/or obtained, on or prior to the Closing Time, all necessary filings, approvals, consents and acceptances under Applicable Securities Laws, and under any applicable agreement or document to which the Corporation is a party or by which it is bound in respect of the execution and delivery of this Agreement, the offering and sale of the Offered Shares and the consummation of the other transactions contemplated hereby, subject to the completion of filings with the Securities Commissions following the Closing Date;
- (c) a “long-form” comfort letter or comfort letters dated the date of the Prospectus, in form and substance satisfactory to the Agent, acting reasonably, addressed to the Agent from the Corporation’s auditors, and based on a review completed not more than two (2) business days prior to the date of the Prospectus, with respect to certain financial and accounting information relating to the Corporation, which letter shall be in addition to the reports of the Corporation’s auditors contained in the Prospectus and any comfort letters addressed to the Securities Commissions;
  - (d) evidence satisfactory to the Agent that the Common Shares have been conditionally listed on the Exchange, and shall be posted for trading as at the opening of business on the Closing Date or such other date as the Corporation and the Agent may agree;
  - (e) evidence that the Corporation is a “reporting issuer” in each of the Offering Jurisdictions and is not included on a list of defaulting reporting issuers maintained by the Securities Commissions where such a list is maintained; and
  - (f) such other certificates and documents as the Agent may request, acting reasonably.

The foregoing conditions are for the sole benefit of the Agent and may be waived in whole or in part by the Agent at any time and without limitation, and the Agent shall have the right, if any of the foregoing conditions are not met, on behalf of potential subscribers, to withdraw all subscriptions delivered and not previously accepted by the Corporation or withdrawn or rescinded by such persons. If any of the foregoing conditions are not met or waived on or before the Closing Date, the Agent may terminate their obligations under this Agreement without prejudice to any other remedies they may have.

## **8. Closing**

The closing of the issue and sale of the Offered Shares shall be completed at the Closing Time at the offices of the Corporation’s counsel in Vancouver, British Columbia, or at such other place as the Corporation and the Agent may agree. Subject to the conditions set forth in paragraph 7, the Agent, on the Closing Date, shall deliver to the Corporation the net proceeds from the sale of the Offered Shares, less the amount payable in paragraph 9, either directly or indirectly by way of certified cheque, bank draft or wire transfer against delivery by the Corporation of:

- (a) definitive certificates representing the Offered Shares subscribed for, registered in such name(s) as directed by the Agent;
- (b) the Compensation Option Agreement, duly executed by the Corporation and Agent; and
- (c) such further documentation as may be contemplated by this Agreement or that may reasonably be requested by the Agent.

Notwithstanding the foregoing, if the Agent requests that the Corporation issue all or part of the Offered Shares as a book-entry only security in accordance with the rules and procedures of CDS Clearing and Depository Services Inc. (“CDS”), then, as an alternative to the Corporation delivering to the Agent definitive certificates representing the Offered Shares in the manner and at the times set forth above:

- (a) the Agent will provide a direction to CDS with respect to the crediting of the Offered Shares to the accounts of the participants of CDS as shall be designated by the Agent in writing in sufficient time prior to the Closing Date to permit such crediting; and
- (b) the Corporation shall cause the Transfer Agent to deliver to CDS, on behalf of the Agent, one fully registered global certificate for the Offered Shares to be purchased hereunder, registered in the name of “CDS & Co.” as the nominee of CDS, to be held by CDS as a book-entry only security in accordance with the rules and procedures of CDS.

## 9. Fees

In consideration for its services hereunder:

- (a) the Corporation will pay to the Agent a cash fee of \$35,000 plus applicable tax (the “**Corporate Finance Fee**”). Half of the Corporate Finance Fee (\$18,375) has been paid to the Agent as of the date hereof and is non-refundable. The remaining portion of the Corporate Finance Fee shall be deducted from the proceeds of the Offering. The Corporation has also paid a deposit to the Agent in the amount of \$19,000 (the “**Deposit**”) to be applied against the Agent’s expenses and the fees, charges and expenses of the Agent’s counsel;
- (b) if the Offering is not completed, the Agent shall retain the non-refundable portion of the Corporate Finance Fee and shall apply the Deposit against the Agent’s expenses and the fees, charges and expenses of the Agent’s counsel. If the Agent’s expenses and the fees, charges and expenses of the Agent’s counsel are less than the Deposit, any amount of the Deposit remaining shall be returned forthwith to the Corporation by the Agent or the Agent’s counsel, without interest or further deduction. If the Agent’s expenses and the fees, charges and expenses of the Agent’s counsel exceed the Deposit, the Corporation shall immediately pay such excess upon invoice by the Agent or Agent’s counsel, as the case may be; or
- (c) if a closing of the Offering does occur:
  - (i) the Agent shall apply the Deposit at the Closing Time against the expenses of the Agent and the fees, charges and expenses of the Agent’s counsel, and the Corporation will pay the expenses of the Agent and the fees, charges and expenses of the Agent’s counsel in excess of the Deposit at the Closing Time by the Agent deducting such amount from the gross proceeds of the Offering;
  - (ii) the Corporation shall pay to the Agent the Agent’s Fee at the Closing Time by the Agent deducting such amount from the gross proceeds of the Offering; and
  - (iii) the Corporation shall create and issue to the Agent, or as directed by the Agent, the Compensation Option at the Closing Time.

## 10. Expenses

Whether or not the transactions contemplated herein shall be completed, all reasonable costs and expenses of or incidental to the distribution of the Offered Shares shall be borne by the Corporation, including, without limitation, all costs and expenses of or incidental to the distribution of the Offered Shares, and the preparation, filing and reproduction of the Prospectuses and Supplementary Material, the fees and expenses of the Corporation’s counsel,



the fees and expenses of the Corporation's auditors, the Corporation's "Qualified Persons" (as defined in NI 43-101), the fees of the Agent described in Section 9(b) and all other reasonable costs and expenses relating to this transaction.

## **11. Waiver**

The Agent may waive in whole or in part any breach of, default under or non-compliance with any representation, warranty, covenant, term or condition hereof, or extend the time for compliance therewith, without prejudice to any of their rights in respect of any other representation, warranty, covenant, term or condition hereof or any other breach of, default under or non-compliance with any other representation, warranty, covenant, term or condition hereof, provided that any such waiver or extension shall be binding on the Agent only if the same is in writing and signed by the Agent.

## **12. Termination Events**

The Agent may, without liability, terminate its obligations hereunder, by written notice to the Corporation, in the event that after the date hereof and at or prior to the Closing Time:

- (a) any order to cease or suspend trading in any securities of the Corporation, or prohibiting or restricting the distribution of the Securities is made, or proceedings are announced or commenced for the making of any such order, by the Securities Commissions, any other securities commissions or similar regulatory authority, or the Exchange, and has not been rescinded, revoked or withdrawn;
- (b) any inquiry, investigation (whether formal or informal) or other proceeding in relation to the Corporation, or any of its directors or senior officers is announced or commenced by the Securities Commissions, any other securities commission or similar regulatory authority, or the Exchange, if, in the opinion of the Agent acting reasonably, the announcement or commencement materially adversely affects the trading or distribution of the Offered Shares;
- (c) there is any change of law or the interpretation or administration thereof, including without limitation the taxation laws, if, in the opinion of the Agent acting reasonably, the change materially adversely affects the trading or distribution of the Offered Shares;
- (d) there should develop, occur, come into effect or existence or be announced any event, action, state, condition or major financial occurrence of national or international consequence or any law or regulation which in the opinion of the Agent, acting reasonably, materially adversely affects, or involves, or will materially adversely affect or involve, the financial markets, the commodity markets or the business or affairs of the Corporation, or the state of the financial markets is such that in the reasonable opinion of the Agent the Offered Shares cannot be profitably marketed;
- (e) there should occur or be discovered any material change, change of a material fact, occurrence or event of the nature referred to in subparagraph 4(a) which, in the opinion of the Agent, acting reasonably, would reasonably be expected to have a material adverse effect on the market price or value of the Offered Shares;
- (f) the Corporation shall be in breach of, default under or non-compliance with any material representation, warranty, term or condition of this Agreement or the other Material Agreements; or
- (g) as a result of investigations after the effective date hereof, the Agent determines that there exists any fact, information or circumstances not generally disclosed to the public by the Corporation, at the date hereof, which would have, in the opinion of the Agent acting reasonably, a material adverse effect on the market price or value of the Offered Shares.

