Execution Version

UNDERWRITING AGREEMENT

June 1, 2015

Newmarket Gold Inc.
Suite 3244 - Four Bentall Centre
1055 Dunsmuir Street
Vancouver B.C., Canada
V7X 1L3

Attention: Douglas Forster, President, Chief Executive Officer & Director

Dear Sir:

The undersigned, GMP Securities L.P. ("**GMP**") and BMO Nesbitt Burns Inc. ("**BMO**"), as co-lead underwriters and joint bookrunners, and Haywood Securities Inc. and RBC Dominion Securities Inc. (together with GMP and BMO, the "**Underwriters**") understand that Newmarket Gold Inc. (the "**Company**") proposes to create, issue and sell 19,840,000 subscription receipts of the Company (the "**Subscription Receipts**"), at a price of $1.25 per Subscription Receipt (the "**Issue Price**") on a private placement basis, for aggregate gross proceeds of $24,800,000 (the "**Offering**"), subject to the terms and conditions set out below. In addition, the Underwriters understand that the Company intends to complete the Concurrent Offering (as hereinafter defined) concurrently with the closing of the Offering.

Upon and subject to the terms and conditions contained herein, the Underwriters hereby severally (and not jointly nor jointly and severally) offer to purchase from the Company, and the Company agrees to sell to the Underwriters, in the respective percentages set out in Section 15, all of the Subscription Receipts to be issued and sold pursuant to the Offering at the Issue Price at the Closing Time (as hereinafter defined).

The Subscription Receipts are being issued in connection with a proposed amalgamation of the Company and Crocodile Gold Corp. ("**Crocodile**") by way of plan of arrangement under section 182 of the *Business Corporations Act* (Ontario) (the "**Arrangement**") pursuant to an arrangement agreement entered into between the Company and Crocodile on May 11, 2015 as such agreement may be amended from time to time (together with the Crocodile disclosure letter dated May 11, 2015 delivered therewith, the "**Arrangement Agreement**"), with the amalgamated company continuing as a successor of the Company and Crocodile following the effectiveness of the Arrangement to be named "Newmarket Gold Inc." ("**Amalco**"). The Company will complete a continuance from the Province of British Columbia to the Province of Ontario prior to the Effective Time (as hereinafter defined).

Pursuant to and in accordance with the Subscription Receipt Agreement (as hereinafter defined), upon the satisfaction of the Escrow Release Conditions (as hereinafter defined) on the Escrow Release Date (as hereinafter defined), each one (1) Subscription Receipt shall be automatically exchanged (for no further consideration and with no further action on the part of the holder thereof) into five (5) Underlying Shares (as hereinafter defined) which will then be automatically exchanged (for no further consideration and with no further action on the part of the holder thereof) into one (1) common share in the capital of Amalco (an "**Amalco Share**") at the Effective Time.

On the Closing Date (as hereinafter defined), the gross proceeds of the Offering less the Underwriters' expenses payable in accordance with Section 10 (the "**Escrowed Proceeds**") will be delivered to and held by the Escrow Agent (as hereinafter defined) and invested in an interest-bearing account (the Escrowed

Proceeds, together with all interest and other income earned thereon, are referred to herein as the "**Escrowed Funds**").

Upon the satisfaction of the following conditions (collectively, the "**Escrow Release Conditions**") and in accordance with the Arrangement, up to $20,000,000 of the Escrowed Funds shall be released from escrow by the Escrow Agent to the depositary appointed in respect of the Arrangement for distribution to the shareholders of Crocodile that elect to receive cash consideration for their Crocodile common shares in accordance with the Arrangement (subject to proration), with any excess funds being released for the account of Amalco:

(a) receipt by the Underwriters of satisfactory title opinions in respect of the Crocodile Material Properties (as hereinafter defined);

(b) the completion, satisfaction or waiver of all conditions precedent to the Arrangement set forth in the Arrangement Agreement having occurred, other than the release of the Escrowed Proceeds and no material terms of the Arrangement Agreement shall have been modified and/or waived unless GMP (on behalf of the Underwriters) has been provided written notice of such modification and/or waiver;

(c) the Amalco Shares being conditionally approved for listing on the Toronto Stock Exchange ("**TSX**") or the TSX Venture Exchange ("**TSXV**"); and

(d) the Company and GMP (on its own behalf and on behalf of the Underwriters) will have delivered a release notice to the Escrow Agent confirming that the conditions set forth above have been met or waived.

As a condition precedent to the execution by GMP of the notice referred to in (d) above, the Chief Executive Officer of the Company (or such other officer as may be acceptable to GMP, acting reasonably) shall certify to the Underwriters that the Escrow Release Conditions (other than the conditions set out in (d) above) have been satisfied.

The date on which the Escrow Release Conditions are satisfied is hereinafter referred to as the "**Escrow Release Date**" which, for greater certainty, shall be no later than August 31, 2015 (the "**Escrow Deadline**") except as may be extended in accordance with the terms of the Subscription Receipt Agreement.

Unless the consent of holders of not less than 66 2/3% of the then outstanding Subscription Receipts is obtained pursuant to the terms of the Subscription Receipt Agreement, in the event that the Escrow Release Conditions are not satisfied prior to the Escrow Deadline, the then issued and outstanding Subscription Receipts shall be cancelled and the Escrowed Funds will be used to pay holders of Subscription Receipts an amount equal to the Issue Price per Subscription Receipt. To the extent that the Escrowed Funds are not sufficient to purchase all of the then issued and outstanding Subscription Receipts, the Company will contribute such amounts as are necessary to satisfy any shortfall (the "**Shortfall Amount**").

The description of the Subscription Receipts herein is a summary only and is subject to the specific attributes and detailed provisions of the Subscription Receipts to be set forth in the Subscription Receipt Agreement. In the case of any inconsistency between the description of the Subscription Receipts in this Agreement and their terms and conditions as set forth in the Subscription Receipt Agreement, the provisions of the Subscription Receipt Agreement shall govern.

The Company, Crocodile, Amalco and the Arrangement are described in greater detail in the draft joint management information circular of Newmarket and Crocodile dated June 4, 2015 (the "**Circular**"), prepared by the Company and Crocodile in connection with the special meeting of shareholders (the "**Meeting**") of each of the Company and Crocodile to consider and, if deemed advisable, approve the Arrangement, a draft copy of which has been provided to the Underwriters. An electronic copy of the final version of the Circular will publicly available under Newmarket's SEDAR profile.

In consideration of the services rendered by the Underwriters in connection with the Offering, upon the satisfaction of the Escrow Release Conditions on the Escrow Release Date, the Company shall pay to the Underwriters a commission (the "**Commission**") equal to five percent (5.0%) of the gross proceeds from the Offering (other than gross proceeds to a maximum aggregate subscription amount of $10 million in respect of Subscription Receipts subscribed for by directors and officers of the Company or their affiliates (the "**President's List Purchasers**")). For greater certainty, the Company shall pay to the Underwriters the Commission on any gross proceeds in respect of Subscription Receipts subscribed for by the President's List Purchasers in excess of $10 million. As additional consideration for the services of the Underwriters, on the Effective Date (as hereinafter defined) immediately prior to the Effective Time, the Company shall issue to the Underwriters such number of broker warrants (the "**Broker Warrants**") equal to five percent (5.0%) of the number of Subscription Receipts sold under the Offering. Provided the Escrow Release Conditions are satisfied, each one (1) Broker Warrant shall entitle the holder thereof to subscribe for five (5) Broker Warrant Shares (as hereinafter defined) at a price per one (1) Broker Warrant Share equal to $0.25 (being 0.2 of the Issue Price) for a period of eighteen (18) months from the Effective Date. Pursuant to the Arrangement, each one (1) Broker Warrant will be exchanged for one (1) broker warrant of Amalco (an "**Amalco Broker Warrant**"). Each one (1) Amalco Broker Warrant shall entitle the holder thereof to subscribe for one (1) Amalco Share at a price per Amalco Share equal to the Issue Price for a period of eighteen (18) months from the Effective Date.

The Underwriters acknowledge that the Company, contemporaneously with the Offering, intends to complete a concurrent non-brokered private placement offering (the "**Concurrent Offering**") of 160,000 subscription receipts of the Company (having the same terms as the Subscription Receipts) at a price of $1.25 per subscription receipt to a director of the Company, for additional aggregate gross proceeds to the Company of $200,000.

The parties acknowledge that the Subscription Receipts, the Underlying Shares and the Amalco Shares have not been and will not be registered under the U.S. Securities Act (as hereinafter defined) or the securities laws of any state of the United States and may not be offered or sold in the United States, or to U.S. Persons (as hereinafter defined), except pursuant to exemptions from the registration requirements of the U.S. Securities Act and the applicable laws of any state of the United States in the manner specified in this Agreement and pursuant to the representations, warranties, acknowledgments, agreements and covenants of the Company and certain Underwriters and the U.S. Placement Agent contained in Schedule "A" hereto and only to Qualified Institutional Buyers. All actions to be undertaken by the Underwriters in the United States in connection with the matters contemplated herein shall be undertaken through the U.S. Placement Agent (as hereinafter defined).

The Underwriters shall be entitled to appoint, at their sole expense, other registered dealers acceptable to the Company ("**Selling Firms**") as agents to assist in the Offering and the Underwriters shall determine the remuneration payable to such Selling Firms, such remuneration to be the sole responsibility of the Underwriters.

DEFINITIONS

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

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

"**Agreement**" means the agreement resulting from the acceptance by the Company of the offer made by the Underwriters hereby, including all schedules hereto, as amended or supplemented from time to time;

"**Amalco Broker Warrant Shares**" means the Amalco Shares issuable upon due exercise of the Amalco Broker Warrants;

"**Anti-Terrorism Laws**" has the meaning ascribed thereto in Subsection 5(rr);

"**Assets and Properties**" with respect to any person means all assets and properties of every kind, nature, character and description (whether real, personal or mixed, tangible or intangible, choate or inchoate, absolute, accrued, contingent, fixed or otherwise, and, in each case, wherever situated), including the goodwill related thereto, operated, owned or leased by or in the possession of such person;

"**Broker Warrant Shares**" means the Common Shares issuable upon due exercise of the Broker Warrants;

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

"**Canadian Securities Laws**" means, collectively, all applicable securities laws in each of the provinces of Canada and the respective rules and regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, notices, orders, blanket rulings and other regulatory instruments of the securities regulatory authorities in such provinces and the rules of the TSX and the TSXV, as applicable;

"**Claims**" shall have the meaning ascribed thereto in Section 12(a);

"**Closing**" means the completion of the issue and sale by the Company and the purchase by the Underwriters and/or the Purchasers of the Subscription Receipts as contemplated by this Agreement and the Subscription Agreements;

"**Closing Date**" means June 12, 2015 or such other date as GMP (on behalf of the Underwriters) and the Company shall agree upon in writing;

"**Closing Time**" means 8:30 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Company and GMP (on behalf of the Underwriters) shall agree upon in writing;

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

"**Company's Auditors**" means PricewaterhouseCoopers LLP or such other firm of chartered accountants as the Company may have appointed or may from time to time appoint as auditors of the Company;

"**Contract**" means all agreements, contracts or commitments of any nature, written or oral, including, for

greater certainty and without limitation, leases, loan documents and security documents;

"**Crocodile Material Properties**" means the Cosmo Mine, the Maud Creek Gold Project, the Pine Creek Gold Project and the Union Reefs Gold Project in the Northern Territory, Australia and the Fosterville Gold Mine, the Stawell Gold Mine and the Big Hill Enhanced Development Project in the State of Victoria, Australia;

"**Designated Provinces**" means each of the provinces of Canada where Subscription Receipts are sold;

"**distribution**" means distribution or distribution to the public, as the case may be, for the purposes of the Canadian Securities Laws;