**13. Continuation of Termination Right**

The Agent may exercise any or all of the rights provided for in paragraphs 7, 11 or 12 up to the Closing Time notwithstanding any material change, change, event or state of facts and notwithstanding any act or thing taken or done by the Agent or any inaction by the Agent, whether before or after the occurrence of any material change, change, event or state of facts including, without limitation, any act of the Agent related to the Offering or continued Offering of the Offered Shares for sale and the Agent shall only be considered to have waived or be estopped from exercising or relying upon any of its rights under or pursuant to paragraphs 7, 11 or 12 if such waiver or estoppel is in writing and specifically waives or estops such exercise or reliance.

**14. Exercise of Termination Right**

Any termination pursuant to the terms of this Agreement shall be effected by notice in writing delivered to the Corporation, provided that no termination shall discharge or otherwise affect any obligations of the Corporation under paragraphs 9, 10, 14, 15, 16, 17 or 18. The rights of the Agent to terminate its obligation hereunder are in addition to, and without prejudice to, any other remedies they may have.

**15. Survival**

All representations, warranties, terms and conditions herein or contained in certificates or documents submitted pursuant to or in connection with the transactions contemplated herein shall survive the payment by the Agent for the Offered Shares, the termination of this Agreement and the distribution of the Offered Shares and shall continue in full force and effect for the benefit of the Agent regardless of any investigation by or on behalf of the Agent with respect thereto.

**16. Indemnity**

The Corporation shall indemnify and save each of the Indemnified Persons harmless against and from all liabilities, claims, demands, losses (other than losses of profit in connection with the distribution of the Offered Shares), costs, damages and expenses to which any of the Indemnified Persons may be subject or which any of the Indemnified Persons may suffer or incur, whether under the provisions of any statute or otherwise, in any way caused by, or arising directly or indirectly from or in consequence of:

- (a) any information or statement contained in the Public Record (other than any information or statement relating solely to the Agent and furnished to the Corporation by the Agent in writing expressly for inclusion in the Public Record), which is or is alleged to be untrue or any omission or alleged omission to provide any information or state any fact the omission of which makes or is alleged to make any such information or statement untrue or misleading in light of the circumstances in which it was made;
- (b) any misrepresentation or alleged misrepresentation (except a misrepresentation which is based upon information relating solely to the Agent and furnished to the Corporation by the Agent in writing expressly for inclusion in the Public Record);
- (c) any prohibition or restriction on trading in the securities of the Corporation or any prohibition or restriction affecting the distribution of the Offered Shares imposed by any competent authority if such prohibition or restriction is based on any misrepresentation or alleged misrepresentation of a kind referred to in subparagraph 16(b);
- (d) any order made or any inquiry, investigation (whether formal or informal) or other proceeding commenced or threatened by any one or more competent authorities (not based upon the activities or the alleged activities of the Agent or sub-agent, if any) relating to or materially affecting the trading or distribution of the Offered Shares;

- (e) any breach of, default under or non-compliance by the Corporation with any representation, warranty, term or condition of this Agreement or the Material Agreements, any requirement of Applicable Securities Laws or any requirement; or
- (f) the exercise by any subscriber or permitted assignee of a subscriber, of any contractual, statutory or common law right of rescission or damages in connection with the purchase of the Offered Shares, including without limitation any right of rescission or damages granted pursuant to the Prospectuses, provided that this indemnity shall not apply if the rescission or damage arises out of, or is based upon a misrepresentation made by the Agent or the failure of the Agent to deliver the Prospectuses or Supplementary Material within the time required under Applicable Securities Laws.

Provided that in the event and to the extent that a court of competent jurisdiction in a final judgment from which no appeal can be made or a regulatory authority in a final ruling from which no appeal can be made shall determine that such claims, demands, actions, suits, investigations and proceedings and all losses (other than loss of profits), costs, expenses, fees, damages, obligations, payments and liabilities resulted solely from the fraud or willful misconduct of any Indemnified Person (or any such Indemnified Person's affiliates, shareholders, directors, officers, partners, employees or Agent), claiming indemnity, this indemnity shall cease to apply.

The Corporation hereby waives its right to recover contribution from the Agent and any Indemnified Persons with respect to any liability of the Corporation by reason of or arising out of any misrepresentation in the Public Record, including without limitation the Prospectuses or the Supplementary Material provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of or arising out of: (i) any misrepresentation which is based upon information relating solely to the Agent contained in such document and furnished to the Corporation by the Agent expressly for inclusion in such document; (ii) any failure by the Agent to provide to prospective purchasers of Offered Shares any document which the Corporation is required to provide to such prospective purchasers and which the Corporation has provided to the Agent; or (iii) any fraud or willful misconduct of the Agent or Indemnified Persons.

The Corporation agrees that in case any legal proceedings or investigation shall be brought against or initiated against the Corporation by any governmental commission, regulatory authority, exchange, court or other authority with respect to the offering of Offered Shares hereunder and an Indemnified Person or other representative of the Agent shall be required to testify or respond to procedures designed to discover information regarding, in connection with or relating to the performance of professional services rendered to the Corporation by the Agent, the Corporation shall pay the Agent the reasonable costs (including an amount to reimburse the Indemnified Person for the time spent by its personnel in connection therewith on a per diem basis and out of pocket expenses) in connection therewith, other than any legal proceeding or investigations relating to information or statements relating solely to the Agent, and furnished to the Corporation by the Agent in writing expressly for inclusion in the Public Record.

## **17. Notice of Indemnity Claim**

If any claim contemplated by paragraph 16 shall be asserted against any of the Indemnified Persons in respect of which indemnification is or might reasonably be considered to be provided for in such paragraph, such Indemnified Person shall notify the Corporation as soon as reasonably practical of the nature of such claim and the Corporation shall be entitled (but not required) to assume the defence of any suit brought to enforce such claim, provided however, that the defence shall be through legal counsel selected by the Corporation and acceptable to the Indemnified Person acting reasonably and that no admission of liability or settlement may be made by the Corporation or the Indemnified Person without the prior written consent of the other, such consent not to be unreasonably withheld. The Indemnified Person shall have the right to retain its own counsel in any proceeding relating to a claim contemplated by paragraph 16 if:

- (a) the Indemnified Person has been advised by counsel that there may be a material legal defence available to the Indemnified Person which is different from or additional to a defence available to the Corporation (in which case the Corporation shall not have the right to assume the defence of such proceedings on the Indemnified Person's behalf);

- (b) the Corporation shall not have taken the defence of such proceedings and employed counsel within ten days after notice of commencement of such proceedings; or
- (c) the employment of such counsel has been authorized by the Corporation in connection with the defence of such proceeding;

and, in any such event, the reasonable fees and expenses of such Indemnified Person's counsel shall be paid by the Corporation; provided that the Corporation shall not be obligated to pay fees and expenses of more than one separate legal firm for all Indemnified Persons, as a group.