"**Effective Date**" means the date shown in the certificate of arrangement issued after the articles of arrangement of Crocodile and Newmarket in respect of the Arrangement have been filed by the Director appointed pursuant to section 278 of the *Business Corporations Act* (Ontario) giving effect to the Arrangement pursuant to subsection 183(2) of the *Business Corporations Act* (Ontario);

"**Effective Time**" means 12:01 a.m. (Toronto Time) on the Effective Date;

"**Engagement Letter**" means the engagement letter dated May 11, 2015, relating to the Offering, between the Company and GMP;

"**Environmental Laws**" means all applicable foreign, federal, provincial, state and local laws and regulations relating to the protection of human health and safety, product safety, product liability, conservation, the environment or hazardous or toxic substances or wastes, pollutants or contaminants, including the *Environmental Protection Act* (Ontario) and the *Canadian Environmental Protection Act* (Canada) and their equivalents;

"**Escrow Agent**" means Equity Financial Trust Company acting in such capacity;

"**Executive Order**" has the meaning ascribed thereto in Subsection 5(rr);

"**Governmental Authority**" means and includes, without limitation, any national, federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing, and any governmental department, commission, board, bureau, agency or instrumentality, including the Securities Regulators;

"**Hazardous Material**" means any contaminant, pollutant, subject waste, hazardous waste, deleterious substance, industrial waste, toxic matter or any other substance that when released into the natural environment is likely to cause, at some immediate or future time, material harm or degradation to the natural environment or material risk to human health and, without restricting the generality of the foregoing, includes any contaminant, pollutant, subject waste, deleterious substance, industrial waste, toxic matter or hazardous waste as defined by applicable federal, provincial, state or municipal laws or regulations enacted for the protection of the natural environment or human health;

"**IFRS**" means International Financial Reporting Standards;

"**including**" means including without limitation;

"**Indemnified Parties**" shall have the meaning ascribed thereto in Section 12(a);

"**Investor Presentation**" means the investor presentation of the Company dated May 11, 2015 in respect of the Offering;

"**knowledge of the Company**" (or similar phrases) means, (i) with respect to facts or circumstances pertaining to the company, a statement as to the knowledge of each of Doug Forster (Chief Executive Officer), Paulo Santos (Chief Financial Officer), Blayne Johnson (Executive Vice-President) and Raymond Threlkeld (Chairman) about the facts or circumstances to which such phrase related, after having made due inquiries, and (ii) as it relates to facts or circumstances pertaining to Crocodile, shall mean the knowledge of the Company to the extent gained in the course of their due diligence review made in the course of conducting due diligence in connection with the Arrangement;

"**Leased Premises**" shall have the meaning ascribed thereto in Subsection 5(z);

"**Material Adverse Effect**" means any change (including a decision to implement such a change made by the board of directors or by senior management who believe that confirmation of the decision by the board of directors is probable), event, violation, inaccuracy, circumstance or effect that is materially adverse to the Company's business, assets (including intangible assets), liabilities, capitalization, ownership, financial condition or results of operations of the Company on a consolidated basis;

"**Material Property**" means the Company's Point Leamington Property located approximately 37 kilometres northwest of the Town of Grand Falls-Windsor, Newfoundland;

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

"**NI 45-106**" means National Instrument 45-106 – *Prospectus Exemptions*;

"**person**" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority or other legal entity;

"**Public Disclosure Documents**" means, collectively, all of the publicly available documents which have been filed by or on behalf of the Company prior to the Closing Time with the relevant Securities Regulators pursuant to the requirements of Canadian Securities Laws, including all press releases, annual information forms, material change reports, financial statements, management's discussion and analysis, information circulars, business acquisition reports and other documents that have been publicly disclosed by the Company and posted on SEDAR, as applicable;

"**Purchasers**" means the persons who are qualified substituted purchasers in the Selling Jurisdictions who (as purchasers or beneficial purchasers) acquire Subscription Receipts by duly completing, executing and delivering Subscription Agreements and any other required documentation and permitted assignees or transferees of such persons from time to time;

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

"**Regulation S**" means Regulation S under the U.S. Securities Act;

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

"**Securities Regulators**" means, collectively, the securities regulators in Canada and any other applicable securities regulator in the other Selling Jurisdictions;

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

"**Selling Jurisdictions**" means the Designated Provinces, the United States and such other jurisdictions consented to by the Company and the Underwriters where Subscription Receipts are sold;

"**Subscription Agreements**" means, collectively, the subscription agreements in the forms agreed upon by the Underwriters and the Company, including in the form used in connection with the offer or sale of the Subscription Receipts in the United States, pursuant to which Purchasers agree to subscribe for and purchase Subscription Receipts as herein contemplated and shall include, for greater certainty, all schedules thereto;

"**Subscription Receipt Agreement**" means the subscription receipt agreement between the Company, GMP, on behalf of the Underwriters, and the Escrow Agent, to be dated on or about the Closing Date;

"**Subsidiaries**" means 0982576 B.C. Ltd., 0982583 B.C. Ltd. and Newmarket America Holdings Inc.;

"**subsidiary**" means a subsidiary for purposes of the *Securities Act* (Ontario) and shall include any limited partnerships or trusts controlled by the Company;

"**Taxes**" has the meaning ascribed thereto in Subsection 5(v);

"**Transaction Documents**" means, collectively, this Agreement, the Subscription Agreements, the Subscription Receipt Agreement and the certificates, if any, representing the Subscription Receipts;

"**Transfer Agent**" means Computershare Investor Services Inc. acting in such capacity;

"**Underlying Shares**" means the Common Shares issuable upon the exchange of the Subscription Receipts;

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

"**U.S. Placement Agent**" means an Underwriter's duly registered broker-dealer affiliate in the United States; and

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended.

TERMS AND CONDITIONS

1. Offering and Sale of the Subscription Receipts.

(a) **Sale on Exempt Basis.** The Company understands that, although the offer to act as underwriters with respect to the Subscription Receipts is made hereunder by the Underwriters to the Company as purchasers, the Underwriters shall have the right to and shall use their commercially reasonable efforts to arrange for the Subscription Receipts to be purchased by the Purchasers:

(i) in the Designated Provinces on a private placement basis in compliance with Canadian Securities Laws such that the offer and sale of the Subscription Receipts does not obligate the Company to file a prospectus;

(ii) in the United States that are Qualified Institutional Buyers pursuant to the representations, warranties, acknowledgments, agreements and covenants of the Company, the Underwriters and the U.S. Placement Agents contained in Schedule "A" hereto; and

(iii) in such other jurisdictions as consented to by the Company on a private placement basis in compliance with all applicable securities laws of such other jurisdictions provided that no prospectus, registration statement or similar document is required to be filed in such jurisdiction, no registration or similar requirement would apply with respect to the Company in such other jurisdictions and the Company does not thereafter become subject to on-going continuous disclosure obligations in such other jurisdictions.

(b) **Filings.** The Company undertakes to file, or cause to be filed, all forms or undertakings required to be filed by the Company in connection with the issue and sale of the Subscription Receipts (including a Form 45-106F1 and a Form 45-106F6, as required, with the applicable Securities Regulators in Canada) so that the distribution of the Subscription Receipts to the Purchasers may lawfully occur without the necessity of filing a prospectus, registration statement or other offering document in the Selling Jurisdictions (but on terms that will permit the Subscription Receipts acquired by the Purchasers to be sold by such Purchasers at any time in the Selling Jurisdictions, subject to applicable hold periods under Canadian Securities Laws and all applicable securities laws of the Selling Jurisdictions, and the Underwriters undertake to use their commercially reasonable efforts to cause Purchasers of Subscription Receipts to complete any forms required by Canadian Securities Laws or applicable securities laws of the other Selling Jurisdictions). All prescribed fees payable in connection with such filings shall be at the expense of the Company.

(c) **Other Obligations.** Neither the Company nor the Underwriters shall: (i) provide to any prospective purchasers of Subscription Receipts any document or other material that would constitute an offering memorandum (other than the Investor Presentation) within the meaning of Canadian Securities Laws; or (ii) engage in any form of general solicitation or general advertising in connection with the offer and sale of the Subscription Receipts, including any advertisement, article, notice or other communication published in any newspaper, magazine, printed public media, printed media or similar media, or broadcast over radio, television or telecommunications, including electronic display, or any seminar or meeting relating to the offer and sale of the Subscription Receipts whose attendees have been invited by general solicitation or advertising.

2. Representation as to Investor Presentation and Circular. The delivery to the Purchasers of the Investor Presentation shall constitute a representation and warranty by the Company that all information and statements (except information and statements relating solely to the Underwriters) contained in the

Investor Presentation are true and correct in all material respects (except information and statements relating solely to Crocodile, which shall be true and correct in all material respect to the knowledge of the Company) at the time of delivery thereof, that the Investor Presentation contains no misrepresentation, and that no material fact or information has been omitted therefrom which is necessary to make the statements or information contained therein not misleading in light of the circumstances under which they were made. The filing of the Circular on SEDAR shall constitute a representation and warranty by the Company that the Circular contains no material misrepresentation and constitutes full, true and plain disclosure of all material facts relating to the Company (except information and statements relating solely to the Underwriters) and that no material fact or information relating to the Company has been omitted therefrom which is required to be stated therein or is necessary to make the statements or information contained therein not misleading in light of the circumstances under which they were made.

3. Due Diligence. Prior to the Closing Time, the Company shall: (i) allow the Underwriters and their representatives the opportunity to conduct all due diligence investigations which the Underwriters may reasonably require to be conducted in connection with the Offering prior to and until the Closing Time; (ii) make available to the Underwriters (and their counsel), on a timely basis, all books and records including all corporate, financial, property, legal and operational information and documentation of the Company, and those concerning Crocodile to which the Company has had access, and will provide access to all facilities, properties, employees, auditors, legal counsel, consultants or other experts, to permit the Underwriters, their legal counsel and other advisers to conduct their due diligence investigation of the business and affairs of the Company, Crocodile and their subsidiaries; (iii) assist the Underwriters in sourcing any other information useful and necessary to conducting such due diligence; (iv) make available its directors, senior management, the Chairman of the Audit Committee of the Board of Directors and its legal counsel and shall use commercially reasonable efforts to cause the certain members of senior management of Crocodile to answer any questions which the Underwriters may have and to participate in one or more due diligence sessions to be held prior to Closing; and (v) make available and provide to the Underwriters (and their counsel), on a timely basis, all agreements, arrangements and understandings in connection with the Arrangement.

4. Covenants of the Company. The Company hereby covenants to the Underwriters and the Purchasers, and acknowledges that each of them is relying on such covenants in connection with the purchase of the Subscription Receipts, that the Company shall:

(a) for a period of two years after the Closing Date, use commercially reasonable efforts to remain and to ensure Amalco remains, as applicable, a "reporting issuer" under Canadian Securities Laws. For greater certainty, it will not be considered reasonable to maintain such status or listing if to do so would hinder or impede, in any way, any effort on the part of the Company to effect, or to take any steps in furtherance of, any amalgamation or business combination (whether by way of a merger, plan of arrangement, consolidation, share or other security exchange transaction, recapitalization, asset acquisition or other transaction) involving any one or more of itself and any of its subsidiaries or affiliates and completed in accordance with applicable securities laws;

(b) duly execute and deliver the Transaction Documents at or prior to the Closing Time and comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Company (unless waived by GMP, on behalf of the Underwriters);

(c) fulfil or cause to be fulfilled, at or prior to the Closing Time, each of the conditions applicable to the Company set out in Section 8;

(d) ensure that, at the Closing Time, the Subscription Receipts are duly and validly created, authorized and issued on payment of the purchase price therefor and have attributes

corresponding in all material respects to the description thereof set forth in this Agreement, the Subscription Agreements and the Subscription Receipt Agreement;

(e) ensure that, at all times, a sufficient number of Underlying Shares are duly and validly allotted and reserved for issuance upon the exchange of the Subscription Receipts;

(f) ensure that, upon exchange of the Subscription Receipts, the Underlying Shares are duly issued as fully paid and non-assessable shares in the capital of the Company and, upon exchange of the Underlying Shares pursuant to the Arrangement, the Amalco Shares are duly issued as fully paid and non-assessable shares in the capital of Amalco, and the Underlying Shares and the Amalco Shares shall have the attributes corresponding in all material respects to the description thereof set forth in this Agreement and the Subscription Agreements;

(g) use commercially reasonable efforts to obtain all consents, approvals, permits, authorizations or filings as may be required under Canadian Securities Laws, or otherwise necessary for the execution and delivery of and the performance by the Company of its obligations hereunder and under the Arrangement Agreement.