It is the intention of the Corporation to constitute the Agent as trustee for the Indemnified Persons for the purposes of paragraphs 16 and 17 and the Agent agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

## **18. Right of Contribution**

In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in this Agreement is due in accordance with its terms but is (in whole or in part), for any reason, held by a court to be unavailable from the Corporation, on grounds of policy or otherwise, each of the Corporation and the party or parties seeking indemnification shall contribute to the aggregate liabilities, claims, demands, losses (other than losses of profit in connection with the distribution of the Offered Shares), costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof) to which they may be subject or which they may suffer or incur:

- (a) in such proportion as is appropriate to reflect the relative benefit received by the Corporation on the one hand and by the Agent on the other hand from the offering of the Offered Shares or any part thereof; or
- (b) if the allocation provided by subparagraph (a) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in subparagraph (a) above but also to reflect the relative fault of the party or parties seeking indemnity, on the one hand, and the parties from whom indemnity is sought, on the other hand, in connection with the statement, omission, misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter or thing which resulted in such liabilities, claims, demands, losses, costs, damages or expenses, as well as any other relevant equitable considerations.

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 but before deducting expenses) bear to the commission and fees received by the Agent.

The amount paid or payable by an Indemnified Person as a result of liabilities, claims, demands, losses (other than losses of profit in connection with the distribution of the Offered Shares), costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof) referred to above shall, without limitation, include any legal or other expenses reasonably incurred by the Indemnified Person in connection with investigating or defending such liabilities, claims, demands, losses, costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof), whether or not resulting in any action, suit, proceeding or claim.

The Corporation agrees 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 in the immediately preceding paragraphs. The rights to contribution provided in this paragraph 18 shall be in addition to, and without prejudice to, any other right to contribution which the Agent may have.

Any liability of the Agent or Indemnified Party under this paragraph 19 shall be limited to the amount actually received by the Agent pursuant to paragraph 9.

## 19. Notices

Any notice or other communication to be given hereunder shall, in the case of notice to be given to the Corporation be addressed to:

Silverfish Resources Inc.  
9285 – 203B Street  
Langley, BC V1M 2L9  
Attention: Mr. Joseph Cullen  
Email:

and a copy to: Harper Grey LLP  
650 W Georgia St #3200  
Vancouver, BC V6B 4P7  
Attention: Mr. Victor Harwardt  
Email: vharwardt@harpergrey.com

and in the case of notice to be given to the Agent, addressed to:

Leede Jones Gable Inc.  
Suite 1800 - 1140 West Pender Street  
Vancouver, BC V6E 4G1  
Attention: Mr. Richard H. Carter  
Email:

and a copy to: DS Lawyers Canada LLP  
Suite 800, 333 - 7<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 2Z2  
Attention: Mr. V.E. Dale Burstall  
Email: DBurstall@dsavocats.ca

or to such other address as the party may designate by notice given to the others. Each communication shall be personally delivered to the addressee or sent by email to the addressee, and:

- (a) a communication which is personally delivered shall, if delivered before 4:30 p.m. (local time) on a business day, be deemed to be given and received on that day and, in any other case be deemed to be given and received on the first business day following the day on which it is delivered; and
- (b) a communication which is sent by email transmission shall, if sent on a business day before 4:30 p.m. (local time), be deemed to be given and received on that day and, in any other case be deemed to be given and received on the first business day following the day on which it is sent.

## 20. Obligations of the Agent

The Corporation: (i) acknowledges and agrees that the Agent has certain statutory obligations as registrants under the Applicable Securities Laws and has fiduciary relationships with its clients; and (ii) consents to the Agent acting hereunder while continuing to act for its clients. To the extent that the Agent's statutory obligations as registrants under Applicable Securities Laws or fiduciary relationships with its clients conflicts with its obligations hereunder, the Agent shall be entitled to fulfill its statutory obligations as registrants under Applicable Securities Laws and its duties to its clients. Nothing in this Agreement shall be interpreted to prevent the Agent from fulfilling its statutory obligations as registrants under Applicable Securities Laws or to act as fiduciaries of its clients.

**21. Severance**

If one or more of the 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 of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

**22. Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. Each of the Agent and the Corporation irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia with respect to all matters arising out of this Agreement and the transactions contemplated herein.

**23. Time of the Essence**

Time shall be of the essence of this Agreement.

**24. Counterpart Execution**

This Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement. The parties hereto shall be entitled to rely on delivery of an electronic copy of this executed Agreement by email and such electronic copy shall be legally effective to create a valid and binding agreement.

**25. Entire Agreement**

It is understood that the terms and conditions of this Agreement supersede any previous verbal or written agreement between the Agent and the Corporation with respect to the issuance of the Securities by the Corporation.

*[remainder of page intentionally left blank]*

If the foregoing is in accordance with your understanding and is agreed to by you, please confirm your acceptance by signing the enclosed copies of this letter at the place indicated and returning same to Leede Jones Gable Inc.

**LEEDE JONES GABLE INC.**

Per: "Richard Carter"

Richard Carter  
Executive Vice President, General Counsel &  
Secretary

**ACCEPTED AND AGREED** as of the date of this Agreement.

**SILVERFISH RESOURCES INC.**

Per: "Joseph Cullen"

Joseph Cullen  
President, Chief Executive Officer and Director

**SCHEDULE "A"**

To an Agreement dated June 24, 2022 between Silverfish Resources Inc. (the "Corporation") and Leede Jones Gable Inc. (the "Agent")

**THE COMPENSATION OPTIONS REPRESENTED BY THIS CERTIFICATE  
WILL BE VOID AND OF NO VALUE IF NOT EXERCISED  
PRIOR TO 4:30 P.M. (VANCOUVER TIME) ON ●, 2023**

**COMPENSATION OPTION CERTIFICATE**

**SILVERFISH RESOURCES INC.**

(Incorporated under the *British Columbia Business Corporations Act*)

COMPENSATION OPTION CERTIFICATE NO. ●	● COMPENSATION OPTIONS entitling the holder to acquire, subject to adjustment, one (1) Common Share for each whole Compensation Option represented hereby.
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THIS IS TO CERTIFY THAT ● (the "Option Holder") is entitled to acquire, for each Compensation Option represented hereby, in the manner and subject to the restrictions and adjustments set forth in the "Terms and Conditions of Compensation Option of Silverfish Resources Inc." appended as a Schedule hereto and forming a part hereof, at any time and from time to time until 4:30 p.m. (Vancouver time) on ● 2024, one (1) fully paid and non-assessable common share ("Common Share") in the capital of Silverfish Resources Inc. (the "Corporation") as constituted on the date hereof at a price of CAD\$0.25 per Common Share, subject to adjustment in certain events.

**The Compensation Options represented by this certificate may only be exercised at the principal office of the Corporation from time to time in North Vancouver, British Columbia (being 9285 203B Street Langley, British Columbia V1M 2L9 as at the date hereof), upon surrender of this certificate with the Subscription Form on the reverse side hereof (or a separate notice in substantially the same form) duly completed and executed, and cash or a certified cheque or bank draft payable to or to the order of the Corporation, at par in immediately available funds, for the full purchase price of the Common Shares so subscribed for.**

**The Compensation Options represented by this certificate are subject to the "Terms and Conditions of Compensation Options of Silverfish Resources Inc." appended as a Schedule hereto and forming a part hereof.**

**IN WITNESS WHEREOF** the Corporation has caused this certificate to be executed by a duly authorized director or officer.

DATED for reference this ● day of ●, 2022.

**SILVERFISH RESOURCES INC.**

Per: \_\_\_\_\_  
Joseph Cullen  
President, Chief Executive Officer, and Director

*The Compensation Options represented hereby cannot be transferred  
or otherwise disposed of by the holder to any person whatsoever.*



**IMPORTANT: SEE "TERMS AND CONDITIONS OF COMPENSATION OPTIONS OF SILVERFISH RESOURCES INC." APPENDED AS A SCHEDULE HERETO**

**SUBSCRIPTION FORM**

TO: SILVERFISH RESOURCES INC.