(h) ensure that the TSXV has provided its conditional approval for the Offering on or prior to the Closing Date;

(i) prepare and file all forms, documents, notices and certificates (including, for greater certainty, the Investor Presentation, if required under applicable securities laws) within prescribed time periods required by Securities Regulators in connection with the issuance and sale of the Subscription Receipts by the Company, the issuance of the Underlying Shares upon the exchange of the Subscription Receipts and the issuance of the Amalco Shares under the Arrangement, in each case, so as to permit and enable such securities to be lawfully distributed on an exempt basis in the Designated Provinces, the United States and any other jurisdictions where Subscription Receipts are offered and sold in accordance with this Agreement and the Subscription Agreements;

(j) use commercially reasonable efforts to satisfy or cause to be satisfied the Escrow Release Conditions as soon as practicable and, in any event before the Escrow Deadline;

(k) on satisfaction of the Escrow Release Conditions, direct payment of the Commission from the Escrowed Funds, cause the Broker Warrants to be issued and delivered to the Underwriters, and, upon the exchange of the Broker Warrants pursuant to the Arrangement, certificates representing the Amalco Broker Warrants;

(l) ensure that, at the time of delivery, the Amalco Broker Warrants shall be validly created and issued and shall have attributes corresponding in all material respects to the description set forth in this Agreement;

(m) ensure that at all times prior to the expiry of the Broker Warrants, a sufficient number of Broker Warrant Shares are allotted and reserved for issuance upon the due exercise of the Broker Warrants in accordance with their terms, and, upon completion of the Arrangement, ensure that at all times prior to the expiry of the Amalco Broker Warrants, a sufficient number of Amalco Broker Warrant Shares are allotted and reserved for issuance upon the due exercise of the Amalco Broker Warrants in accordance with their terms;

(n) provide prompt written notice to GMP (on behalf of the Underwriters) of any amendment,

modification, deletion or waiver of a material provision of the Arrangement Agreement;

(o) retain the Escrow Agent or a substituted licensed trust company as subscription receipt agent in respect of the Escrowed Proceeds and the Subscription Receipts, respectively;

(p) until the Closing Date, not issue any press release regarding the Offering without the prior consent of GMP (on behalf of the Underwriters), such consent not to be unreasonably withheld, or delayed;

(q) remit the Shortfall Amount, if any, to the Escrow Agent forthwith following the Termination Notice (as defined in the Subscription Receipt Agreement), in priority to any payments to the Company's shareholders, debt holders or persons not dealing at arm's length (as such term is defined in the *Income Tax Act* (Canada)) with the Company;

(r) until the Effective Date and for a period of 120 days thereafter, not, directly or indirectly, without the prior written consent of GMP (on behalf of the Underwriters), such consent not to be unreasonably withheld or delayed: (a) issue, offer, sell, contract to sell, secure, pledge, grant any option, right or warrant to purchase or otherwise lend, transfer or dispose of (or announce any intention to do so) any equity securities of the Company or any securities convertible into, or exchangeable or exercisable for, equity securities of the Company; or (b) make any short sale, engage in any hedging transactions, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Common Shares, whether any such transaction described in this Subsection 4(r) is to be settled by delivery of Common Shares, other securities, cash or otherwise, except: (i) as contemplated herein; (ii) pursuant to the grant or exercise of stock options and other similar issuances pursuant to the existing option and incentive plans of the Company and other existing compensation arrangements or compensation plans to be approved in connection with the Arrangement; and (iii) in connection with *bona fide* asset or share acquisitions by the Company in the normal course of business;

(s) cause such directors and officers of the Company as GMP (on behalf of the Underwriters) may reasonably require to execute and deliver written undertakings in favour of the Underwriters agreeing (other than in certain circumstances) not to sell, transfer, assign, pledge or otherwise dispose of any securities of the Company owned, directly or indirectly, by such directors or officers for a period of 120 days following the Effective Date, other than those securities contemplated in the Offering, without the prior written consent of GMP (on behalf of the Underwriters), such consent not to be unreasonably withheld or delayed;

(t) keep GMP (on behalf of the Underwriters) apprised of the progress and status of discussions with the TSX and the TSXV relating to the Offering and the Arrangement, including all favourable and adverse developments;

(u) during the period from the date hereof to the Closing Time, upon becoming aware of same, promptly notify the Underwriters (and, if requested by the Underwriters, confirm such notification in writing) of:

(i) any material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Company or, to the knowledge of the Company, Crocodile;

(ii) any of the representations or warranties made by the Company in this Agreement being no longer true and correct in any material respect;

(iii) any change in any material fact contained in the Investor Presentation, which change is, or may be, of such a nature as to render any material statement in the Investor Presentation misleading or untrue or which would result in a misrepresentation in the Investor Presentation or which would result in the Investor Presentation not complying (to the extent that such compliance is required) with applicable Canadian Securities Laws; and

(iv) any breach or default by the Company or, to the knowledge of the Company, Crocodile in the performance of or observance of any obligation, agreement, covenant or condition contained in the Arrangement Agreement.

5. Representations and Warranties of the Company.

The Company represents and warrants to the Underwriters and the Purchasers, and acknowledges that each of them is relying upon such representations and warranties in connection with the Offering, that:

(a) each of the Company and the Subsidiaries is a corporation amalgamated, incorporated or continued, as the case may be, and validly existing under the laws of the jurisdiction in which it was incorporated, amalgamated, continued or established, as applicable, has all requisite corporate power and corporate authority or power and authority, as applicable, to carry on its business as now conducted and to own, lease or operate its Assets and Properties, including as described in the Public Disclosure Documents, and neither the Company nor, to the knowledge of the Company, any other person, has taken any steps or proceedings, voluntary or otherwise, requiring or authorizing the Company's dissolution or winding up, and the Company has all requisite corporate power and corporate authority to enter into each of the Transaction Documents and execute certificates representing the Broker Warrants and to carry out its obligations hereunder and thereunder;

(b) other than the Subsidiaries, the Company has no direct or indirect subsidiaries, and the Company directly or indirectly owns all of the issued and outstanding shares of each of the Subsidiaries, there has been no transfer of the shares of any Subsidiary to the date hereof and all of the issued and outstanding shares of each Subsidiary are issued as fully paid and non-assessable shares, free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, and, no person, firm or corporation has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement, for the purchase from the Company or any Subsidiary, of any interest in any of the shares in the capital of any Subsidiary;

(c) no proceedings have been taken, instituted or, to the knowledge of the Company, are pending for the dissolution or liquidation of the Company or any of the Subsidiaries;

(d) the Company and each of the Subsidiaries has conducted its business in material compliance with all applicable laws, rules and regulations (including all applicable federal, national, provincial, municipal, and local environmental anti-pollution and licensing laws, regulations and other lawful requirements of any governmental or regulatory body, including relevant leases, licenses, claims, concessions or other mining rights) of each jurisdiction in which its business is carried on and is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its Assets

and Properties or carries on business to enable its business to be carried on as now conducted and its Assets and Properties to be owned, leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits and all such licences, registrations and qualifications are valid, subsisting and in good standing, except where the failure of such licences, registrations or qualifications to be valid, subsisting or in good standing would not have a Material Adverse Effect;

(e) each of the Transaction Documents shall have been (or has been in the case of this Agreement) duly authorized and executed by the Company and, at the time of issuance, the certificates representing the Broker Warrants and the certificates representing the Amalco Broker Warrants will be duly authorized and executed by the Company or Amalco (as the case may be), and upon such execution each shall constitute a valid and binding obligation of the Company or Amalco (as the case may be) and each shall be enforceable against the Company or Amalco (as the case may be) in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principals when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;

(f) the Subscription Receipts will, upon issuance thereof, have been validly created and issued as securities of the Company in accordance with the Subscription Agreements and the Subscription Receipt Agreement;

(g) the Underlying Shares and the Amalco Shares will, upon issuance thereof in accordance with the terms of the Subscription Receipt Agreement and Arrangement Agreement, as applicable, be validly issued as fully paid and non-assessable shares in the capital of the Company or Amalco, respectively;

(h) other than as will have been obtained prior to the Closing Date and other than the approval of the shareholders of the Company required to be obtained at the Meeting and approval of the Ontario Superior Court of Justice (Commercial List) of the Arrangement, all consents, approvals, permits, authorizations or filings as are required by the Company under Canadian Securities Laws for the execution and delivery of the Transaction Documents and the Arrangement Agreement and the performance of its obligations hereunder and thereunder and the issue and sale of the Subscription Receipts, the issue of the Underlying Shares upon exchange of the Subscription Receipts, the issue of the Amalco Shares upon exchange of the Underlying Shares, the issue of the Broker Warrants, the issue of the Broker Warrant Shares upon due exercise of the Broker Warrants, the issue of the Amalco Broker Warrants and the issue of the Amalco Broker Warrant Shares upon due exercise of the Amalco Broker Warrants have been or will be made or obtained, as applicable;

(i) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or, to the knowledge of the Company, are pending, contemplated or threatened, by any regulatory authority;

(j) each of the execution and delivery of the Transaction Documents, the certificates representing the Broker Warrants and the Arrangement Agreement, the performance by the Company of its obligations hereunder or thereunder, as applicable, the issue and sale of the Subscription Receipts

and the consummation of the transactions contemplated in the Transaction Documents and the Arrangement Agreement, including the issuance of the Underlying Shares upon the exchange of the Subscription Receipts, the issuance of the Amalco Shares upon exchange of the Underlying Shares, the issuance of the Broker Warrants and the issuance of Broker Warrant Shares upon due exercise of Broker Warrants, do not and will not (as the case may be) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both): (A) Canadian Securities Laws; (B) the constating documents, by-laws or resolutions of the Company which are in effect at the date hereof; (C) any mortgage, note, indenture, contract, agreement, joint venture, partnership, instrument, lease or other document to which the Company is a party or by which it is bound; or (D) any judgment, decree or order binding the Company or its Assets and Properties;

(k) except as disclosed herein, no person now has any agreement or option or right or privilege (whether at law, pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of the Company or any of the Subsidiaries;

(l) as of the date hereof, the authorized capital of the Company consists of an unlimited number of Common Shares of which 51,590,374 Common Shares are issued and outstanding as fully paid and non-assessable shares in the capital of the Company and one special share without nominal or par value; and, except for options to purchase an aggregate of 3,200,000 Common Shares and warrants to purchase an aggregate of 23,333,334 Common Shares, there are no options, warrants or other securities convertible into, or exchangeable or exercisable for, Common Shares;

(m) the Company is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of the Company and the Subsidiaries on a consolidated basis;

(n) the Company is in compliance in all material respects with the timely and continuous disclosure obligations under Canadian Securities Laws (including the rules of the TSXV) and, since December 31, 2014, (i) there has been no material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of the Company and the Subsidiaries on a consolidated basis, (ii) there has been no material change in the capital stock or long-term debt of the Company and the Subsidiaries on a consolidated basis, and (iii) other than in connection with the Arrangement, the Company and each the Subsidiaries has carried on their respective businesses in the ordinary course;