The undersigned holder of the within Compensation Option hereby irrevocably subscribes for \_\_\_\_\_ Common Shares (or such adjusted number of Common Shares or other securities to which such subscription entitles the undersigned in lieu thereof) in accordance with and subject to the provisions of this Compensation Option Certificate at the subscription price of \$0.25 for each one (1) Common Share exercised hereby, and encloses herewith cash or a certified cheque or bank draft payable to or to the order of Silverfish Resources Inc. for the full subscription price for the Common Shares so subscribed for.

The Common Shares subscribed for are to be issued as follows:

Name: \_\_\_\_\_

Address in full: \_\_\_\_\_

Daytime Telephone Number: \_\_\_\_\_

*Note: If further nominees are intended, please attach (and initial) a schedule providing these particulars.*

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature Guaranteed

\_\_\_\_\_  
Signature of Option Holder

\_\_\_\_\_  
Name of Option Holder

\_\_\_\_\_  
Address of Option Holder

Instructions:

If the Subscription Form indicates that Common Shares are to be issued to a person or persons other than the registered holder of the Compensation Option Certificate, the signature of such Option Holder on the Subscription Form must be guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange, and the Option Holder must pay any applicable transfer taxes or fees.

If the Subscription Form is signed by a trustee, executor, administrator, curator, guardian, attorney, officer of a corporation or any person acting in a judiciary or representative capacity, the Compensation Option Certificate must be accompanied by evidence of authority to sign satisfactory to the Corporation.

**THE COMPENSATION OPTIONS REPRESENTED HEREBY CANNOT BE TRANSFERRED OR OTHERWISE DISPOSED OF BY THE HOLDER TO ANY PERSON WHATSOEVER.**

**SCHEDULE TO COMPENSATION OPTION CERTIFICATE**  
**TERMS AND CONDITIONS OF COMPENSATION OPTION**  
**OF SILVERFISH RESOURCES INC.**

Terms and Conditions attached to the Compensation Option issued by Silverfish Resources Inc. and dated for reference ●, 2022.

**ARTICLE 1**  
**INTERPRETATION**

**1.1 Definitions**

In these Terms and Conditions, unless there is something in the subject matter or context inconsistent therewith:

- (a) **“Agency Agreement”** means the agency agreement between the Corporation and Leede Jones Gable Inc. dated ●, 2022;
- (b) **“Compensation Options”** means the options to acquire the Common Shares evidenced by the Compensation Option Certificate;
- (c) **“Compensation Option Certificate”** means the certificate to which these Terms and Conditions are attached and of which these Terms and Conditions form a part;
- (d) **“Business Day”** means a day other than a Saturday, Sunday or any day on which banks are not open for business in Vancouver, British Columbia;
- (e) **“Common Shares”** means the common shares in the capital of the Corporation as such shares existed on the Listing Date, subject to adjustment as provided herein;
- (f) **“Corporation”** means Silverfish Resources Inc. and its successors;
- (g) **“dividends paid in the ordinary course”** means any dividends, whether in cash, in securities of the Corporation, in specie, in kind or otherwise in property or other assets, declared payable or paid on the Common Shares in any fiscal year of the Corporation to the extent that the aggregate of such cash dividends or the fair market value thereof, as bona fide determined by the directors of the Corporation, of such dividends in securities, in specie, in kind or otherwise in property or other assets declared and payable or paid from the beginning of the fiscal year of the Corporation in which such dividend is declared to the date of such declaration of such dividend, including in such calculation the dividend in question, does not exceed the retained earnings of the Corporation as at the date of declaration of such dividends;
- (h) **“Exchange”** means, if the Common Shares are listed on a stock exchange, that stock exchange, and if the Common Shares are listed on more than one stock exchange, the senior stock exchange on which the Common Shares are listed;
- (i) **“Exercise Price”** means the price of \$0.25 per Common Share, expressed in lawful money of Canada, or such lesser price as may be determined in accordance with Section 5.2 subject to adjustment as provided herein;
- (j) **“Expiry Time”** means 4:30 p.m. (Vancouver time) on ●, 2024 or such other time as may be determined in accordance with Section 5.2;
- (k) **“Fair Value per Share”** means: (i) if the Common Shares are listed on a stock exchange, the volume weighted average trading price per Common Share for the twenty (20) trading days on the Exchange immediately preceding the date on which the value of a Common Share is assessed for the purposes hereof;

and (ii) if the Common Shares are not listed on a stock exchange, the fair market value of a Common Share, as determined by the directors of the Corporation acting reasonably and in good faith, which determination shall be conclusive for all purposes of this Compensation Option Certificate;

- (l) “**herein**”, “**hereby**” and similar expressions refer to these Terms and Conditions, as the same may be amended or modified from time to time; and the expression “Article”, “Section” and “subsection” followed by a number refer to the specified Article, Section or subsection of these Terms and Conditions;
- (m) “**Listing Date**” shall have the meaning set out in the Agency Agreement;
- (n) “**person**” includes an individual, corporation, partnership, trustee or any unincorporated organization and words importing persons include individuals, corporations, partnerships, trustees and unincorporated organizations;
- (o) “**Purchase Price**” shall mean, for any exercise of Compensation Option, the aggregate consideration payable to the Corporation by the Option Holder pursuant to Section 2.1 hereof, in an amount equal to the product of the Exercise Price applicable as at the date of exercise multiplied by the number of Compensation Option so exercised at such time;

words importing the singular number include the plural and *vice versa* and words importing the masculine gender include the feminine and neuter genders. Capitalized terms not otherwise defined herein shall have the meaning set out in the Agency Agreement.

## **1.2 Interpretation Not Affected by Headings**

The division of these Terms and Conditions into Articles, Sections and subsections, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation hereof.

## **1.3 Applicable Law**

These Terms and Conditions shall be construed in accordance with and the rights and obligations of the Option Holder and the Corporation hereunder shall be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without regard to principles of conflicts of law. The Corporation and the Option Holder attorn to the exclusive jurisdiction of the courts of the Province of British Columbia in respect of all matters and disputes arising hereunder.

# **ARTICLE 2 EXERCISE OF COMPENSATION OPTIONS**

## **2.1 Method of Exercise**

The right to subscribe for and purchase Common Shares hereunder may be exercised, prior to the Expiry Time, by the Option Holder delivering to the Corporation at its principal office: (i) the Compensation Option Certificate with the subscription form printed on the reverse side thereof (or a separate notice in substantially the same form) duly completed and executed; and (ii) cash or a certified cheque or bank draft payable to or to the order of the Corporation, at par in Vancouver, British Columbia, in immediately available funds, for the full amount of the Purchase Price, in lawful money of Canada. The Compensation Option Certificate and payment shall be deemed to be delivered only upon actual receipt of same by the Corporation.

## **2.2 Effect of Exercise**

Upon delivery and payment as set forth in Section 2.1 above, the Common Shares so subscribed for shall be issued as fully paid and non-assessable shares in the capital of the Corporation and the Option Holder will become the holder of record of the Common Shares, effective as of the date of such delivery and payment, and within three (3) Business Days thereafter the Corporation will cause certificate(s) for the Common Shares purchased to be mailed to the Option Holder, at the address set forth in the delivery instructions provided by the Option Holder in the subscription

form printed on the reverse side of the Compensation Option Certificate (or a separate notice in substantially the same form), or otherwise delivered to or to the order of the Option Holder.