(o) the audited consolidated financial statements of the Company as at and for the financial years ended December 31, 2014 and 2013 (i) have been prepared in accordance with IFRS consistently applied throughout the periods involved, and comply as to form in all material respects with applicable accounting requirements of Canadian Securities Laws, (ii) are, in all material respects, consistent with the books and records of the Company, (iii) contain and reflect all material adjustments for the fair presentation of the results of operations and the financial condition of the business of the Company for the periods covered thereby, (iv) present fairly, in all material respects, the financial position of the Company (including the assets and liabilities, whether absolute, contingent or otherwise as required by IFRS) as at the date thereof and the results of its operations and the changes in its financial position for the periods then ended, (v) contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of the Company in accordance with IFRS, (vi) do not omit to state any material fact that is required by generally

accepted accounting principles or by applicable law to be stated or reflected therein or which is necessary to make the statements contained therein not misleading, respectively and (vii) there has been no change in accounting policies or practices of the Company since December 31, 2014;

(p) the Company's Auditors who audited the audited consolidated financial statements of the Company for the financial years ended December 31, 2014 and 2013 are independent public accountants; and there has not been a "reportable event" (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) with the Company's Auditors within the most recently completed financial year;

(q) the Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles in Canada and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences;

(r) there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency, governmental instrumentality or body, domestic or foreign, now pending or, to the knowledge of the Company, threatened against or affecting the Company or any of the Subsidiaries which if determined adversely would reasonably be expected to materially and adversely affect the Assets and Properties of the Company and the Subsidiaries on a consolidated basis or which if determined adversely would adversely affect the consummation of the transactions contemplated in this Agreement or the Arrangement Agreement or the performance by the Company of its obligations hereunder or thereunder;

(s) other than as contemplated by the Arrangement Agreement, to the knowledge of the Company, no agreement is in force or effect which in any manner affects the voting or control of any of the securities of the Company or the Subsidiaries;

(t) the Company is a "reporting issuer" (within the meaning of Canadian Securities Laws) in the each of British Columbia and Alberta and not included in a list of defaulting reporting issuers maintained by the Securities Regulators in such jurisdictions, and in particular, without limiting the foregoing, the Company has at all relevant times complied with its obligations to make timely disclosure of all material changes relating to it, no such disclosure has been made on a confidential basis that is still maintained on a confidential basis, and there is no material change relating to the Company which has occurred and with respect to which the requisite material change report has not been filed with the Securities Regulators;

(u) other than in respect of the Arrangement, the Company has not approved, entered into any binding agreement in respect of, or has any knowledge of (i) the purchase of any material Assets or Properties or any interest therein or the sale, transfer or other disposition of any material Assets or Properties or any interest therein currently owned, directly or indirectly, by the Company whether by asset sale, transfer of shares or otherwise, or (ii) the change of control (by sale or transfer of shares or sale of all or substantially all of the Assets and Properties of the Company or otherwise) of the Company;

(v) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes and land transfer taxes), duties, royalties, levies, imposts,

assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable or required to be collected or withheld and remitted, by the Company and the Subsidiaries have been paid, collected or withheld and remitted as applicable, except for where the failure to pay such Taxes would not have a Material Adverse Effect. The Company has established on its books and records reserves that are adequate for the payment of all Taxes not yet due and payable and there are no liens for Taxes on the assets of the Company or the Subsidiaries, and there are no audits pending of the tax returns of the Company or the Subsidiaries (whether federal, state, provincial, local or foreign). Except to the extent that failure to do so would not have a Material Adverse Effect, all tax returns, declarations, remittances and filings required to be filed by the Company have been filed with all appropriate Governmental Authorities and all such returns, declarations, remittances and filings are complete and materially accurate and no material fact or facts have been omitted therefrom which would make any of them misleading except where the inaccuracy or failure to file such document would not constitute a Material Adverse Effect. To the knowledge of the Company, no examination of any tax return of the Company is currently in progress and there are no issues or disputes outstanding with any Governmental Authority respecting any taxes that have been paid, or may be payable, by the Company, in any case, except where such examination, issues or dispute would not constitute a Material Adverse Effect. There are no agreements, waivers or other arrangements with any taxation authority providing for an extension of time for any assessment or reassessment of taxes with respect to the Company;

(w) except as would not be reasonably expected to have a Material Adverse Effect or for any reduction in the tax attributes of the Company or any of the Subsidiaries, none of the transactions carried out, or to be carried out, as part of the Arrangement will result in any tax liability of the Company or any of the Subsidiaries, including but not limited to withholding taxes, and none of the Company or the Subsidiaries will assume or become subject to any tax (whether by contract, under transferee liability principles, or otherwise) in connection with or as a result of such transactions;

(x) neither the Company nor any of the Subsidiaries is in violation of its constating documents or in breach or default in the performance of or observance of any obligation, agreement, covenant or condition contained in any material Contract to which it is a party or may be bound, and to the knowledge of the Company, no other party thereto is in default or breach of any such material Contract;

(y) the Company, does not have any loans or other indebtedness outstanding, outside the normal course of business, which has been made to any of their respective shareholders, officers, directors or employees, past or present, or any person not dealing at arm's length with them;

(z) with respect to each premises of the Company which is material to its business and which the Company occupies as tenant (the "**Leased Premises**"), the Company occupies the Leased Premises and has the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Company occupies the Leased Premises is in good standing and in full force and effect;

(aa) except for the Offering and Concurrent Offering, none of the directors or officers of the Company, any known holder of more than 10% of any class of shares of the Company, or any known associate or affiliate of any of the foregoing persons, has had any material interest, direct or indirect, in any material transaction within the previous two years or any proposed material transaction which, as the case may be, materially affected, is material to or will materially affect the Company and the Subsidiaries on a consolidated basis;

(bb) neither the Company nor any of the Subsidiaries has received any notice of proceedings relating to the revocation or modifications of any mining or exploration authorizations, permits or licenses, nor have any of them received notice of the revocations or cancellation of, or any intention to revoke or cancel, any mining claims, groups of claims, exploration rights, concessions or leases;

(cc) the Company or the Subsidiaries, as applicable, are the absolute legal and beneficial owner of all of the material assets of the Company and the Subsidiaries, including the mining claims, concessions, licenses, leases or other instruments or agreements granting all legal rights to act as owners conferring the mineral rights in respect of the Material Property, (ii) no other property rights are necessary for the conduct of the Company's or any Subsidiary's business in respect of the Material Property, and (iii) there are no restrictions on the ability of the Company or any Subsidiary to use, transfer or otherwise exploit any such property rights, and the Company does not know of any claim or basis for a claim that may adversely affect such rights;

(dd) neither the Company nor any Subsidiary has any responsibility or obligation to pay any commission, royalty or similar payment to any person with respect to its property rights relating to the material assets of the Company and the Subsidiaries, including mining claims, concessions, licenses and leases or other instruments conferring the mineral rights comprising the Material Property, other than (i) a 0.5% net smelter return royalty on production from the Material Property to Calibre Mining Corp., which can be purchased at any time for $1,000,000; (ii) a 1.5% net smelter royalty payable to Glencore Xstrata plc, subject to a right of first refusal in favour of Rubicon Minerals Corp.; and (iii) a 0.5% net smelter royalty payable to MFC Bancorp Ltd, which may be purchased by Rubicon Minerals Corp. at any time for a one-time payment of $500,000;

(ee) any and all agreements pursuant to which the Company and each Subsidiary holds any of its material assets, including the Material Property, are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms and neither the Company nor any Subsidiary is in default of any provisions of any such agreements, including failure to fulfil any payment or work obligation thereunder, nor has any such default been alleged, except in either case where such default would not result in a Material Adverse Effect; and the Company is not aware of any disputes with respect thereto and such assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, all mining claims, concessions, leases, licenses, or other instruments pursuant to which the Company and each Subsidiary that derives its interest in such material assets are in good standing and there has been no material default under any such claims, concessions, leases, licenses, concessions or instruments, and all real or other property taxes required to be paid with respect to such assets to the date hereof have been paid;

(ff) the Company is in material compliance with the provisions of NI 43-101, has filed all technical reports required thereby and there is a current technical report (within the meaning of NI 43-101) in respect of the Material Property;

(gg) the Company and the Subsidiaries (i) are in material compliance with any and all Environmental Laws, (ii) have received all permits, licenses or other approvals required of any of them under applicable Environmental Laws to conduct their business, and (iii) are in material compliance with all terms and conditions of any such permit, license or approval; and to the best of the Company's knowledge, no underground storage tanks or surface impoundments containing a petroleum product or Hazardous Material are located on any of the Company's properties (including the Material Property) in contravention of Environmental Laws; and, without limiting the generality of the foregoing, the Company and each of the Subsidiaries has (i) operated its

business, and (ii) received, handled, used, stored, treated, shipped and disposed of all Hazardous Material, in each case, in material compliance with all applicable Environmental Laws;

(hh) there have been no past, and, to the knowledge of the Company, there are no pending or threatened claims, complaints, notices or requests for information received by the Company or the Subsidiaries with respect to any alleged violation of any Environmental Laws and no conditions exist at, on or under any property now or previously owned, operated, leased or contracted to perform work by the Company or the Subsidiaries which, with the passage of time, or the giving of notice or both, would give rise to liability under any Environmental Laws;

(ii) there are no orders, rulings or directives issued, pending or, to the knowledge of the Company, threatened against the Company or any of the Subsidiaries under or pursuant to any Environmental Laws requiring any work, repairs, construction or capital expenditures with respect to the Assets or Properties of the Company or the Subsidiary (including the Leased Premises or the Material Property) which would have a Material Adverse Effect;

(jj) all operations on the Material Property have been conducted in all material respects in accordance with good mining and engineering practices and all applicable workers' compensation and health and safety and workplace laws, regulations and policies have been complied with, except where any such non-compliance would not reasonably be expected to have a Material Adverse Effect;

(kk) each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by the Company for the benefit of any current or former director, officer, employee or consultant of the Company (the "**Employee Plans**") has been maintained in compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans, in each case in all material respects and has been publicly disclosed to the extent required by Canadian Securities Laws. All accruals for unpaid vacation pay, premiums for employment insurance, health premiums, federal or state pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments have been reflected in the books and records of the Company;

(ll) there has not been in the last two years and there is not currently any labour disruption or conflict and the Company's employment contracts with all senior employees are in good standing and in full force and effect;

(mm) at the Closing Time, the Escrow Agent at its principal office in the City of Toronto, Ontario will be duly appointed as the subscription receipt agent for the Subscription Receipts;

(nn) the Transfer Agent at its principal transfer offices in Toronto, Ontario has been duly appointed as the registrar and transfer agent for the Common Shares and for the Subscription Receipts;

(oo) the minute books and records of the Company made available to counsel for the Underwriters in connection with the due diligence investigation of the Company for the period from the date of incorporation to the date hereof are all of the minute books of the Company and contain copies of all proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders, the directors and all committees of directors of the Company to the date hereof and there have been no other meetings, resolutions or proceedings of the shareholders, directors or any committees of the directors of the Company to the date hereof not reflected in such minute

books;

(pp) the Company is not aware of any circumstances presently existing under which liability is or would reasonably be expected to be incurred under Part XXIII.1 – Civil Liability for Secondary Market Disclosure of the *Securities Act* (Ontario) or analogous securities laws in the other Designated Provinces;

(qq) other than the Underwriters, there is no person acting or purporting to act at the request or on behalf of the Company that is entitled to any brokerage or finder's fee or other compensation in connection with the transactions contemplated by this Agreement or the Concurrent Offering;

(rr) the operations of the Company and the Subsidiaries have been conducted at all times in compliance with the applicable federal and state laws relating to terrorism or money laundering ("**Anti-Terrorism Laws**"), including the financial recordkeeping and reporting requirements of The Bank Secrecy Act of 1970, as amended, Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "**Executive Order**"), the Foreign Corrupt Practices Act and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, and the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), and, none of the Company or the Subsidiaries is (i) a person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order, (ii) a person owned or controlled by, or acting for or on behalf of, any person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order, (iii) a person with which the Purchasers are prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, (iv) a person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order or (v) a person that is named as a "specially designated national and blocked person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control ("**OFAC**") at its official website or any replacement website or other replacement official publication of such list or any other person (including any foreign country and any national of such country) with whom the United States Treasury Department prohibits doing business in accordance with OFAC regulations. No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or the Subsidiaries with respect to the Anti-Terrorism Laws is pending or, to the knowledge of the Company and the Subsidiaries, threatened;

(ss) none of the Company and the Subsidiaries nor, to the actual knowledge of the Company, any director, officer, broker, employee, affiliate or other agent of the Company acting in any capacity in connection with the offering hereunder (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any person described in Subsection (rr) above, (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law;

(tt) as of the date hereof, the representations and warranties of the Company in the Arrangement Agreement, a true copy of which has been provided to the Underwriters, are true and correct in all material respects, subject to any qualifications set out therein;

(uu) as of the date hereof, to the knowledge of the Company, the representations and warranties of Crocodile contained in the Arrangement Agreement (including, for greater certainty, as disclosed in the disclosure letter delivered with the Arrangement Agreement) are true and correct in all material respects, subject to any qualifications set out therein; and

(vv) the Company is not aware of any facts or circumstances that would cause it to believe that (i) the Escrow Release Conditions will not be satisfied before the Escrow Deadline, (ii) the Arrangement will not be completed or (iii) the Arrangement Agreement will be terminated.

6. Representations, Warranties and Covenants of the Underwriters. Each of the Underwriters hereby, severally and not jointly, represent, warrant and covenant to the Company and acknowledge that the Company is relying upon such representations and warranties, that:

(a) in respect of the offer and sale of the Subscription Receipts to qualified substituted purchasers, the Underwriters will, and will require any Selling Firm and will cause the U.S. Placement Agent to agree to, comply with applicable Canadian Securities Laws and the applicable securities laws of the Selling Jurisdiction outside of Canada in connection with the issuance and sale of the Subscription Receipts, and shall offer the Subscription Receipts for sale to potential qualified substituted purchasers on a private placement basis directly and through Selling Firms upon the terms and conditions set out in this Agreement;

(b) the Underwriters have offered and will offer, and shall require any Selling Firm to offer, for sale to potential qualified substituted purchasers on a private placement basis and sell the Subscription Receipts only in the Selling Jurisdictions where they may be lawfully offered for sale and sold;

(c) the Underwriters and their respective representatives have not engaged in or authorized, and will not engage in or authorize, activity that would constitute "directed selling efforts" under Regulation S or any form of general solicitation or general advertising in connection with or in respect of the Subscription Receipts in any newspaper, magazine, printed media of general and regular paid circulation or any similar medium, or broadcast over radio or television or by means of the internet or otherwise or conducted any seminar or meeting concerning the offer or sale of the Subscription Receipts whose attendees have been invited by any general solicitation or general advertising;

(d) the Underwriters have not and will not solicit offers to purchase or sell the Subscription Receipts so as to require the filing of a prospectus, registration statement or offering memorandum, or similar document with respect thereto or the provision of a contractual right of action (as defined in Ontario Securities Commission Rule 14-501 – *Definitions*) or a statutory right of action under the laws of any of the Selling Jurisdictions;

(e) the Underwriters will not, will cause the U.S. Placement Agent not to and will require any Selling Group member to agree not to, directly or indirectly, offer, solicit offers to purchase or sell the Subscription Receipts to Purchasers so as to require registration of the Subscription Receipts or the Underlying Shares or filing of a prospectus or registration statement in respect thereof under the laws of any jurisdiction other than the Designated Provinces, including, without limitation, the United States, and will cause the U.S. Placement Agent and require any Selling Group member to agree that any offer or sale of Subscription Receipts in the United States will be made to Qualified Institutional Buyers in accordance with the terms and conditions set out in Schedule "A";

(f) the Underwriters have not made, and will not make, and will require any Selling Firm to agree not to make, any representations or warranties about the Company and/or the Subscription Receipts or the Underlying Shares; and

(g) the Underwriters and U.S. Placement Agent, as applicable, will use commercially reasonable efforts to obtain from each Purchaser a duly completed and executed Subscription Agreement

(including any applicable schedules and exhibits thereto) and other forms required under Canadian Securities Laws or the applicable securities laws of the Selling Jurisdiction outside of Canada that are provided to the Underwriters by the Company for execution by Purchasers relating to the issuance and sale of the Subscription Receipts.

7. Closing Deliveries. The purchase and sale of the Subscription Receipts shall be completed at the Closing Time at the offices of Cassels Brock & Blackwell LLP in Toronto, Ontario, or at such other place as GMP (on behalf of the Underwriters) and the Company may agree upon. At or prior to the Closing Time, the Company shall, subject to the provisions of Section 8, duly and validly deliver the Subscription Receipts, in electronic or certificated form as directed by the Underwriters, in each case registered in the name of "CDS & Co." or such other name or names as directed by the Underwriters in writing, against delivery to the Escrow Agent, in accordance with the terms of the Subscription Receipt Agreement, in lawful money of Canada, by certified cheque, banker's draft or wire transfer payable at par in the City of Toronto, of an amount equal to the aggregate subscription price for the number of Subscription Receipts being issued and sold hereunder less all of the out-of-pocket expenses of the Underwriters payable by the Company to the Underwriters in accordance with Section 10.

8. Closing Conditions. The Underwriters' obligation to purchase the Subscription Receipts at the Closing Time shall be conditional upon the fulfilment at or before the Closing Time of the following conditions:

(a) the Company shall have complied with all the covenants and satisfied all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Time and the representations and warranties of the Company contained in this Agreement shall be true and correct as at the Closing Time with the same force and effect as if made on and as at the Closing Time;

(b) the Underwriters shall have received at the Closing Time certificates dated the Closing Date, signed by appropriate officers of the Company and addressed to the Underwriters, with respect to the following matters:

(i) the Company having complied with all the covenants and satisfied all the terms and conditions of this Agreement and the Subscription Receipt Agreement on its part to be complied with and satisfied at or prior to the Closing Time;

(ii) no order, ruling or determination having the effect of ceasing or suspending the trading in the Common Shares or prohibiting the sale of the Subscription Receipts or any other securities of the Company has been issued by any regulatory authority and is continuing in effect and no proceedings for such purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened under any relevant securities laws (including Canadian Securities Laws) or by any regulatory authority;

(iii) no material change relating to the Company and the Subsidiaries on a consolidated basis having occurred since the date hereof, except the Offering, with respect to which the requisite material change report has not been filed and no such disclosure having been made on a confidential basis that remains confidential;

(iv) the representations and warranties of the Company contained in this Agreement and the Subscription Receipt Agreement and in any certificates of the Company delivered pursuant to or in connection with this Agreement and the Subscription Receipt

Agreement, being true and correct as at the Closing Time, with the same force and effect as if made on and as at the Closing Time, after giving effect to the transactions contemplated by this Agreement and the Subscription Receipt Agreement provided that for the purposes of the condition in this Subsection (iv), the representations and warranties relating to the Arrangement Agreement shall be true and correct as of the date of the Arrangement Agreement, subject to any qualifications set out therein, in all material respects; and

(v) the Company having no reason to believe that the Escrow Release Conditions will not be completed prior to the Escrow Deadline or that the Arrangement will not be completed in accordance with the terms of the Arrangement Agreement;

(c) the Underwriters shall have received at the Closing Time certificates dated the Closing Date, signed by appropriate officers of the Company and addressed to the Underwriters, with respect to the constating documents of the Company, all resolutions of the Company's board of directors relating to the Offering, the Transaction Documents, the incumbency and specimen signatures of signing officers;

(d) the Subscription Agreements, the Subscription Receipt Agreement and the certificates representing the Subscription Receipts, if any, or other evidence of ownership shall have been executed, endorsed or authenticated, as applicable, and delivered by the parties thereto in form and substance satisfactory to the Underwriters, acting reasonably;

(e) the Underwriters shall have received at the Closing Time, evidence that all requisite approvals, consents and acceptances of the appropriate regulatory authorities and the TSXV required to be made or obtained by the Company in order to complete the Offering have been made or obtained and the Offering shall have been conditionally accepted by the TSXV;

(f) the Underwriters shall have received a certificate from the Transfer Agent, as to the number of Common Shares issued and outstanding as of the close of business on the date prior to the Closing Date;

(g) the Underwriters receiving at the Closing Time favourable legal opinions addressed to the Underwriters from Cassels Brock & Blackwell LLP, counsel to the Company, or local counsel with respect to those matters governed by the laws of jurisdictions other than the jurisdictions in which it is qualified to practice, which counsel may rely as to matters of fact, on certificates of the officers of the Company, public and stock exchange officials and other documentation standard for legal opinions in transactions of a similar nature, and as to this Agreement and the Offering, in form and substance acceptable to the Underwriters, acting reasonably, including as to:

(i) as to the existence of the Company under the laws of the Province of British Columbia;

(ii) that the Company has all requisite corporate power and capacity under the laws of the Province of British Columbia to carry on its business as presently carried on and to own, lease and operate its properties and assets and to carry out its obligations under the Transaction Documents and the certificates representing the Broker Warrants;

(iii) as to the authorized share capital of the Company;

(iv) that all necessary corporate action has been taken by the Company to authorize the

execution and delivery of the Transaction Documents and the certificates representing the Broker Warrants, and the performance by the Company of its obligations hereunder and thereunder;

(v) that the Transaction Documents have been duly authorized, executed and delivered on behalf of the Company, and constitute legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, subject to standard assumptions and qualifications, including that the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law, and that enforcement is subject to the provisions of the *Limitations Act, 2002* (Ontario);

(vi) that the certificates representing the Broker Warrants and the certificates representing the Amalco Broker Warrants, assuming due execution and delivery by the Company or Amalco (as the case may be), will be enforceable and constitute a legal, valid and binding obligations of the Company or Amalco (as the case may be), enforceable against the Company or Amalco (as the case may be) in accordance with their terms, subject to standard assumptions and qualifications, including that the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law, and that enforcement is subject to the provisions of the *Limitations Act, 2002* (Ontario);

(vii) that the execution and delivery of the Transaction Documents, the certificates representing the Broker Warrants and the certificates representing the Amalco Broker Warrants, and the performance by the Company or Amalco (as the case may be) of its obligations hereunder and thereunder, including the issuance and sale of the Subscription Receipts, the issuance of the Underlying Shares upon exchange of the Subscription Receipts, the issuance of the Amalco Shares upon exchange of the Underlying Shares pursuant to the Arrangement, the issuance of Broker Warrants, the issuance of Broker Warrant Shares upon due exercise of Broker Warrants, the issuance of Amalco Broker Warrants, the issuance of Amalco Broker Warrant Shares upon due exercise of Amalco Broker Warrants, does not and will not (as the case may be) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, whether after notice or lapse of time or both: (A) the provisions of any law, statute, rule or regulation which the Company is subject; or (B) the notice of articles and articles of the Company;

(viii) that the Subscription Receipts will, upon issuance in accordance with and subject to the terms of the Subscription Receipt Agreement, have been validly created and issued as securities of the Company;