### **2.3 Partial Exercise**

The Option Holder may subscribe for and purchase a number of Common Shares that is less than the total number of Common Shares that the Option Holder is entitled to subscribe for and purchase hereunder, in which event the Corporation shall cause a certificate representing the balance of the Compensation Options not exercised by the Option Holder to be mailed to the Option Holder at the address set forth in the delivery instructions provided by the Option Holder in the subscription form printed on the reverse side of the Compensation Option Certificate (or a separate notice in substantially the same form), or otherwise delivered to or to the order of the Option Holder.

### **2.4 Expiration**

At the Expiry Time, all rights hereunder shall wholly cease and terminate and the Compensation Options shall be void and of no effect whatsoever.

### **2.5 Fractional Interests**

The Corporation shall not be required to issue fractional Common Shares on the exercise of any Compensation Options. If more than one Compensation Options shall be presented by the Option Holder for exercise at the same time, the number of full Common Shares issuable upon the exercise thereof will be computed on the basis of the aggregate number of Common Shares purchasable on exercise of the Compensation Options so presented. If any fraction of a Common Share would, except for the provisions of this Section 2.5, be issuable on the exercise of any Compensation Options, such fraction shall be deemed to be surrendered to the Corporation and cancelled without any payment therefor to the Option Holder.

## **ARTICLE 3 GENERAL**

### **3.1 Reservation of Sufficient Common Shares**

For so long as the Compensation Options remain outstanding, the Corporation shall reserve and keep available for issue upon the exercise of the Compensation Options such number of authorized but unissued Common Shares or other shares in the capital of the Corporation as will be required to satisfy in full the rights of the Option Holder pursuant to the Compensation Options to subscribe for and purchase Offered Shares from the Corporation.

### **3.2 Additional Securities**

Nothing contained herein shall be construed as preventing the Corporation from making any distribution of or otherwise issuing to any person, at any time and from time to time, additional Common Shares or securities convertible into Common Shares for such consideration and on such terms as may be approved by the board of directors of the Corporation in its sole discretion.

### **3.3 Lost, Stolen, Destroyed or Mutilated Compensation Option Certificates**

Upon receipt of evidence satisfactory to the Corporation of the loss, theft, destruction or mutilation of any Compensation Option Certificate and, in the case of loss, theft or destruction, upon receipt of indemnity or security in an amount and form satisfactory to the Corporation, or, in the case of mutilation, upon surrender and cancellation of such Compensation Option Certificate, the Corporation will make and deliver, in lieu of such lost, stolen, destroyed or mutilated Compensation Option Certificate, a new Compensation Option Certificate of like tenor and representing the same number of Compensation Options. The Option Holder shall pay the reasonable charges of the Corporation in connection with any such replacement.

### **3.4 Option Holder Not a Shareholder**

The Compensation Options represented hereby shall not constitute the Option Holder a shareholder of the Corporation, nor entitle the Option Holder to any right or interest (including, without limitation, any voting rights or rights to receive dividends or other distributions) as a shareholder of the Corporation. For greater certainty, the Compensation Option represented hereby shall not entitle the Option Holder to any voting rights whatsoever in the affairs of the Corporation.

### **3.5 Notice to Regulatory Authorities**

The Corporation may give notice of the issuance of any Common Shares pursuant to the exercise of Compensation Option, in such detail as may be required, to any stock exchange, securities commission or similar regulatory authority in Canada having jurisdiction in respect of such issuance.

### **3.6 Legends**

If, at the time of the exercise of the Compensation Options, the Common Shares acquired thereby are subject to trading restrictions under applicable securities legislation, the Corporation may, on the advice of counsel, endorse the certificates representing such Common Shares to such effect.

### **3.7 Transfer Taxes**

The Corporation shall pay any and all transfer taxes (if any) that may be payable in respect of the issuance or delivery of Common Shares upon the exercise of the Compensation Options; *provided, however*, that the Corporation shall not be required to pay any such tax or taxes that may be payable in respect of the issuance or delivery of any certificates for Common Shares issued upon the exercise of the Compensation Options in the name of a person or persons other than the Option Holder.

## **ARTICLE 4 ADJUSTMENTS**

### **4.1 Adjustment of Subscription Rights**

- (a) The Exercise Price and the number of Common Shares purchasable upon the exercise of an Compensation Options shall be subject to adjustment from time to time as set forth in this Article 4 with respect to any fact or event described herein occurring after the Listing Date but prior to the Expiry Time. The adjustments provided for in this Article 4 are cumulative. Notwithstanding anything contained in this Article 4, any adjustment made pursuant to any provision of this Article 4 shall be made without duplication of an adjustment otherwise required by and made pursuant to another provision of this Article 4 on account of the same facts or events.
- (b) After any adjustment pursuant to this Article 4, the term “Common Shares” where used in this Compensation Option Certificate shall, unless the context requires otherwise, be interpreted to mean securities or other property that, as a result of all prior adjustments pursuant to this Article 4, the Option Holder is entitled to receive upon the exercise of Compensation Options, and the number of Common Share indicated in any subscription made pursuant to the exercise of Compensation Options shall be interpreted to mean the number of such securities or other property which, as a result of all prior adjustments pursuant to this Section, the Option Holder is entitled to receive upon the exercise of Compensation Options entitling the holder thereof to subscribe for and purchase the number of Common Shares so indicated.

### **4.2 Stock Dividends, Subdivisions or Consolidations**

- (a) If and whenever at any time after the Listing Date but prior to the Expiry Time, the Corporation shall: (i) subdivide, redivide or change its outstanding Common Shares into a greater number of shares; (ii) reduce, combine or consolidate its outstanding Common Shares into a smaller number of shares; or (iii) issue Common Shares or securities convertible into or exchangeable for Common Shares to the holders of all or

substantially all of the outstanding Common Shares by way of a stock dividend other than a dividend paid in the ordinary course, then the Exercise Price in effect on the effective date of such subdivision, redivision, change, reduction, combination or consolidation or on the record date for such issue of Common Shares or securities convertible or exchangeable into Common Shares by way of a stock dividend, as the case may be, shall be adjusted immediately after such effective date or record date, as the case may be, so that it shall equal the price determined by multiplying the Exercise Price in effect on such date by a fraction of which the numerator shall be the total number of Common Shares outstanding immediately prior to such date and the denominator shall be the total number of Common Shares outstanding immediately after such date (including, in the case where securities convertible into or exchangeable for Common Shares are issued, the number of Common Shares that would have been outstanding had such securities been converted into or exchanged for Common Shares on such record date).

- (b) Any issue of Common Shares by way of a stock dividend as contemplated in this Section 4.2 shall be deemed to have been made on the record date for the stock dividend for the purpose of calculating the number of outstanding Common Shares, or securities convertible into Common Shares, under Sections 4.2, 4.3 and 4.4. To the extent that any securities convertible into or exchangeable for Common Shares are not converted into or exchanged for Common Shares prior to the expiration of the conversion or exchange right, the Exercise Price shall be readjusted effective as at the date of such expiration to the Exercise Price that would then be in effect based upon the number of Common Shares actually issued on the exercise of such conversion or exchange right.
- (c) Upon any adjustment of the Exercise Price pursuant to Section 4.2, the number of Common Shares purchasable under each Compensation Option shall contemporaneously be adjusted by multiplying the number of Common Shares theretofore purchasable on the exercise thereof by a fraction of which the numerator shall be the Exercise Price in effect immediately prior to such adjustment and the denominator shall be the Exercise Price resulting from such adjustment.