(ix) that the Underlying Shares will, upon issuance thereof in accordance with the terms of the Subscription Receipt Agreement, be validly issued as fully paid and non-assessable shares of the Company;

(x) that the Amalco Shares will, upon issuance thereof in accordance with the terms of the Arrangement Agreement, be validly issued as fully paid and non-assessable shares of Amalco;

(xi) that the Broker Warrants will, upon issuance in accordance with and subject to the terms thereof and this Agreement, have been validly created and issued as securities of the Company;

(xii) that the Broker Warrant Shares will, upon issuance thereof in accordance with the terms of the Broker Warrants and this Agreement, be validly issued as fully paid and non-assessable shares of the Company;

(xiii) that the Amalco Broker Warrants will, upon issuance in accordance with and subject to the terms thereof, this Agreement and the Arrangement Agreement, have been validly created and issued as securities of the Amalco;

(xiv) that the Amalco Broker Warrant Shares will, upon issuance thereof in accordance with the terms of the Amalco Broker Warrants, this Agreement and the Arrangement Agreement, be validly issued as fully paid and non-assessable shares of the Amalco;

(xv) that the Escrow Agent has been appointed the subscription receipt agent in respect of the Subscription Receipts and the Escrowed Funds, respectively;

(xvi) assuming each of the Purchasers is an "accredited investor" as such term is defined in NI 45-106 or, in Ontario, in *Securities Act* (Ontario) or qualifies under the "Family, Friends and Business Associates" exemption provided under section 2.5 of NI 45-106, that the issuance and sale by the Company of the Subscription Receipts to the Purchasers in the Designated Provinces in accordance with the Subscription Agreements is exempt from the prospectus requirements of applicable Canadian Securities Laws and no prospectus will be required, no other documents are required to be filed (other than specified forms accompanied by requisite filing fees), no proceedings taken or approvals, permits, consents, orders or authorizations obtained under the applicable Canadian Securities Laws to permit such issuance and sale;

(xvii) the issuance of the Underlying Shares to holders of Subscription Receipts upon the exchange of the Subscription Receipts and the issuance of Amalco Shares upon the exchange of the Underlying Shares pursuant to and in accordance with the terms of the Subscription Receipt Agreement and the Arrangement Agreement, will be exempt from the prospectus requirements of applicable Canadian Securities Laws and no documents are required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations obtained under the applicable Canadian Securities Laws to permit such issuance;

(xviii) the issuance of each of the Broker Warrants, the Broker Warrant Shares upon the due exercise of the Broker Warrants, the Amalco Broker Warrants and the Amalco Broker Warrant Shares upon the due exercise of the Amalco Broker Warrant Shares will be exempt from the prospectus requirements of applicable Canadian Securities Laws and no documents are required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations obtained under the applicable Canadian Securities Laws to permit such issuances; and

(xix) the first trade in the Amalco Shares, or the Amalco Broker Warrant Shares being exempt from the prospectus requirements of Canadian Securities Laws and no prospectus, offering memorandum or other document is required to be filed, no proceeding is required to be taken and no approval, permit, consent or authorization of regulatory authorities is required to be obtained by the Company under Canadian Securities Laws to permit such trade through registrants registered under Canadian Securities Laws who have complied with such laws and the terms and conditions of their registration, provided that such trade is not a "control distribution" as that term is defined in National Instrument 45-102 – *Resale of Securities* at the time of such trade.

(h) if any Subscription Receipts are sold to Purchasers in the United States, the Underwriters receiving at the Closing Time a favourable legal opinion addressed to the Underwriters, in form and substance satisfactory to the Underwriters, acting reasonably, dated as of the Closing Date, from the U.S. counsel to the Company, Neal, Gerber & Eisenberg LLP, to the effect that registration of the Subscription Receipts, the Underlying Shares or the Amalco Shares will not be required under the U.S. Securities Act in connection with the offer and sale of such Subscription Receipts in the United States pursuant to this Agreement, including Schedule "A";

(i) the Underwriters shall have received a certificate of status (or the equivalent) with respect to each of the Company and the Subsidiaries under the respective jurisdiction of its existence; and

(j) the simultaneous closing of the Concurrent Offering.

9. Rights of Termination.

(a) All terms and conditions set out in this Agreement shall be construed as conditions and any material breach or failure by the Company to comply with any such conditions in favour of the Underwriters shall entitle the Underwriters (or any one of them) to terminate their obligation to purchase the Subscription Receipts pursuant to the Offering by written notice to that effect given to the Company prior to the Closing Time. The Company shall use commercially reasonable efforts to cause all conditions in this Agreement to be satisfied. It is understood that GMP (on behalf of the Underwriters) may waive in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to their rights in respect of any subsequent breach or non-compliance.

(b) In addition to any other remedies which may be available to the Underwriters in respect of any default, act or failure to act, or non-compliance with the terms of this Agreement by the Company, each of the Underwriters shall be entitled, at its option, to terminate and cancel, without any liability on the part of the Underwriter, its obligations under this Agreement to purchase the Subscription Receipts pursuant to the Offering by giving written notice to the Company at any time after the date hereof and prior to the Closing Time, if:

(i) there shall be any material change or a change in any material fact or a new material fact shall arise which would be expected to have, in the opinion of the Underwriters (or any of them), a material adverse effect on the business, affairs, or financial condition of the Company or the Crocodile Material Properties or on the market price or the value of the securities of the Company;

(ii) any inquiry, action, suit, proceeding or investigation (whether formal or informal) (including matters of regulatory transgression or unlawful conduct) is commenced, announced or threatened or any order made by any federal, provincial, state,

municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the TSXV or any securities regulatory authority or any law or regulation is enacted or changed which would cease trading in the Company's securities or, in the opinion of the Underwriters (or any of them), acting reasonably, operates to prevent or restrict the trading of the Common Shares or materially and adversely affects or will materially and adversely affect the market price or value of the Common Shares; or (ii) if there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence (including terrorism) or any law or regulation which in the reasonable opinion of the Underwriters (or any of them) seriously adversely affects, or involves, or will, or could reasonably be expected to, seriously adversely affect, or involve, the financial markets or the business, operations or affairs of the Company and the Subsidiaries taken as a whole; or

(iii) the Company is in breach of a material term, condition or covenant of this Agreement or any representation or warranty given by the Company in this Agreement becomes or is false (and cannot be cured), provided that, in respect of any representation, warranty, covenant or condition relating to the Crocodile Material Properties or Crocodile, only to the extent that such breach would result in a material adverse effect.

(c) The Underwriters shall make reasonable efforts where applicable to give notice to the Company (in writing or by other means) of the occurrence of any of the events referred to in Section 9(b); provided, that, neither the giving nor the failure to give such notice shall in any way affect the entitlement of any of the Underwriters to exercise this right at any time prior to or at the Closing Time.

(d) If the obligations of the Underwriters under this Agreement are terminated pursuant to the termination rights in this Section 9, the liability of the Company to the Underwriters shall be limited to the obligations under Sections 10, 12 and 13.

(e) The right of the Underwriters (or any of them) to terminate their obligations under this Agreement pursuant to this Section 9 is in addition to any other remedies they may have in respect of any rights contemplated by this Agreement. A notice of termination given by one Underwriter under this Section 9 shall not be binding upon the other Underwriters.

10. Expenses. Whether or not the Offering is completed, the Company shall pay all reasonable costs and expenses incurred in connection with the Offering, including, without limitation: the fees and expenses of the Underwriters (including the reasonable fees (to a maximum of $125,000) and disbursements (plus taxes thereon) of the Underwriters' legal counsel and all reasonable out-of-pocket expenses of the Underwriters in connection with the Offering), all expenses of or incidental to the creation, issue, sale and distribution of the Subscription Receipts, the Underlying Shares, the Broker Warrants and the Broker Warrant Shares, the fees and expenses of counsel and auditors to, and the transfer agent of, the Company and all filing and regulatory fees.

11. Survival of Representations and Warranties. All warranties, representations, covenants and agreements herein contained or contained in any documents delivered pursuant to this Agreement and in connection with the transactions herein contemplated shall survive the purchase and sale of the Subscription Receipts and continue in full force and effect for the benefit of the Underwriters and the Purchasers until the second anniversary of the Closing Date. Notwithstanding the foregoing, any provisions contained in this Agreement in any way related to indemnification or contribution obligations shall survive and continue, in full force and effect, indefinitely.

12. Indemnity.

(a) The Company agrees to indemnify and hold harmless the Underwriters and their respective affiliates and respective directors, officers, employees, partners, agents and shareholders (collectively, the "**Indemnified Parties**" and individually, an "**Indemnified Party**"), to the full extent lawful, from and against any and all expenses, losses (other than a loss of profits of such Indemnified Party), claims, actions, damages and liabilities, joint or several, (including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees and expenses of their counsel that may be incurred in advising with respect to and/or defending and/or settling any action, suit, proceeding, investigation or claim (collectively, the "**Claims**") that may be made or threatened against any Indemnified Party by a third party) to which any Indemnified Party may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the performance of professional services rendered to the Company by the Indemnified Parties (or any of them), whether performed before or after the Company's execution of this Agreement.

(b) Notwithstanding the foregoing, this entire indemnity agreement shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that such expenses, losses, claims, actions, costs, damages or liabilities to which the Indemnified Party may be subject were caused by the negligence or fraudulent act of the Indemnified Party or the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were directly caused by these actions.

(c) The Company agrees that in case any legal proceeding shall be brought against the Company and/or any Indemnified Party by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or if any such entity shall investigate the Company and/or any Indemnified Party and an Indemnified Party shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with or by reason of this Agreement or the performance of professional services rendered to the Company by the Underwriters thereunder, such Indemnified Party shall have the right to employ its own counsel in connection therewith, provided that such counsel is acceptable to the Company, acting reasonably, and the reasonable fees and expenses of such counsel as well as the reasonable out-of-pocket expenses incurred by the Indemnified Party in connection therewith shall be paid by the Company as they occur.

(d) Promptly after receiving notice of an action, suit, proceeding or claim against an Indemnified Party or receipt of notice of the commencement of any investigation which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Company, the Indemnified Party will notify the Company in writing of the particulars thereof, will provide copies of all relevant documentation to the Company and, unless the Company assumes the defence thereof (as contemplated below), will keep the Company advised of the progress thereof and will discuss all significant actions proposed. The omission so to notify the Company shall not relieve the Company of any liability which the Company may have to the Indemnified Party except only to the extent that any such delay in giving or failure to give notice as herein required materially prejudices the defence of such action, suit, proceeding, claim or investigation or results in any material increase in the liability which the Company would otherwise have under this indemnity had the Indemnified Party not so delayed in giving or failed to give the notice required hereunder.

(e) The Company shall be entitled, at its own expense, to participate in and, to the extent it may wish to do so, assume the defence thereof, provided such defence is conducted by experienced and competent counsel. Upon the Company notifying the Indemnified Party in writing of its election to assume the

defence and retaining counsel, the Company shall not be liable to such Indemnified Party for any legal expenses subsequently incurred by them in connection with such defence. If such defence is assumed by the Company, the Company throughout the course thereof will provide copies of all relevant documentation to the Indemnified Party, will keep the Indemnified Party advised of the progress thereof and will discuss with the Indemnified Party all significant actions proposed.

(f) Notwithstanding the foregoing paragraph, any Indemnified Party shall have the right, at the Company's expense, to employ counsel of such Indemnified Party's choice (provided that such counsel is acceptable to the Company, acting reasonably), in respect of the defence of any action, suit, proceeding, claim or investigation if: (i) the employment of such counsel has been authorized by the Company; or (ii) the Company has not assumed the defence and employed counsel therefor within a reasonable time after receiving notice of such action, suit, proceeding, claim or investigation; or (iii) counsel retained by the Company has advised the Indemnified Party that representation of both parties by the same counsel would be inappropriate for any reason, including without limitation because there may be legal defences available to the Indemnified Party which are different from or in addition to those available to the Company (in which event and to that extent, the Company shall not have the right to assume or direct the defence on the Indemnified Party's behalf) or that there is a conflict of interest between the Company and the Indemnified Party or the subject matter of the action, suit, proceeding, claim or investigation may not fall within the indemnity set forth herein (in either of which events the Company shall not have the right to assume or direct the defence on the Indemnified Party's behalf).

(g) The Company will not permit any settlement, compromise or termination of any action, suit, proceeding, claim or investigation to include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an Indemnified Party without the consent of the Indemnified Parties affected, such consent not to be unreasonably withheld. No admission of liability shall be made and the Company shall not be liable for any settlement, compromise or termination of any action, suit, proceeding, claim or investigation made without its consent, such consent not to be unreasonably withheld.

(h) The Company hereby acknowledges that the Underwriters act as trustees for the other Indemnified Parties of the Company's covenants under this indemnity agreement with respect to such persons and the Underwriters agree to accept such trust and to hold and enforce such covenants on behalf of such persons.

(i) The indemnity obligations of the Company hereunder shall be in addition to any liability which the Company may otherwise have to the Underwriters and the other Indemnified Parties.

13. Contribution. In the event that the indemnity provided for in Section 12 is declared by a court of competent jurisdiction to be illegal or unenforceable as being contrary to public policy or for any other reason, the Underwriters and the Company shall contribute to the aggregate of all losses, claims, costs, damages, expenses or liabilities of the nature provided for above such that each Underwriter shall be responsible for that portion represented by the percentage that the portion of the Commission payable by the Company to such Underwriter bears to the gross proceeds realized by the Company from the distribution of the Subscription Receipts, whether or not the Underwriters have been sued together or separately, and the Company shall be responsible for the balance, provided that, in no event, shall an Underwriter be responsible for any amount in excess of the portion of the Commission actually received by such Underwriter. In the event that the Company may be held to be entitled to contribution from the Underwriters under the provisions of any statute or law, the Company shall be limited to contribution in an amount not exceeding the lesser of: (a) the portion of the full amount of losses, claims, costs, damages, expenses, and liabilities giving rise to such contribution for which such Underwriter is responsible; and (b) the amount of the Commission actually received by any Underwriter. Notwithstanding the foregoing,

a person guilty of gross negligence, dishonesty, fraud, illegality, wilful misconduct or recklessness shall not be entitled to contribution from any other party. Any party entitled to contribution will, promptly after receiving notice of commencement of any claim, action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this Section 13, notify such party or parties from whom contribution may be sought, but the omission to so notify such party shall not relieve the party from whom contribution may be sought from any obligation it may have otherwise under this Section 13, except to the extent that the party from whom contribution may be sought is materially prejudiced by such omission. The right to contribution provided herein shall be in addition and not in derogation of any other right to contribution which the Underwriters may have by statute or otherwise by law.

14. Action by Underwriters. All steps which must or may be taken by the Underwriters in connection with this Agreement, with the exception of the matters relating to termination contemplated by Section 9 or any matter relating to indemnification or contribution contemplated by Sections 12 and 13, may be taken by GMP, on behalf of the Underwriters, and the execution of this Agreement by the Company shall constitute the Company's authority for accepting notification of any such steps from, and for delivering the definitive documents constituting the Subscription Receipts to GMP.

15. Obligations of the Underwriters.

(a) The Underwriters' obligations under this Agreement shall be several (and not joint nor joint and several), and the Underwriters' respective obligations and rights and benefits hereunder shall be as to the following percentages:

GMP Securities L.P.[1]	40%
BMO Nesbitt Burns Inc.[1]	40%
Haywood Securities Inc.	10%
RBC Dominion Securities Inc.	10%

[1.] Co-lead underwriters and joint bookrunners.

(b) If an Underwriter (a "**Refusing Underwriter**") shall not complete the purchase and sale of the Subscription Receipts (the "**Default Securities**") which such Underwriter has agreed to purchase hereunder for any reason whatsoever at the Closing Time, and (i) if the number of Defaulted Securities does not exceed 20% of the number of Subscription Receipts to be purchased hereunder on such date, the other non-Refusing Underwriters (the "Continuing Underwriters") shall be obligated, each severally, and not jointly, nor jointly and severally, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligation of all Continuing Underwriters; or (ii) if the number of Defaulted Securities exceeds 20% of the number of Subscription Receipts to be purchased on such date, the Continuing Underwriters shall be entitled, at their option, to purchase all but not less than all of the Subscription Receipts which would otherwise have been purchased by the Refusing Underwriter on a *pro rata* basis according to the number of Subscription Receipts to have been acquired by the Continuing Underwriters hereunder or on such other basis as the Continuing Underwriters may agree. If the Continuing Underwriters do not elect to purchase the balance of the Subscription Receipts pursuant subsection 15(b)(ii) above:

(i) the Continuing Underwriters shall not be obliged to purchase any of the Subscription Receipts that the Refusing Underwriter is obligated to purchase; and

(ii) the Company shall not be obliged to sell less than all of the Subscription Receipts,

and the Company shall be entitled to terminate its obligations under this Agreement arising from its acceptance of this offer, in which event there shall be no further liability on the part of the Company or the Continuing Underwriters, except pursuant to the provisions of Sections 10, 12 and 13.

(c) No action taken pursuant to this Section 15 shall relieve any Refusing Underwriter from liability in respect of its default to the Company or to any Continuing Underwriter.

(d) Nothing in this Agreement shall oblige any U.S. broker-dealer affiliate of any of the Underwriters to purchase the Subscription Receipts. Any U.S. broker-dealer affiliate who makes any offers or sales of the Subscription Receipts in the United States will do so solely as an agent for an Underwriter.

16. Advertisements. The Company acknowledges that the Underwriters shall have the right, subject always to Sections 1(b) of this Agreement, at their own expense, and subject to the prior approval of the Company, to place such advertisement or advertisements relating to the sale of the Subscription Receipts contemplated herein as the Underwriters may consider desirable or appropriate and as may be permitted by applicable law. The Company and the Underwriters each agree that they will not make or publish any advertisement in any media whatsoever relating to, or otherwise publicize, the transaction provided for herein so as to result in any exemption from the prospectus and registration requirements of applicable Canadian Securities Laws or the securities legislation in any other jurisdiction in which the Subscription Receipts shall be offered or sold being unavailable in respect of the sale of the Subscription Receipts to prospective purchasers.

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

(a) If to the Company, to:

Newmarket Gold Inc.
Suite 3244 - Four Bentall Centre
1055 Dunsmuir Street
Vancouver B.C., Canada
V7X 1L3

Attention: Douglas Forster, President, Chief Executive Officer & Director
Email: dforster@newmarketgoldinc.com

with a copy (which shall not constitute notice to the Company) to:

Cassels Brock & Blackwell LLP
Scotia Plaza, Ste. 2100
40 King Street West
Toronto, Ontario M5H 3C2

Attention: Jay King
Email: jking@casselsbrock.com

(b) If to the Underwriters, to:

GMP Securities L.P.
145 King Street, Suite 300
Toronto, Ontario M5H 1J8

Attention: Ron D'Ambrosio, Managing Director, Investment Banking
Email: rdambrosio@gmpsecurities.com

BMO Nesbitt Burns Inc.
100 King Street West, 4th Floor
Toronto, ON
M5X 1H3

Attention: Tom Jakubowski, Director, Global Metals & Mining
Email: tom.jakubowski@bmo.com

Haywood Securities Inc.
2100 Scotia Plaza
700 – 200 Burrard Street
Vancouver, BC
V6C 3L6

Attention: Frank Stronach,Vice President, Corporate Finance
Email: fstronach@haywood.com

RBC Dominion Securities Inc.
200 Bay Street, 4th Floor
Toronto, Ontario
M5J 2W7

Attention: Lance Rishor, Managing Director, Mining & Metals
Email: lance.rishor@rbccm.com

with a copy (which shall not constitute notice to the Underwriters) to:

Wildeboer Dellelce LLP
365 Bay Street, Suite 800
Toronto, Ontario M5H 2V1

Attention: Robert Fonn
Email: rfonn@wildlaw.ca

or to such other address as any of the parties may designate by notice given to the others.

Each notice shall be personally delivered to the addressee or sent by electronic transmission to the addressee and (i) a notice which is personally delivered shall, if delivered 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 (ii) a notice which is sent by electronic transmission shall be deemed to be given and received on the first Business Day following the day on which it is sent.

18. Time of the Essence. Time shall, in all respects, be of the essence hereof.

19. Canadian Dollars. All references herein to dollar amounts are to lawful money of Canada.

20. Headings and Sections. The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof. References herein to Sections, Subsections and Schedules are to sections and subsections of and schedules to this Agreement.

21. Schedules. The following Schedule is attached to this Agreement and deemed to be a part of and hereby incorporated by reference in this Agreement:

Schedule "A" - U.S. Offers and Sales

22. Singular and Plural, etc. Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.

23. Entire Agreement. This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings, including the Engagement Letter. This Agreement may be amended or modified in any respect by written instrument only.

24. Market Stabilization. In connection with the distribution of the Subscription Receipts, the Underwriters (or any of them) may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market, but in each case as permitted by applicable Canadian Securities Laws. Such stabilizing transactions, if any, may be discontinued by the Underwriters at any time.

25. Obligations of the Underwriters. In performing their respective obligations under this Agreement, the Underwriters shall be acting severally and not jointly and severally. Nothing in this Agreement is intended to create any relationship in the nature of a partnership, or joint venture between the Underwriters.

26. No Fiduciary Duty. The Company hereby acknowledges that (i) the purchase and sale of the Subscription Receipts pursuant to this Agreement is an arm's length commercial transaction between the Company, on the one hand, and the Underwriters and any affiliate through which they may be acting to effect sales, on the other hand; (ii) such Underwriters are acting as principal and not as an agent or fiduciary of the Company; and (iii) the Company's engagement of the Underwriters in connection with the Offering and the process leading up to the Offering is as independent contractors and not in any other capacity. The Company agrees that it is solely responsible for making its own judgments in connection with the Offering (regardless of whether any of such Underwriters has advised or is currently advising the Company on related or other matters). The Company agrees that it will not claim that such Underwriters have rendered advisory services of any nature or respect, or owe an agency, fiduciary or similar duty to the Company in connection with such transaction or the process leading thereto.

27. Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect or limit the validity or enforceability of the remaining provisions of this Agreement.

28. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Company, the Underwriters and the Purchasers and their respective executors, heirs, successors and permitted assigns; provided that, except as provided herein or in the Subscription Agreements, this Agreement shall not be assignable by any party without the written consent of the others.

29. Further Assurances. Each of the parties hereto shall do or cause to be done all such acts and

things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

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

31. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each of the parties irrevocably attorns to the jurisdiction of the courts of the Province of Ontario.

32. Language. The parties hereby acknowledge that they have expressly required this Agreement and all notices, statements of account and other documents required or permitted to be given or entered into pursuant hereto to be drawn up in the English language only. *Les parties reconnaissent avoir expressment demandées que la présente Convention ainsi que tout avis, tout état de compte et tout autre document à être ou pouvant être donné ou conclu en vertu des dispositions des présentes, soient rédigés en langue anglaise seulement*.

33. Counterparts. This Agreement may be executed in any number of counterparts by original, facsimile, electronic or portable document file (.pdf) copy signature, each of which will be an original as regards any party whose signature appears thereon and all of which together will constitute one and the same agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

Yours very truly,

GMP SECURITIES L.P.

Per: *"Ron D'Ambrosio"*
Authorized Signing Officer

BMO NESBITT BURNS INC.