#### **4.3 Rights Offerings**

If and whenever at any time after the Listing Date but prior to the Expiry Time, the Corporation shall fix a record date for the issuance of rights, options or warrants to all or substantially all the holders of its outstanding Common Shares entitling them, for a period expiring not more than forty-five (45) days after such record date, to subscribe for or purchase Common Shares (or securities convertible into or exchangeable for Common Shares) at a price per share (or having a conversion or exchange price per share) less than 95% of the Fair Value per Share on such record date, the Exercise Price in effect on such record date shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date plus a number arrived at by dividing the aggregate price of the total number of additional Common Shares offered for subscription or purchase (or the aggregate conversion or exchange price of the convertible securities so offered) by such Fair Value per Share, and of which the denominator shall be the total number of Common Shares outstanding on such record date plus the total number of additional Common Shares offered for subscription or purchase (or into which the convertible securities so offered are convertible or exchangeable). Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such computation. To the extent that any such rights, options or warrants are not so issued or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price shall be readjusted to the Exercise Price that would then be in effect if such record date had not been fixed or to the Exercise Price that would then be in effect based upon the number and aggregate price of Common Shares (or securities convertible into or exchangeable for Common Shares) actually issued upon the exercise of such rights, options or warrants, as the case may be.

#### **4.4 Other Distributions**

If and whenever at any time after the Listing Date but prior to the Expiry Time, the Corporation shall fix a record date for the making of a distribution to all or substantially all the holders of its outstanding Common Shares of: (i) shares of any class other than Common Shares (or other securities convertible into or exchangeable for Common Shares); (ii) rights, options or warrants (excluding rights, options or warrants referred to in Section 4.3, or rights, options or warrants referred to in Section 4.3 but exercisable at a price per share (or having a conversion or exchange

price per share) that is at least 95% of the Fair Value per Share); (iii) evidences of its indebtedness; or (iv) assets (excluding assets distributed as dividends paid in the ordinary course or in the event of the liquidation, dissolution or winding-up of the Corporation); then, in each such case, the Exercise Price in effect on such record date shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date multiplied by the Fair Value per Share on such record date, less the aggregate fair market value (as determined by the directors of the Corporation acting reasonably and in good faith, which determination shall be conclusive) of such shares or rights, options or warrants or evidences of indebtedness or assets so distributed, and of which the denominator shall be the total number of Common Shares outstanding on such record date multiplied by the Fair Value per Share. Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such computation. To the extent that such distribution is not so made, the Exercise Price shall be readjusted to the Exercise Price that would then be in effect based upon such shares or rights, options or warrants or evidences of indebtedness or assets actually distributed, as the case may be.

#### **4.5 Reorganizations**

If and whenever at any time after the Listing Date but prior to the Expiry Time, there is a reclassification of the Common Shares or a capital reorganization of the Corporation other than as described in Section 4.2 or a consolidation, amalgamation, arrangement, merger or other reorganization of the Corporation with or into any other body corporate, trust, partnership or other entity, or a sale or conveyance of the property and assets of the Corporation as an entirety or substantially as an entirety to any other body corporate, trust, partnership or other entity (any such event being hereinafter referred to as a “Reorganization”), the Option Holder shall be entitled, for each Compensation Option still held at the effective date of the Reorganization, upon the exercise of such Compensation Option after the effective time, to receive, and shall thereupon be obligated to accept in lieu of the number of Common Shares then subscribed for by him but for the same aggregate consideration payable therefor, the number of shares or other securities of property of the Corporation or of the body corporate, trust, partnership or other entity resulting from such merger, amalgamation or consolidation, or to which such sale or conveyance may be made, as the case may be, that such Option Holder would have been entitled to receive on the Reorganization if, on the record date or the effective date thereof, as the case may be, the Option Holder had been the registered holder of the number of Common Shares so subscribed for. To give effect to or to evidence the provisions of this Section 4.5, the Corporation shall or shall impose upon its successor or such purchasing body corporate, partnership, trust or other entity, as the case may be, prior to or contemporaneously with any such Reorganization, an agreement or undertaking that provides, to the extent possible, for the application of the provisions of this Section 4.5 with respect to the rights and interests thereafter of the Option Holder to the end that the provisions set forth in this Compensation Option Certificate shall thereafter correspondingly be made applicable, as nearly as may reasonably be, with respect to any shares, other securities or property to which the Option Holder is entitled on the exercise of his purchase rights thereafter. Any agreement or undertaking entered into between the Corporation, any successor to the Corporation or such purchasing body corporate, partnership, trust or other entity shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided in this Article 4 and which shall apply to successive Reorganizations.

#### **4.6 Exception**

Notwithstanding anything contained herein, no adjustment in the number of Common Shares purchasable upon the exercise of Compensation Options, or the Exercise Price thereof, shall be made in respect of any event or circumstance described in this Article 4 if the Option Holder is entitled to participate in such event on the same terms, *mutatis mutandis*, as if the Option Holder had exercised his Compensation Options on or before the effective date or record date of such event or circumstance.

#### **4.7 Abandonment or Deferral**

- (a) If the Corporation sets a record date as at which the holders of Common Shares are to be determined for the purposes of an event in respect of which an adjustment in the number of Common Shares purchasable upon the exercise of Compensation Options, or the Exercise Price thereof, is required to be made under Article 4 but legally abandons the event prior to completion thereof, then no adjustment in such number of Common Shares or the Exercise Price thereof shall be required by reason of the setting of such record date.

- (b) In any case where Article 4 requires that an adjustment in the number of Common Shares purchasable upon the exercise of Compensation Options, or the Exercise Price thereof, be made effective immediately after a record date for a specified event, the Corporation may elect to defer, until after the occurrence of the event, the issuance to the holder of any Compensation Option exercised after the record date, of the Common Shares issuable upon the exercise of the Compensation Option that are in excess of the Common Shares that the Option Holder would thereupon be entitled to receive in the absence of the specified event; *provided, however,* that the Corporation shall deliver to the holder an appropriate instrument evidencing the holder's right to receive such additional Common Shares if and when the event requiring such adjustment in fact occurs.

#### **4.8 Minimum Adjustment**

No adjustment in the number of Common Shares purchasable upon the exercise of Compensation Options shall be required under this Article 4 unless the adjustment would require an increase or decrease of at least one percent (1%) in such number of Common Shares; *provided, however, that* any adjustments which by reason of this Section 4.8 are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations made in this regard shall be made to the nearest one-tenth of a share.

#### **4.9 No Adjustments for Other Transactions or Events**

For greater certainty, and notwithstanding anything contained herein, no adjustment to the terms of the Compensation Options shall be required under this Article 4 in the event of any one or more of the following:

- (a) the granting by the Corporation of options or other rights under any stock option plan, stock purchase plan, phantom stock plan, stock appreciation rights plan, or other deferred, share or incentive compensation plan to officers, directors, employees or consultants of the Corporation or its affiliates;
- (b) the issue by the Corporation of any Common Shares or other securities of the Corporation for valuable consideration to any persons other than as specifically provided for in this Article 4 (including without limitation the issue of Common Shares upon the exercise or conversion of any securities of the Corporation outstanding as at the date hereof that are exercisable or convertible into Common Shares); or
- (c) the declaration or payment of any dividends on the Common Shares other than as specifically provided for in this Article 4.

#### **4.10 Notice of Adjustment Events**

- (a) For so long as any Compensation Option remain outstanding, the Corporation will give notice to the Option Holder of its intention to fix a record date or closing date, as the case may be, for any event referred to in Sections 4.2, 4.3 or 4.4 (other than a subdivision, redivision, change in number, reduction, combination or consolidation of its Common Shares) that gives rise or is reasonably expected to give rise to an adjustment pursuant to this Article 4, or its intention to take any action described in Section 4.5. The notice shall specify the particulars of such event and the record date and/or the effective date therefor; *provided, however,* that the Corporation shall only be required to specify in such notice the particulars that have been fixed and determined on the date on which the notice is given. The notice shall be given in each case not less than fourteen (14) days prior to the applicable record date, closing date or effective date.
- (b) The Corporation will, within a reasonable time after the occurrence of any event that requires an adjustment pursuant to this Article 4, give notice to the Option Holder specifying the nature of the event and the required adjustment; *provided, however,* that if the Corporation has given notice under paragraph (a) above and that notice discloses the relevant facts in respect of such event, no notice is required to be given under this paragraph (b).
- (c) Notwithstanding paragraphs (a) and (b) above, any failure or delay by the Corporation in giving the notice contemplated thereunder shall in no way impair, compromise or invalidate the effectiveness of the event or adjustment.



#### **4.11 Determination of Adjustments**

Any determinations shall be made by the auditors of the Corporation or, if the auditors of the Corporation are unable or unwilling to make the determination, by any other firm of Chartered Accountants in Vancouver, British Columbia that the Corporation may select and is qualified under applicable laws to audit the financial records of public companies in Canada. Adjustments required under this Article 4 shall be conclusive, and such firm shall have access to all appropriate records. Any such determination made by the auditors of the Corporation or, if applicable, the other firm of Chartered Accountants shall be binding on the Corporation and the Option Holder.

### **ARTICLE 5 AMENDMENTS**

#### **5.1 Amendments Generally**

Subject to Section 5.2, the terms of the Compensation Options represented by the Compensation Option Certificate may be amended, and the observance of any term thereof may be waived, only by a written instrument signed by the Corporation and the Option Holder. Any such amendment shall be subject to receipt by the Corporation of all required approvals (if any) from any stock exchange on which the Common Shares are listed, and all applicable securities regulatory authorities.

#### **5.2 Reduction in Exercise Price; Extension of Expiry Time**

Subject to applicable securities legislation and receipt by the Corporation of all required approvals (if any) from any stock exchange on which the Common Shares are listed, and all applicable securities regulatory authorities, the Corporation may, at its option, at any time during the term of the Compensation Options, reduce the then current Exercise Price to any amount or extend the Expiry Time to such time as the board of the directors of the Corporation may consider appropriate.

### **ARTICLE 6 NOTICES**

#### **6.1 Notice to Corporation**

Any notice to the Corporation under the provisions of this Compensation Option Certificate shall be valid and effective if personally delivered or given by email or prepaid mail, addressed to the Corporation at being 9285 203B Street Langley, British Columbia V1M 2L9, Email: joe@enttheonbiomedical.com, Attention: Joseph Cullen, President, Chief Executive Officer and Director, and shall be deemed to have been effectively given on the day following the date of delivery or the date of email (provided it is so received before 4:30 pm (Vancouver time) on a Business Day, failing which it will be deemed to have been effectively given on the next following Business Day), or if mailed, seven (7) Business Days after actual posting of the notice. The Corporation may from time to time give the Option Holder written notice of a change of address, which new address shall thereafter, until changed by another notice, be the address of the Corporation for all purposes of this Compensation Option Certificate.

#### **6.2 Notice to Option Holder**

Any notice to the Option Holder under the provisions of this Compensation Option Certificate shall be valid and effective if personally delivered or given by email or prepaid mail, addressed to the Option Holder at the address appearing in the securities register of the Corporation, and shall be deemed to have been effectively given on the day following the date of delivery or the date of email (provided it is so received before 4:30 pm (Vancouver time) on a Business Day, failing which it will be deemed to have been effectively given on the next following Business Day), or if mailed, seven (7) Business Days after actual posting of the notice.

## SCHEDULE "B"

To an Agency Agreement dated June 24, 2022 between Silverfish Resources Inc. (the "**Corporation**") and Leede Jones Gable Inc. (the "**Agent**")

●, 2022

Leede Jones Gable Inc.  
Suite 1800 - 1140 West Pender Street  
Vancouver, BC V6E 4G1

Dear Sirs:

**RE: Silverfish Resources Inc.**

We have acted as counsel for Silverfish Resources Inc. (the "**Corporation**") in connection with the offering by the Corporation of 4,000,000 common shares without par value in the capital of the Corporation ("**Common Shares**") at a price of \$0.25 per Common Share (each, an "**Offered Share**") for gross proceeds of \$1,000,000 pursuant to an initial public offering (the "**Offering**"). The Company has also granted to the Agent an option (the "**Over-Allotment Option**"), entitling the Agent to exercise, in whole or in part in the sole discretion of the Agent, up to 30 days following closing of the Offering, to sell additional common shares equal to 15% of the Offered Shares at a price of \$0.25 per Common Share to cover the Agent's over-allocation position, if any. If exercised, the Common Shares issued pursuant to the exercise of the Over-Allotment Option shall be deemed to form part of the Offering for the purposes hereof. Unless the context otherwise requires, all references to the "**Offering**" and "**Offered Shares**" shall include any Common Shares issued or issuable in connection with the exercise of the Over-Allotment Option.

As such counsel, we have participated, together with DS Lawyers Canada LLP, in the preparation of the Agency Agreement, the Prospectus and a compensation option certificate dated the ● day of ●, 2022 between the Corporation and the Agent (the "**Compensation Option Certificate**").

As part of the consideration for the services rendered to the Corporation by the Agent pursuant to the Agency Agreement, the Corporation has granted to the Agent an option (the "**Compensation Option**") to acquire ● Common Shares in the capital of the Corporation (the "**Compensation Option Shares**") at an exercise price of \$0.25 per Common Share. The Compensation Option, the issuance of which is qualified by the Prospectus, is exercisable in accordance with the terms of the Compensation Option Certificate.

We have also examined, reviewed and relied upon the following:

- (a) the receipts dated March 4, 2022 and ●, 2022 (collectively, the "**Receipts**") issued by the British Columbia Securities Commission on behalf the securities regulator in each of the provinces of Alberta, British Columbia and Ontario (collectively, the "**Qualifying Jurisdictions**") in respect of the Preliminary Prospectus and the Prospectus, respectively;
- (b) a certificate of compliance dated ●, 2022 with respect to the Corporation electronically retrieved from the official records under the *British Columbia Business Corporations Act* (the "**Act**") in respect of the Corporation (the "**Certificate of Status**"); and
- (c) a letter dated ●, 2022 from the Canadian Securities Exchange (the "**Exchange**"), a copy of which has been provided to you (the "**Exchange Letter**").

We have examined originals or photostatic or certified copies of such corporate records, contracts and instruments of the Corporation and other certificates, permits, licenses or orders of public officials, commissions, boards and governmental bodies and authorities, certificates of officers or representatives of the Corporation and such other records, contracts and instruments, we have considered such questions of law and examined such statutes,

regulations and orders, certificates and other documents and we have made such investigations and searches, all as we consider necessary and relevant as the basis for the opinions set forth herein. We have relied, exclusively and without independent investigation or inquiry, as to certain factual matters specified herein, on a certificate of an officer of the Corporation dated the date hereof as to certain corporate matters (the “**Officer’s Certificate**”). We have assumed that the parties delivering the certificates, other than the officers and representatives of the Corporation, have been duly appointed to the positions indicated and have the power, capacity and authority to certify the information contained therein and that such certificates, if dated earlier than the date hereof, continue to be accurate as of the date hereof. To the extent that any certificates upon which we have relied are based on any assumption, are given in reliance on any other certificate or other document or are made subject to any limitation, qualification or exception, our opinion given in reliance thereon is also based on such assumption, is given in reliance on such other certificate or other document and is subject to such limitation, qualification or exception.

This opinion is rendered solely with respect to the laws of the Provinces of Alberta, British Columbia and Ontario and the federal laws of Canada applicable therein and we express no opinion concerning the laws of any other jurisdiction.

The term “**Securities Laws**” when used herein means the securities act and the rules, instruments, regulations and orders made thereunder of the provinces of Alberta, British Columbia and Ontario together with published policy statements, orders, instruments and rulings of the securities commission of each of such provinces as applicable to such provinces, in force as of the date hereof.

For purposes of rendering the opinions expressed herein, we have assumed:

- (a) the genuineness of all signatures on documents, agreements and certificates, other than signatures of the directors and officers of the Corporation;
- (b) the authenticity and completeness of all original documents examined by us and the conformity to authentic original documents of all certified copies, photocopies and facsimiles examined by us;
- (c) that all persons, other than the officers and directors of the Corporation, executing documents on behalf of themselves or on behalf of another party have been duly authorized and have the legal capacity to do so and that such documents have been validly executed and delivered and constitute legal, valid, binding and enforceable obligations of such parties in accordance with the terms of such documents;
- (d) that at the time of any distribution of or trade in securities hereinafter referred to, no effective order, ruling or decision issued or granted by a securities commission, court of competent jurisdiction, or regulatory or administrative body having jurisdiction is in effect that has the effect of restricting any such distribution or trade of the securities referred to herein or affecting any person who engages in such distribution or trade;
- (e) that all facts set forth in the official public records, certificates and documents supplied by public officials or otherwise conveyed to us by public officials are complete, true and accurate;
- (f) that all facts set forth in the Officer’s Certificate are complete, true and accurate;
- (g) that the Corporation is not a “related issuer” or a “connected issuer” (as those terms are defined under the Securities Laws) of any registrant involved in any trade of the Offered Shares;
- (h) that each of the Agent and any sub-agents appointed by the Agent is duly registered in the proper category of registration and has complied with the Securities Laws in connection with the offering for sale of the Offered Shares to purchasers;
- (i) that the representations and warranties of the Agent set forth in the Agency Agreement are true and correct and accurate in all respects and that the Agent and any sub-agents appointed by the Agent have each effected the distribution of the Offered Shares in accordance with the terms thereof;

- (j) that the completion of the distribution of the Offered Shares will occur prior to the first anniversary of the date of the Prospectus;
- (k) that the Prospectus contains full, true and plain disclosure of all material facts relating to the securities offered thereby and no “material change” (as that term is defined under the Securities Laws) has occurred since ●, 2022 requiring an amendment to the Prospectus to be prepared and filed under the Securities Laws; and
- (l) the minute books of the Corporation contain all constating documents of the Corporation and are a complete record of the minutes and resolutions of the directors and shareholders of the Corporation.

We have made no independent investigation of the foregoing assumptions.

For the purposes of our opinions below, we have assumed compliance with the provisions of National Instrument 33-105 – *Underwriting Conflicts of the Canadian Securities Administrators* and any similar legislative provisions under the Securities Laws.

The opinions expressed in this letter are subject to the following exceptions and qualifications:

- (a) in giving the opinion expressed in paragraph 1 below, as to the existence of the Corporation, we have relied solely on the Certificate of Status;
- (b) in giving the opinion expressed in paragraph 1 below, as to the corporate power and capacity of the Corporation to carry on its business, we have relied solely on a review of the constating documents of the Corporation and the Act;
- (c) in giving the opinion expressed in paragraph 2 below, as to the authorized capital of the Corporation, we have relied solely on a review of the constating documents of the Corporation;
- (d) in giving the opinion expressed in paragraph 2 below, as to the number of issued and outstanding shares, we have relied solely on the Officer’s Certificate;
- (e) in giving the opinion expressed in paragraph 4 below, insofar as it relates to British Columbia, Alberta and Ontario, we have relied solely and without independent investigation on the Receipts; and
- (f) in giving the opinion expressed in paragraph 11 below, we have relied solely on the Exchange Letter.

Based upon and subject to the qualifications herein expressed, we are of the opinion that:

1. the Corporation is duly incorporated and valid and subsisting under the laws of their respective jurisdiction of incorporation and have all requisite corporate power and authority to carry on their business as described in the Prospectus. The Corporation has no subsidiaries.
2. The authorized share capital of the Corporation consists of unlimited number of Common Shares of which 9,950,000 Common Shares are issued and outstanding prior to the issuance of the Offered Shares.
3. All necessary corporate action has been taken by the Corporation to authorize the issuance and sale by the Corporation of the Offered Shares in the manner contemplated by the Agency Agreement.
4. All necessary documents have been filed, all requisite proceedings have been taken and all other legal requirements have been fulfilled by the Corporation as required by the Securities Laws to qualify the Offered Shares for distribution in each of the Qualifying Jurisdictions through investment dealers duly registered under the applicable Securities Laws who have complied with the relevant provisions of such laws and the terms of such registrations.

5. All necessary corporate action has been taken by the Corporation to authorize the execution and delivery of the Agency Agreement and the Compensation Option Certificate and each of the Agency Agreement Compensation Option Certificate has been duly authorized, executed and delivered by the Corporation.
6. The authorization, execution, delivery and performance of the terms of the Agency Agreement and the Compensation Option Certificate by the Corporation do not conflict with or result in a breach of or a default under:
  - (a) any of the terms, conditions or provisions of the articles or by-laws of the Corporation; or
  - (b) any shareholders' or directors' resolutions of the Corporation.
  - (c) any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which the Corporation is a party or by which it is bound; or
  - (d) of which counsel is aware, any judgment, decree or order, of any court, governmental agency or body or regulatory authority having jurisdiction over or binding the Corporation or its properties or assets;
7. The Offered Shares have been validly issued as fully paid and non-assessable.
8. All necessary corporate action has been taken by the Corporation to allot and reserve for issuance the Compensation Option Shares and, when issued upon the exercise of the Compensation Option in accordance with the terms of the Compensation Options Certificate, and the Compensation Option Shares will be validly issued as fully paid and non-assessable.
9. The issue of the Compensation Option Shares upon the exercise of the Compensation Options in accordance with the terms and conditions of the Compensation Option Certificate will be exempt from the prospectus requirements of the Securities Laws. No document will be required to be filed, no proceeding will be required to be taken and no permit, approval, consent or authorization will be required to be obtained by the Corporation under the Securities Laws in connection with the issue of the Compensation Option Shares upon the exercise of the Compensation Options in accordance with the terms and conditions of the Compensation Option Certificate.
10. No prospectus will be required to be filed, no filing or proceeding will be required to be made or taken and no permit, approval, consent or authorization will be required to be obtained under the Securities Laws in connection with the first trade in the Qualifying Jurisdictions by the Agent of the Compensation Option Shares through brokers or dealers properly registered under the Securities Laws who comply with the Securities Laws provided that:
  - (a) the trade is not a "control distribution" as defined in National Instrument 45-102 - Resale of Securities ("NI 45-102"); and
  - (b) the Corporation is a "reporting issuer" for the purposes of NI 45-102 at the time of the trade.
11. The Exchange has conditionally granted the application for listing of the Offered Shares and has conditionally approved the listing of the • issued and outstanding Common Shares (inclusive of the Offered Shares) and the Compensation Option Shares, subject to completion of the conditions referred to in the Exchange Letter
12. the Transfer Agent, at its principal office in Vancouver, British Columbia has been duly appointed as the transfer agent and registrar for the Common Shares.
13. the form and terms of the certificates representing the Common Shares and Compensation Options have been approved and adopted and comply with all legal requirements relating thereto.

14. Subject to the terms of the particular fund or plan, the Offered Shares, if, as and when listed on a “designated stock exchange” as defined under the *Income Tax Act* (Canada) (the “Tax Act”) (which includes the Exchange), will be qualified investments for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, a deferred profit sharing plan or tax free savings account as defined under the Tax Act and the regulations made under the Tax Act.

This opinion may not be furnished to, or relied upon by, any person other than the addressee hereof or for any purpose other than as specified herein. The opinions set forth above are based upon the law as of the date hereof, unless expressly provided otherwise, and the opinions set forth above assume no change in law will take place in the future that would affect the opinions set forth herein. We assume no duty to communicate with you with respect to any change in law that comes to our attention hereafter.

Yours truly,