Per: *"Tom Jakubowski"*
Authorized Signing Officer

HAYWOOD SECURITIES INC.

Per: *"Frank Stronach"*
Authorized Signing Officer

RBC DOMINION SECURITIES INC.

Per: *"Lance Rishor"*
Authorized Signing Officer

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

DATED as of June 1, 2015.

NEWMARKET GOLD INC.

Per: *"Doug Forster"*
Authorized Signing Officer

Schedule "A"

This is Schedule "A" to the underwriting agreement dated June 1, 2015 among Newmarket Gold Inc., GMP Securities L.P., BMO Nesbitt Burns Inc., Haywood Securities Inc. and RBC Dominion Securities Inc.

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

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

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

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

"**Offshore Transaction**" means "offshore transaction" as that term is defined in Regulation S;

"**Qualified Institutional Buyer**" means a "qualified institutional buyer" as that term is defined in Rule 144A;

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

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

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

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

"**Securities**" means the Subscription Receipts and the Underlying Shares;

"**Substantial U.S. Market Interest**" means "substantial U.S. market interest" as that term is

defined in Regulation S;

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

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

"**U.S. Person**" means a "U.S. person" as that term is defined in Regulation S;

"**U.S. Placee**" means a U.S. Person on whose account or benefit the Subscription Receipts are offered or sold, or a person to whom the Subscription Receipts are offered or sold in the United States;

"**U.S. Placement Agent**" means Griffiths McBurney Corp., the U.S. broker-dealer affiliate of GMP Securities L.P.;

"**U.S. Purchaser Letter**" means the U.S. Qualified Institutional Buyer certificate/in the form attached as Schedules A in the Subscription Agreement prepared for U.S. investors; and

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

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

A. Representations, Warranties and Covenants of the Company

The Company represents and warrants to and covenants with each of the Underwriters that facilitates sales to a U.S. Placee and the U.S. Placement Agent that:

1. It is, and on the Closing Date will be, a Foreign Issuer with no Substantial U.S. Market Interest with respect to any of its securities.

2. Except with respect to offers and sales in accordance with this Schedule "A" to (i) Qualified Institutional Buyers in reliance upon an exemption from registration available under Rule 144A, or (ii) outside the United States in an Offshore Transaction in reliance upon an exemption from registration available under Rule 903 of Regulation S, neither the Company nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters, their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Subscription Receipts to a person in the United States; or (B) any sale of Subscription Receipts unless, at the time the buy order was or will, have been originated, the purchaser is (i) outside the United States or (ii) the Company, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States.

3. None of the Company, the Subsidiaries or any persons acting on its or their behalf (other than the Underwriters, the U.S. Placement Agent, their respective affiliates or any person acting on their behalf, in respect of which no representation, warranty or covenant is made) has made or will make any Directed Selling Efforts or has engaged or will engage in any form of General Solicitation or General Advertising or has acted in any manner involving a public offering within

the meaning of Section 4(2) of the U.S. Securities Act in the United States with respect to the Securities.

4. The Securities satisfy the requirements set forth in Rule 144A(d)(3) under the U.S. Securities Act.

5. So long as any of the Securities which have been sold in the United States or to or for the account or benefit of U.S. Persons in reliance upon Rule 144A are outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and if it is not exempt from reporting pursuant to Rule 12g3-2(b) nor subject to and in compliance with Section 13 or 15(d) of the U.S. Exchange Act, the Company shall furnish to any holder of such Securities and any prospective purchaser of the Securities designated by such holder, upon request of such holder, the information required to be delivered pursuant to Rule 144A(d)(4) under the U.S. Securities Act (so long as such requirement is necessary in order to permit holders of the Securities to effect resales under Rule 144A).

6. The Company is not, and as a result of the sales of the Subscription Receipts contemplated hereby will not be, an open-end investment company, unit investment trust or face-amount certificate company that is or is required to be registered, or closed-end investment company required to be registered but not registered, under the United States Investment Company Act of 1940, as amended.

7. The Company has not sold, offered for sale or solicited any offer to buy and will not sell, offer for sale or solicit any offer to buy, during the period beginning six months prior to the start of the Offering of the Subscription Receipts and ending six months after the completion of the Offering of Subscription Receipts, any of its securities in the United States (except for the Concurrent Offering) in a manner that would be integrated with and would cause the exemption from registration provided by Rule 144A, or the exclusion from registration provided by Rule 903 of Regulation S, to be unavailable with respect to offers and sales of the Subscription Receipts pursuant to this Schedule "A".

8. The Company will not take any action that would cause the exemptions or exclusions provided (i) by Rule 903 of Regulation S or Rule 144A to be unavailable with respect to offers and sales of the Subscription Receipts by the Underwriters pursuant to this Agreement or (ii) by Rule 903 of Regulation S or Section 4(a)(2) of the U.S. Securities Act to be unavailable with respect to offers and sales of the Securities by the Company pursuant to this Agreement.

9. None of the Securities is part of a class listed on a national securities exchange registered under Section 6 of the U.S. Exchange Act, quoted in an automated interdealer system in the United States (within the meaning of such term under Rule 144A), or convertible or exchangeable at an effective conversion premium (calculated as specified in paragraph (a)(6) of Rule 144A under the U.S. Securities Act) of less than ten percent for securities so listed or quoted.

B. Representations, Warranties and Covenants of certain Underwriters and the U.S. Placement Agent

Each Underwriter that facilitates sales to a U.S. Placee, severally and not jointly with respect to the other Underwriters, and the U.S. Placement Agent represents and warrants to and covenants and agrees with the Company that:

1. It acknowledges that the Securities have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold except pursuant to

an exclusion or exemption from the registration requirements of the U.S. Securities Act and any U.S. state securities laws. It has offered and sold and will offer and sell the Subscription Receipts only (i) outside the United States in an Offshore Transaction in accordance with Rule 903 of Regulation S, or (ii) in the United States to Qualified Institutional pursuant to Rule 144A; Buyers. Accordingly, neither the Underwriter, nor the U.S. Placement Agent, nor any persons acting on its or their behalf: (i) have engaged or will engage in any Directed Selling Efforts; or (ii) except as permitted by this Schedule "A", have made or will make (x) any offers to sell Subscription Receipts in the United States or to, or for the account or benefit of, U.S. Persons or (y) any sale of Subscription Receipts unless at the time the purchaser made its buy order therefor, the Underwriter, the U.S. Placement Agent or other person acting on any of their behalf reasonably believed that such purchaser was outside the United States and not a U.S. Person or acting for the account or benefit of a U.S. Person.

2. It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Securities in the United States or to or for the account or benefit of a U.S. Person, except with the U.S. Placement Agent or with the prior written consent of the Company.

3. It shall require the U.S. Placement Agent and each selling group member to agree, for the benefit of the Company, to comply with, and shall use its best efforts to ensure that the U.S. Placement Agent complies with, the Underwriting Agreement and the provisions of this Schedule "A" as if such provisions applied to such U.S. Placement Agent.

4. All offers and sales of the Subscription Receipts in the United States or to or for the account or benefit of U.S. Persons ("**U.S. Placees**") will be effected in transactions that are exempt from the registration or qualification provisions of applicable state securities laws by the U.S. Placement Agent in accordance with all applicable U.S. federal and state broker-dealer requirements. Such U.S. Placement Agent is, and will be on the date of each offer or sale of Subscription Receipts in the United States, duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and the securities laws of each state in which such offer or sale is made (unless exempted from the respective state's broker-dealer registration requirements) and a member of and in good standing with the Financial Industry Regulatory Authority, Inc.

5. Any offer, sale or solicitation of an offer to buy Subscription Receipts that has been made or will be made in the United States or to or for the account or benefit of U.S. Persons, was or will be made only to Qualified Institutional Buyers in transactions that are exempt from registration pursuant to Rule 144A and exempt from registration under all applicable state securities. The Underwriters acknowledge that Rule 144A is a resale exemption and, accordingly, any Subscription Receipts sold to Qualified Institutional Buyers pursuant to Rule 144A will be sold by the Company to the Underwriters, as principal, and then resold by the Underwriters to the Qualified Institutional Buyers, with the U.S. Placement Agent acting as the Underwriter's selling agent for purposes of the Rule 144A resale transaction.

6. Offers and sales of Subscription Receipts in the United States and to or for the account or benefit of U.S. Persons have not been and shall not be made by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(2) of the U.S. Securities Act.

7. At least one business day prior to the Closing Date, it shall provide the Company's transfer agent with a list of all purchasers of the Subscription Receipts that are U.S. Placees, together with their addresses (including state of residence), the number of Securities purchased and the registration and delivery instructions for the Securities.

8. Each offeree will be provided with a copy of the Investor Presentation and Subscription Agreement and no other written material will be used in connection with the offer or sale of the Subscription Receipts in the United States.

9. Prior to any sale of Subscription Receipts in the United States pursuant to Rule 506 of Regulation D, it shall cause each purchaser thereof to execute and deliver to the Company, the Underwriters and the U.S. Placement Agent a U.S. Purchase Letter in the form attached as Schedules A in the Subscription Agreement prepared for U.S. investors.

10. All purchasers of the Subscription Receipts in the United States shall be informed that the Securities have not been and will not be registered under the U.S. Securities Act and are being offered and sold to such purchasers in reliance on the exemption or exclusion from the registration requirements of the U.S. Securities Act provided by Rule 144A.

11. At closing, the Underwriter, together with the U.S. Placement Agent, will provide a certificate, substantially in the form of Exhibit A to this Schedule, relating to the manner of the offer and sale of the Securities in the United States, or will be deemed to have represented that they did not offer or sell Securities in the United States.

EXHIBIT A

UNDERWRITER'S CERTIFICATE

In connection with the private placement in the United States of the Securities (as defined in the Underwriting Agreement) (the "**Offered Securities**") of Newmarket Gold Inc. (the "**Company**") pursuant to the underwriting agreement dated June 1, 2015 among the Company and the Underwriters named therein (the "**Underwriting Agreement**"), each of the undersigned does hereby certify to the Company as follows:

(a) [**Griffiths McBurney Corp**.] (the "**U.S. Placement Agent**") is, and at all relevant times was, a duly registered broker or dealer with the United States Securities and Exchange Commission and is a member of and in good standing with the Financial Industry Regulatory Authority on the date hereof and the date on which each offer was made by it in the United States, and all offers and sales of the Securities in the United States have been effected by the U.S. Placement Agent in accordance with all U.S. federal and state broker-dealer requirements;

(b) immediately prior to making any offers to any U.S. offeree, we had reasonable grounds to believe and did believe that the offeree was a Qualified Institutional Buyer (as defined in Rule 144A under the U.S. Securities Act) on the date hereof, we continue to reasonably believe that each such person in the United States or offered Offered Securities in the United States that is a Qualified Institutional Buyer;

(c) each offeree will be provided with a copy of the Subscription Agreement and Investor Presentation and no other written material will be used in connection with the offer or sale of the Subscription Receipts in the United States, and has provided the executed U.S. Purchaser Letter in the form attached as Schedules A in the Subscription Agreement prepared for U.S. investors to the Underwriters and the Company;

(d) no form of general solicitation or general advertising (as those terms are used in Regulation D under the U.S. Securities Act) was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer or sale of the Offered Securities in the United States; and

(e) the offering of the Offered Securities in the United States has been conducted by us in accordance with the terms of the Underwriting Agreement including Schedule A thereto.

Terms used in this certificate have the meanings given to them in the Underwriting Agreement unless otherwise defined herein. The Company and its counsel shall be entitled to rely on delivery of an electronic mail or facsimile copy of this Underwriter's Certificate and the representations and warranties contained herein.

Dated this____day of_____, 2015.

_____
[Underwriter]
By:
Name:
Title:

_____
[U.S. Affiliate]
By:
Name:
Title: