

WESTERN LITHIUM USA CORPORATION

- and -

BCP INNOVATION PTE. LTD.

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA

SUBSCRIPTION RECEIPT AGREEMENT

Providing for the Issue of
2,764,263 Shareholder Approval Subscription Receipts and
6,449,948 Performance Subscription Receipts

July 20, 2015

TABLE OF CONTENTS

ARTICLE 1 INTERPRETATION	2
1.1 Definitions	2
1.2 Words Importing the Singular	9
1.3 Interpretation not Affected by Headings	9
1.4 Day not a Business Day	9
1.5 Time of the Essence	9
1.6 Governing Law	10
1.7 Meaning of “outstanding” for Certain Purposes	10
1.8 Currency	10
1.9 Termination	11
ARTICLE 2 ISSUE OF SUBSCRIPTION RECEIPTS	11
2.1 Issue of Subscription Receipts	11
2.2 Terms of Subscription Receipts	11
2.3 Issue in Substitution for Lost Subscription Receipt Certificates	11
2.4 Subscription Receiptholder not a Shareholder	12
2.5 Subscription Receipts to Rank Pari Passu	12
2.6 Signing of Subscription Receipts	12
2.7 Authentication and Certification by the Subscription Receipt Agent	12
2.8 Legended Certificates	13
ARTICLE 3 EXCHANGE AND OWNERSHIP OF SUBSCRIPTION RECEIPTS	13
3.1 Exchange of Subscription Receipts	13
3.2 Charges for Exchange	14
3.3 Ownership of Subscription Receipts	14
3.4 Registration and Transfer of Subscription Receipts	14
ARTICLE 4 RELEASE OF ESCROWED PROCEEDS AND AUTOMATIC EXERCISE OF SUBSCRIPTION RECEIPTS	16
4.1 Satisfaction of Escrow Release Conditions	16
4.2 Exercise of Subscription Receipts by Subscription Receipt Agent on Behalf of Subscription Receiptholders	16
4.3 Effect of Exercise of Subscription Receipts	16
4.4 No Fractional Common Shares	17
4.5 Expiration of Subscription Receipts	18
ARTICLE 5 ADJUSTMENT OF EXCHANGE NUMBER	18
5.1 Definitions	18
5.2 Adjustment of Exchange Number	18
5.3 Exercise Number Adjustment Rules	22
5.4 Postponement of Subscription	23
5.5 Notice of Certain Events	23
5.6 Protection of Subscription Receipt Agent	24
ARTICLE 6 RIGHTS AND COVENANTS	25
6.1 General Covenants of the Company	25
6.2 Subscription Receipt Agent’s Remuneration and Expenses	26
6.3 Performance of Covenants by the Subscription Receipt Agent	26

ARTICLE 7 ESCROWED PROCEEDS	27
7.1 Initial Escrowed Proceeds and Distribution Amounts	27
7.2 Qualified Investments	27
7.3 Release of Escrowed Proceeds to the Company Upon Receipt of Completion Notice and Direction	29
7.4 Release of Escrowed Proceeds on Termination	29
7.5 Direction	30
7.6 Early Termination of any Investment of the Escrowed Proceeds	30
7.7 Method of Disbursement and Delivery	30
7.8 Acknowledgements re: Escrowed Proceeds	30
7.9 Miscellaneous	31
ARTICLE 8 ENFORCEMENT	32
8.1 Suits by Subscription Receiptholders	32
8.2 Limitation of Liability	33
ARTICLE 9 MEETINGS OF SUBSCRIPTION RECEIPTHOLDERS	33
9.1 Right to Convene Meetings	33
9.2 Notice	33
9.3 Chairman	34
9.4 Quorum	34
9.5 Power to Adjourn	34
9.6 Show of Hands	34
9.7 Poll	35
9.8 Voting	35
9.9 Regulations	35
9.10 Company and Subscription Receipt Agent may be Represented	36
9.11 Powers Exercisable by Extraordinary Resolution	36
9.12 Meaning of "Extraordinary Resolution"	38
9.13 Powers Cumulative	38
9.14 Minutes	39
9.15 Instruments in Writing	39
9.16 Binding Effect of Resolutions	39
9.17 Holdings by Company Disregarded	39
ARTICLE 10 SUPPLEMENTAL AGREEMENTS AND SUCCESSOR COMPANIES	40
10.1 Provision for Supplemental Agreements for Certain Purposes	40
10.2 Successor Companies	41
ARTICLE 11 CONCERNING THE SUBSCRIPTION RECEIPT AGENT	41
11.1 Applicable Legislation	41
11.2 Rights and Duties of Subscription Receipt Agent	41
11.3 Evidence, Experts and Advisers	42
11.4 Action by Subscription Receipt Agent to Protect Interests	43
11.5 Subscription Receipt Agent not Required to Give Security	43
11.6 Protection of Subscription Receipt Agent	43
11.7 Replacement of Subscription Receipt Agent	45
11.8 Conflict of Interest	46
11.9 Appointment of Escrow Agent	46
11.10 Subscription Receipt Agent Not to be Appointed Receiver	46

11.11	Authorization to Carry on Business.....	47
11.12	Third Party Interests	47
11.13	Not Bound to Act	47
11.14	Privacy	47
11.15	Force Majeure	48
11.16	Tax Reporting.....	48
ARTICLE 12	GENERAL.....	49
12.1	Notice to the Company, the Subscription Receipt Agent and BCPI.....	49
12.2	Notice to the Subscription Receiptholders	50
12.3	Discretion of Directors	51
12.4	Satisfaction and Discharge of Agreement.....	51
12.5	Rights of Rescission and Withdrawal for Subscription Receiptholders.....	51
12.6	Provisions of Agreement and Subscription Receipts for the Sole Benefit of Parties and Subscription Receiptholders	52
12.7	Counterparts and Formal Date	52
12.8	Language	52
SCHEDULE "A" – FORM OF EQUITY SUBSCRIPTION RECEIPT CERTIFICATE....		A-1
SCHEDULE "B" – COMPLETION NOTICE AND DIRECTION		B-1
SCHEDULE "C" – FORM OF TERMINATION NOTICE		C-1

THIS SUBSCRIPTION RECEIPT AGREEMENT dated as of July 20, 2015.

A M O N G :

WESTERN LITHIUM USA CORPORATION,
a company incorporated under the laws of British Columbia
(hereinafter called the "**Company**" or "**WLC**")

A N D

BCP INNOVATION PTE. LTD., a corporation formed pursuant to
the laws of Singapore
(**"BCPI"**)

A N D

COMPUTERSHARE TRUST COMPANY OF CANADA,
a trust company governed by the laws of Canada
(hereinafter called the "**Subscription Receipt Agent**")

WHEREAS:

A. The Company proposes to issue (i) 2,764,263 Shareholder Approval Subscription Receipts, each of which shall be exercisable into one Common Share (subject to adjustments) as described herein, and (ii) 6,449,948 Performance Subscription Receipts, each of which shall be exercisable into one Common Share (subject to adjustments) as described herein, provided that the applicable Escrow Release Event has occurred by the applicable Escrow Release Deadline, all upon the terms and subject to the conditions set forth herein;

B. If the Escrow Release Conditions applicable to each of the Subscription Receipts are satisfied prior to the applicable Escrow Release Deadline, the Escrowed Proceeds for those Subscription Receipts will be released to the Company in accordance with the terms of this Agreement.

C. If a Termination Event occurs, the applicable Class of Subscription Receipts will be cancelled and the applicable Escrowed Proceeds will be refunded to the Subscription Receiptholder.

D. The Company is duly authorized to create and issue the Subscription Receipts as herein provided;

E. All acts and deeds necessary have been done and performed to make the Subscription Receipts, when Authenticated by the Subscription Receipt Agent and issued as provided in this Agreement, legal, valid and binding upon the Company with the benefits of and subject to the terms in this Agreement;

F. The foregoing recitals are made as statements of fact by the Company and not by the Subscription Receipt Agent; and

G. The Subscription Receipt Agent has agreed to enter into this Agreement and to hold in escrow the Escrowed Proceeds for and on behalf of the Company and those persons who become holders of Subscription Receipts issued pursuant to this Agreement from time to time.

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

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless there is something in the subject matter or context inconsistent therewith:

"Applicable Legislation" means the provisions of any statute of Canada or a province thereof, and the regulations and rules under any such named or other statute, relating to agreements such as this Agreement or to the rights, duties and obligations of persons serving in a similar role as the Subscription Receipt Agent under this Agreement, to the extent that such provisions are at the time in force and applicable to this Agreement;

"Authenticated" means with respect to the issuance of a Subscription Receipt Certificate, one which has been duly signed by the Company and Authenticated by manual signature of an authorized signatory of the Subscription Receipt Agent, **"Authenticate"**, **"Authenticating"** and **"Authentication"** have the appropriate correlative meanings;

"BCPI" has the meaning set out on page 1 of this Agreement;

"Business Day" means a day that is not a Saturday, Sunday, a day on which banks are closed in Vancouver, British Columbia or a civic or statutory holiday in Vancouver, British Columbia;

"Capital Reorganization" has the meaning ascribed thereto in subsection 5.2(5);

"Class" means, with respect to the Subscription Receipts, either all of the Shareholder Approval Subscription Receipts or all of the Performance Subscription Receipts;

"Closing Date" means July 20, 2015 or any earlier or later date as may be mutually agreed to by the Company and BCPI;

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

provided that if the exercise rights are subsequently adjusted or altered pursuant to Article 5, "**Common Shares**" shall thereafter mean the shares or other securities or property that an Subscription Receiptholder is entitled to on an exchange after the adjustment;

"**Company**" means Western Lithium USA Corporation, a corporation incorporated under the laws of British Columbia, and its lawful successors from time to time;

"**Company's Auditors**" means the chartered accountant or firm of chartered accountants duly appointed as auditor or auditors of the Company from time to time;

"**Completion Notice and Direction**" means the certificate executed by the Company and BCPI in the form attached as Schedule "B" hereto and addressed to the Subscription Receipt Agent confirming that the Escrow Release Conditions have been satisfied for the applicable Class of Subscription Receipts and directing the release of applicable Escrowed Proceeds;

"**Convertible Security**" means any securities issued by the Company (other than the Subscription Receipts) carrying any purchase, exercise, conversion or exchange right pursuant to which the holder thereof may acquire Common Shares (in any case, whether such right is then exercisable or exercisable within or after a specified period and whether or not on condition or the happening of any contingency);

"**counsel**" means a barrister, solicitor or attorney (who may be an employee of the Company) or a firm of barristers and solicitors or attorneys (who may be counsel to the Company), in both cases acceptable to the Subscription Receipt Agent;

"**Current Market Price**" means, at any date, the weighted average price per share at which the Common Shares have traded:

- (i) if the Common Shares are not listed on the TSX, on any stock exchange upon which the Common Shares are listed as may be selected for this purpose by the directors, acting reasonably;
- (ii) on the TSX; or
- (iii) if the Common Shares are not listed on any stock exchange, on any over-the-counter market,

during the 20 consecutive trading days (on each of which at least 500 Common Shares are traded in board lots) ending the third trading day before such date and the weighted average price shall be determined by dividing the aggregate sale price of all Common Shares sold in board lots on the exchange or market, as the case may be, during the 20 consecutive trading days by the number of Common Shares sold, or if not traded on any recognized market or exchange, as

determined by the directors of the Company acting reasonably, after consultation with a nationally or internationally recognized and independent banker or firm of chartered accountants;

"director" means a member of the board of directors of the Company for the time being, and unless otherwise specified herein, reference to "action by the board of directors" means action by the board of directors of the Company as a board or, whenever duly empowered, action by a committee of the board;

"Dividends" means dividends (payable in cash or in securities, property or assets of equivalent value) declared payable on the Common Shares;

"Down-Round Issuance" has the meaning set forth in Section 5.2(1);

"Down-Round Price" has the meaning set out in subsection 5.2(1);

"Earnings" means any income (including interest or gains) derived, directly or indirectly, from investing the Initial Escrowed Proceeds;

"Escrow Agent" means the role of the Subscription Receipt Agent to, *inter alia*, hold and disburse the Escrowed Proceeds on behalf of the Company and Subscription Receiptholder pursuant to the terms and conditions of this Agreement;

"Escrowed Proceeds" at any time means the aggregate of: (i) the Initial Escrowed Proceeds, and (ii) any Earnings;

"Escrow Release Conditions" means, collectively, the Shareholder Release Conditions and the Performance Release Conditions;

"Escrow Release Deadline" means 5:00 p.m. (Vancouver time) on the Shareholder Approval Release Deadline or the Performance Release Deadline, as applicable;

"Escrow Release Event" means the satisfaction of one or both of the Escrow Release Conditions;

"Exchange Number" at any time means that number of Common Shares that Subscription Receiptholders are entitled to receive for each Subscription Receipt held upon exercise of the Subscription Receipts in accordance with the terms and conditions of this Agreement, being one Common Share per Subscription Receipt, or such greater number as may result upon any adjustment made pursuant to Article 5 hereof;

"Excluded Issuance" means (i) an issuance of Common Shares upon the due exercise of outstanding Convertible Securities, (ii) an issuance of Common Shares and/or Convertible Securities consented to in writing by BCPI and (iii) an issuance of Convertible Securities after June 24, 2015 pursuant to the Company's incentive stock option plan and Common Shares upon the due

exercise of such Convertible Securities;

"Exercise Date" has the meaning ascribed thereto in section 4.2;

"extraordinary resolution" has the meaning ascribed thereto in sections 9.12 and 9.15;

"Initial Escrowed Proceeds" means collectively, the Initial Shareholder Escrow Proceeds and the Initial Performance Escrow Proceeds;

"Initial Performance Escrow Proceeds" means US\$1,500,000;

"Initial Shareholder Escrow Proceeds" means US\$3,500,000;

"Internal Procedures" means in respect of the making of any one or more entries to, changes in or deletions of any one or more entries in the register at any time (including without limitation, original issuance or registration of transfer of ownership) the minimum number of the Subscription Receipt Agent's internal procedures customary at such time for the entry, change or deletion made to be complete under the operating procedures followed at the time by the Subscription Receipt Agent, it being understood that neither preparation nor issuance shall constitute part of such procedures for any purpose of this definition;

"Performance Subscription Receipts" means the subscription receipts authorized to be created by the Company as Performance Subscription Receipts under section 2.1 and issued and Authenticated or certified under this Agreement, each Performance Subscription Receipt shall entitle the holder thereof to acquire one Common Share subject to the terms and conditions of this Agreement;

"Performance Release Conditions" means the following:

- (i) the conversion to Common Shares of the Shareholder Approval Subscription Receipts;
- (ii) the Company having fulfilled all conditions imposed by the TSX for the listing of the Common Shares issuable upon the conversion of the Performance Subscription Receipts on the TSX (excluding filings and other matters permitted to be performed or delivered after the listing of the Common Shares), including approval of the conversion at a shareholder meeting; and
- (iii) the Company having completed trial runs for the production of battery grade lithium carbonate from hectorite clay at its demonstration plant in Germany (the **"Demonstration Plant"**), with such results being confirmed by the Company's technical consultant and technician team as being on target and sufficient to proceed with feasibility study and investment in a process plant;

- (iv) the Company having delivered to BCPI on or before July 31, 2015, or such other date as may be agreed to by BCPI, a copy of a complete business and marketing plan, the contents of which being satisfactory to BCPI in its sole discretion; and
- (v) delivery to the Subscription Receipt Agent of a Completion Notice and Direction for the Performance Subscription Receipts in the form set forth in Schedule "B";

"Performance Release Deadline" means September 30, 2015, or to the extent that the Company and BCPI agree, acting reasonably, that further time is required to satisfy technical due diligence at the Demonstration Plant pursuant to the Performance Release Conditions, such longer period as the Company and BCPI agree to ending no later than December 31, 2015;

"person" means an individual, a firm, a corporation, a partnership, a syndicate, a trust, an association or any unincorporated organization and words importing persons are intended to have a similarly extended meaning;

"Purchaser" means BCPI, or a transferee to whom BCPI has validly transferred Subscription Receipts;

"Qualified Investments" means short term interest bearing or discount debt obligations issued or guaranteed by the U.S. Government or the Government of Canada (or any state or province thereof) provided that each such obligation is rated at least R1 (middle) by Dominion Bond Rating Service Limited or an equivalent rating by an equivalent rating service as agreed to by the Company and TD Securities;

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

"Rights Offering" has the meaning ascribed thereto in subsection 5.2(3);

"Securities Commissions" means the securities commissions or similar regulatory authorities in each of the provinces and territories of Canada where Subscription Receipts are issued;

"Securities Laws" means, collectively, the applicable securities laws of the United States and each of the states of the United States and each of the provinces and territories of Canada and the respective regulations made and forms prescribed thereunder together with all applicable published rules, policy statements, notices and blanket orders and rulings of the Securities Commissions or similar regulatory authorities (including the TSX) in each of the provinces and territories of Canada, the United States and in each of the states of the United States;

"Share Reorganization" has the meaning ascribed thereto in subsection 5.2(2);

"Special Distribution" has the meaning ascribed thereto in subsection 5.2(4);

"shareholder" means a holder of record of one or more Common Shares or shares of any other class or series in the capital of the Company;

"Shareholder Approval Subscription Receipts" means the subscription receipts authorized to be created by the Company under section 2.1 and issued and Authenticated or certified under this Agreement, each Shareholder Approval Subscription Receipt shall entitle the holder thereof to acquire one Common Share subject to the terms and conditions of this Agreement;

"Shareholder Approval Release Deadline" means September 14, 2015 or such other date as may be agreed to by the Company and BCPI, provided such date is no later than the Performance Release Deadline;

"Shareholder Release Conditions" means:

- (i) the Company having fulfilled all conditions imposed by the TSX for the listing of the Common Shares issuable upon the conversion of the Performance Subscription Receipts on the TSX (excluding filings and other matters permitted to be performed or delivered after the listing of the Common Shares), including approval of the conversion at a shareholder meeting; and
- (ii) delivery to the Subscription Receipt Agent of a Completion Notice and Direction for the Shareholder Subscription Receipt in the form set forth in Schedule "B";

"Subscription Agreement" means the Investment/Subscription Agreement between BCPI and the Company dated June 24, 2015 (as amended);

"Subscription Receipt Agent" means Computershare Trust Company of Canada, a trust company governed by the laws of Canada, or any lawful successor thereto including through the operation of section 11.7;

"Subscription Receipt Certificates" means the certificates representing the Subscription Receipts substantially in the form attached as Schedule "A" or such other forms as may be approved by the Subscription Receipt Agent, BCPI and the Company evidencing Subscription Receipts with such appropriate legends, insertions, deletions, substitutions and variations as may be required or permitted by the terms of this Agreement;

"Subscription Receiptholder's Escrowed Proceeds" means at any time the aggregate purchase price of the Subscription Receipts held by the Subscription Receiptholder together with its pro rata portion of the Earnings;

"Subscription Receiptholders" or **"holders"** means BCPI, or such other holders of Subscription Receipts from time to time entered in the register maintained pursuant to section 3.4;

"Subscription Receiptholders' Request" means an instrument, signed in one

or more counterparts by Subscription Receiptholders representing, in the aggregate, not less than 10% of the aggregate number of all Subscription Receipts then outstanding, requesting the Subscription Receipt Agent to take some action or proceeding specified therein;

"Subscription Receipts" means the Shareholder Approval Subscription Receipts and the Performance Subscription Receipts authorized to be created by the Company under section 2.1 and issued and certified under this Agreement, and evidenced by Subscription Receipt Certificates;

"Subsidiary" means a corporation, a majority of the outstanding voting shares of which are owned, directly or indirectly, by the Company or by one or more subsidiaries of the Company and, as used in this definition, "voting shares" means shares of a class or classes ordinarily entitled to vote for the election of the majority of the directors of a corporation irrespective of whether or not shares of any other class or classes shall have or might have the right to vote for directors by reason of the happening of any contingency;

"Termination Date" means, for a Class, the date on which the Termination Event occurs for that Class;

"Termination Event" means, for a Class, any one of:

- (i) the failure of the Company to satisfy the applicable Escrow Release Conditions prior to the applicable Escrow Release Deadline for that Class; or
- (ii) the Company and BCPI mutually agree in writing to terminate this Agreement prior to satisfaction of the applicable Escrow Release Conditions for that Class;

"Termination Notice" means the notice to be provided to the Subscription Receipt Agent and each Subscription Receiptholder by the Company in the form attached as Schedule "C" hereto forthwith following a Termination Event pursuant to section 7.4 confirming that a Termination Event has occurred;

"Termination Time" means 5:00 p.m. (Vancouver time) on the applicable Termination Date;

"this Agreement", **"herein"**, **"hereby"** and similar expressions mean or refer to this Subscription Receipt Agreement and any agreement, deed or instrument supplemental or ancillary hereto; and the expressions **"Article"**, **"section"** or **"subsection"** followed by a number or letter mean and refer to the specified Article, section or subsection of this Agreement;

"trading day" means a day on which the TSX (or such other exchange on which the Common Shares are listed and which forms the primary trading market for such shares) is open for trading, and if the Common Shares are not listed on a stock exchange, a day on which an over-the-counter market where such shares

are traded is open for business;

“transaction instruction” means a written order signed by the holder, entitled to request that one or more actions be taken, or such other form as may be reasonably acceptable to the Subscription Receipt Agent, requesting one or more such actions to be taken;

“TSX” means the Toronto Stock Exchange;

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

“written direction of the Company”, “written order of the Company”, “written request of the Company”, “written consent of the Company” and **“certificate of the Company”** and any other document required to be signed by the Company, means, respectively, a written direction, order, request, consent, certificate or other document signed in the name of the Company by any officer or director and may consist of one or more instruments so executed.

1.2 Words Importing the Singular

Unless elsewhere otherwise expressly provided or unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders.

1.3 Interpretation not Affected by Headings

The division of this Agreement into Articles, sections, subsections and paragraphs, the provision of a table of contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Day not a Business Day

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

1.5 Time of the Essence

Time shall be of the essence in all respects in this Agreement, the Subscription Receipts and the Subscription Receipt Certificates (if any).

1.6 Governing Law

This Agreement, the Subscription Receipts and the Subscription Receipt Certificates (if any) shall be construed and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and shall be treated in all respects as British Columbia contracts.

1.7 Meaning of "outstanding" for Certain Purposes

Except as provided in section 4.2, every applicable Subscription Receipt Certificate Authenticated or countersigned and delivered by the Subscription Receipt Agent hereunder shall be deemed to be outstanding until the earlier of the Exercise Date or the applicable Termination Date, provided however that:

- (a) where a Subscription Receipt Certificate has been issued in substitution for a Subscription Receipt Certificate that has been lost, stolen or destroyed, only the Subscription Receipt Certificate so issued in substitution shall be counted for the purpose of determining the Subscription Receipts outstanding; and
- (b) for the purpose of any provision of this Agreement entitling holders of outstanding Subscription Receipts to vote, sign consents, requests or other instruments or take any other action under this Agreement, Subscription Receipts owned legally or equitably by the Company or any Subsidiary or any partnership to which the Company may be directly or indirectly a party shall be disregarded, except that:
 - (i) for the purpose of determining whether the Subscription Receipt Agent shall be protected in relying on any vote, consent, request or other instrument or other action, only the Subscription Receipts of which the Subscription Receipt Agent has notice that they are so owned shall be disregarded; and
 - (ii) Subscription Receipts so owned that have been pledged in good faith other than to the Company or any Subsidiary or any partnership to which the Company may be directly or indirectly a party shall not be so disregarded if the pledgee establishes to the satisfaction of the Subscription Receipt Agent, by providing the Subscription Receipt Agent with a legal opinion of counsel, the pledgee's right to vote the Subscription Receipts in the pledgee's discretion free from the control of the Company or any Subsidiary or any partnership to which the Company may be directly or indirectly a party to pursuant to the terms of the pledge.

1.8 Currency

Unless otherwise stated, all dollar amounts referred to in this Agreement are in Canadian dollars.

1.9 Termination

This Agreement shall continue in full force and effect until the date that no Subscription Receipts are outstanding hereunder; provided that this Agreement shall continue in effect thereafter, if applicable, until the Company and the Subscription Receipt Agent have fulfilled all of their respective obligations under this Agreement.

ARTICLE 2 ISSUE OF SUBSCRIPTION RECEIPTS

2.1 Issue of Subscription Receipts

(1) A total of 2,764,263 Shareholder Approval Subscription Receipts and 6,449,948 Performance Subscription Receipts are hereby created and authorized to be issued upon the terms and conditions herein set forth. Subscription Receipt Certificates evidencing Subscription Receipts shall be executed by an authorized signatory of the Company, and, upon the written direction of the Company, shall be certified by or on behalf of the Subscription Receipt Agent and delivered by the Subscription Receipt Agent in accordance with such written direction of the Company.

(2) The Subscription Receipt Certificates representing the Subscription Receipts shall be substantially in the form attached hereto as Schedule "A", and each shall bear such legends, distinguishing letters and numbers as the Company, with the approval of the Subscription Receipt Agent, may prescribe, and Subscription Receipts shall only be issuable in whole number denominations.

2.2 Terms of Subscription Receipts

(1) Subject to the provisions of ARTICLE 4 and ARTICLE 7, each of the Subscription Receipts issued under section 2.1 shall entitle the holder thereof to receive from the Company, without further payment therefor or other action on the part of the holder, the number of Common Shares equal to the Exchange Number in effect at the Exercise Date.

(2) Fractional Subscription Receipts shall not be issued or otherwise provided for and shall be disregarded for all purposes.

2.3 Issue in Substitution for Lost Subscription Receipt Certificates

(1) In case any of the Subscription Receipt Certificates issued and certified in this Agreement shall become mutilated or be lost, destroyed or stolen, the Company, subject to applicable law and this Agreement, shall issue and thereupon the Subscription Receipt Agent shall certify and deliver a new Subscription Receipt Certificate of like tenor, and bearing the same legends, if any, as the one mutilated, lost, destroyed or stolen upon surrender of, in place of and upon cancellation of the mutilated Subscription Receipt Certificate or in lieu of and in substitution for the lost, destroyed or stolen Subscription Receipt Certificate and the substituted Subscription Receipt Certificate shall be in a form approved by the Subscription Receipt Agent and the Subscription Receipts evidenced by it will entitle the holder to the benefit hereof and will

rank equally in accordance with its terms with all other Subscription Receipt Certificates issued or to be issued hereunder.

(2) The applicant for the issue of a new Subscription Receipt Certificate pursuant to this section shall bear the cost of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to the Company and to the Subscription Receipt Agent such evidence of ownership and of the loss, destruction or theft of the Subscription Receipt Certificate so lost, destroyed or stolen as shall be satisfactory to the Company and to the Subscription Receipt Agent in their discretion and the applicant shall also be required to furnish an indemnity and surety bond in amount and form satisfactory to the Company and the Subscription Receipt Agent in their discretion and shall pay the reasonable charges of the Company and the Subscription Receipt Agent in connection therewith.

2.4 Subscription Receiptholder not a Shareholder

Nothing in this Agreement or in the holding of a Subscription Receipt or otherwise shall be construed as conferring upon a Subscription Receiptholder any right or interest whatsoever as a shareholder or other holder of an equity interest in the Company, including but not limited to the right to vote at, to receive notice of, or to attend meetings of shareholders or other securityholders or any other proceedings of the Company or the right to receive any Dividends or other distributions.

2.5 Subscription Receipts to Rank Pari Passu

A Subscription Receipt shall rank *pari passu* with all other Subscription Receipts, whatever may be the actual date of issue of the Subscription Receipt Certificates that evidence same.

2.6 Signing of Subscription Receipts

The Subscription Receipts evidenced by Subscription Receipt Certificates shall be signed by any one of the directors or officers of the Company and may, but need not be under a corporate seal of the Company or a reproduction thereof. The signature of any such director or officer may be mechanically reproduced in facsimile, engraved, printed or lithographed and Subscription Receipt Certificates bearing those facsimile signatures shall be binding upon the Company as if they had been manually signed by the director or officer. Notwithstanding that the person whose manual or facsimile signature appears on any Subscription Receipt Certificate as a director or officer may no longer hold office at the date of the Subscription Receipt Certificate or at the date of certification or delivery thereof, any Subscription Receipt Certificate signed as aforesaid shall, subject to section 2.8, be valid and binding upon the Company and the registered holder thereof will be entitled to the benefits of this Agreement.

2.7 Authentication and Certification by the Subscription Receipt Agent

(1) No Subscription Receipt shall be issued or, if issued, shall be valid or entitle the holder to the benefit hereof until it has been Authenticated or certified by manual

signature by or on behalf of the Subscription Receipt Agent in accordance with a written direction of the Company, substantially in the form approved by the Company and the Subscription Receipt Agent and the Authentication or certification by the Subscription Receipt Agent of any Subscription Receipt shall be conclusive evidence as against the Company that the Subscription Receipt so Authenticated or certified has been duly issued hereunder and that the holder is entitled to the benefit hereof.

(2) The Authentication or certification of the Subscription Receipts by the Subscription Receipt Agent shall not be construed as a representation or warranty by the Subscription Receipt Agent as to the validity of this Agreement or of the Subscription Receipt (except the due Authentication or certification thereof) and the Subscription Receipt Agent shall in no respect be liable or answerable for the use made of the Subscription Receipts or any of them or of the consideration therefor, except as otherwise specified herein.

2.8 Legended Certificates

(1) The Subscription Receipt Agent understands and acknowledges that the Subscription Receipts and the Common Shares issuable upon exercise of the Subscription Receipts have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States.

(2) Each Subscription Receipt originally issued to every Purchaser, all Subscription Receipts issued in exchange for or in substitution of the Subscription Receipts and all Common Shares underlying the Subscription Receipts and issued prior to November 21, 2015, shall bear the following legend:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE
HOLDER OF THIS SECURITY MUST NOT TRADE THE
SECURITY BEFORE NOVEMBER 21, 2015.

provided that if, at any time, in the opinion of counsel to the Company, such legend is no longer necessary or advisable under applicable Securities Laws, or the holder of any such legended certificate, at the holder's expense, provides the Company with evidence satisfactory in form and substance to the Company (which may include an opinion of counsel satisfactory to the Company) to the effect that such legend is not required, such legended certificate may thereafter be surrendered to the Company in exchange for a certificate which does not bear such legend.

ARTICLE 3 EXCHANGE AND OWNERSHIP OF SUBSCRIPTION RECEIPTS

3.1 Exchange of Subscription Receipts

(1) One or more Subscription Receipt Certificates may, upon compliance with the requirements of the Subscription Receipt Agent, acting reasonably, be exchanged for one or more other Subscription Receipt Certificates of different denomination(s) evidencing in the aggregate an equal number or principal amount of Subscription

Receipts as the number or principal amount of Subscription Receipts represented by the Subscription Receipt Certificates being exchanged.

(2) Subscription Receipt Certificates may be exchanged only at the principal transfer offices of the Subscription Receipt Agent in Vancouver, British Columbia or at any other place that is designated by the Company in writing with the approval of the Subscription Receipt Agent. Any Subscription Receipt Certificates tendered for exchange shall be surrendered to the Subscription Receipt Agent or to its agent and cancelled. The Company shall sign all Subscription Receipt Certificates necessary to carry out exchanges as aforesaid and those Subscription Receipt Certificates shall be certified by or on behalf of the Subscription Receipt Agent.

(3) Subscription Receipt Certificates exchanged for Subscription Receipt Certificates that bear the legend set forth in section 2.8(2) shall bear the same legend.

3.2 Charges for Exchange

For each Subscription Receipt Certificate exchanged, the Subscription Receipt Agent, except as otherwise herein provided, shall charge, if required by the Company, a reasonable sum for each new Subscription Receipt Certificate issued. The party requesting the exchange, as a condition precedent thereto, shall pay such charges and shall pay or reimburse the Subscription Receipt Agent or the Company for all exigible transfer taxes or governmental or other similar transfer charges required to be paid in connection therewith.

3.3 Ownership of Subscription Receipts

The Company and the Subscription Receipt Agent and their respective agents may deem and treat the registered holder of any Subscription Receipt as the absolute owner for all purposes and the Company and the Subscription Receipt Agent and their respective agents shall not be affected by any knowledge to the contrary.

3.4 Registration and Transfer of Subscription Receipts

(1) The Company hereby appoints the Subscription Receipt Agent as registrar of the Subscription Receipts. Branch registers shall also be kept at such other place or places, if any, as the Company, with the approval of the Subscription Receipt Agent, may designate.

(2) The Company shall cause a register to be kept by the Subscription Receipt Agent and the Subscription Receipt Agent agrees to maintain such a register at its principal stock transfer offices in Vancouver, British Columbia in which shall be entered the names and addresses of the holders of Subscription Receipts and other particulars of the Subscription Receipts held by them respectively and of all transfers of Subscription Receipts, and the Subscription Receipt Agent shall be entitled to rely on such register in connection with the exchange, transfer, exercise or automatic exercise of any Subscription Receipt or Subscription Receipts pursuant to the terms of this Agreement or the terms thereof. No transfer of Subscription Receipts shall be valid

unless: (i) made by the registered holder or the holder's executors or administrators or other legal representatives or the holder's or their attorney duly appointed by an instrument in writing, in form and executed in a manner satisfactory to the Subscription Receipt Agent; (ii) upon compliance with all applicable Securities Laws and such reasonable requirements as the Subscription Receipt Agent may prescribe; (iii) unless the transfer shall have been duly entered on the register by the Subscription Receipt Agent; and (iv) upon surrender of the Subscription Receipts to be transferred in accordance with this Article and, where applicable, transaction instructions and a duly completed and executed Transfer Form attached to the Subscription Receipt Certificate. The Subscription Receipt Agent shall rely on the Transfer Form signed by the transferor without further enquiry.

(3) The register referred to in this section shall at all reasonable times be open for inspection by the Company, by the Subscription Receipt Agent and by any Subscription Receiptholder upon receipt by the Subscription Receipt Agent of a written request to permit such an inspection during normal business hours.

(4) Subject to subsection 3.4(2) the holder of a Subscription Receipt may at any time and from time to time have the Subscription Receipt transferred in accordance with such reasonable regulations as the Subscription Receipt Agent and the Company may prescribe.

(5) Except as required by law, neither the Subscription Receipt Agent nor any other registrar nor the Company shall be charged with notice of or be bound to see to the execution of any trust, whether express, implied or constructive, in respect of any Subscription Receipt and may transfer any Subscription Receipt on the written direction of the holder thereof, whether named as trustee or otherwise, as though that person were the beneficial owner thereof.

(6) The Subscription Receipt Agent shall, when requested so to do in writing by the Company, and upon payment of its reasonable fees and expenses, furnish the Company with a list of names and addresses of the Subscription Receiptholders showing the number of Subscription Receipts held by each Subscription Receiptholder and the date and particulars of issue and transfer of each Subscription Receipt.

(7) No duty shall rest with the Subscription Receipt Agent to determine compliance of the transferor or transferee of the Subscription Receipts with applicable Securities Laws. The Subscription Receipt Agent shall be entitled to assume that all transfers are legal and proper and in compliance with Securities Laws unless otherwise notified in writing by the Company.

(8) Any Subscription Receipt issued to a transferee shall bear the legend as set forth in subsection 2.8(2).

ARTICLE 4 RELEASE OF ESCROWED PROCEEDS AND AUTOMATIC EXERCISE OF SUBSCRIPTION RECEIPTS

4.1 Satisfaction of Escrow Release Conditions

(1) Upon the satisfaction of the Shareholder Release Conditions prior to the applicable Escrow Release Deadline: (a) the Company shall forthwith deliver to BCPI a certificate executed by an officer of the Company confirming that Shareholder Release Conditions have been satisfied, other than paragraph (ii) set out in the definition thereof; and (b) the Company and BCPI shall forthwith deliver to the Subscription Receipt Agent by facsimile, email or courier to the address of the Subscription Receipt Agent set out in ARTICLE 12 the Completion Notice and Direction substantially in the form attached hereto as Schedule "B" in respect of the Shareholder Approval Subscription Receipts.

(2) Upon the satisfaction of the Performance Escrow Release Conditions prior to the applicable Escrow Release Deadline: (a) the Company shall forthwith deliver to BCPI a certificate executed by an officer of the Company confirming that Performance Release Conditions have been satisfied, other than paragraph (v) set out in the definition thereof; and (b) the Company and BCPI shall forthwith deliver to the Subscription Receipt Agent by facsimile, email or courier to the address of the Subscription Receipt Agent set out in ARTICLE 12 the Completion Notice and Direction substantially in the form attached hereto as Schedule "B" in respect of the Performance Subscription Receipts.

Upon receipt of a duly executed Completion Notice and Direction, the Subscription Receipt Agent shall take the actions and comply with the requirements set forth in section 7.3 hereof.

4.2 Exercise of Subscription Receipts by Subscription Receipt Agent on Behalf of Subscription Receiptholders

Provided that the Escrow Release Conditions have been satisfied, the Subscription Receipts shall be automatically exercised on the date that the applicable Completion Notice and Direction has been received by Subscription Receipt Agent (the "**Exercise Date**") without the payment of any further consideration or the undertaking of any further action on the part of the holders, and the Company shall issue or cause its transfer agent to issue the Common Shares to the former Subscription Receiptholders.

4.3 Effect of Exercise of Subscription Receipts

(1) (a) Upon the exercise of the Subscription Receipts, each holder will receive the number of Common Shares determined in accordance with section 2.2 and the following shall occur:

- (i) the Subscription Receipt Agent shall courier to holders, share certificates representing the Common Shares to which they are entitled as soon as practicable; and
- (ii) the Company shall cause the transfer agent to forthwith enter the

holder on the register of shareholders as the holder of the Common Shares and the Common Shares so acquired shall be deemed to have been issued, and the person or persons to whom those Common Shares are to be issued shall be deemed to have become the shareholder or shareholders of record of the Common Shares, notwithstanding that a certificate may not yet have been issued or entered, unless the registers of the Company shall be closed on that date, in which case the Common Shares so acquired shall be deemed to be issued and the person or persons shall be deemed to become the shareholder or shareholders, as the case may be, of record of the Common Shares, on the date on which the registers are reopened and the Common Shares shall be issued on the later date.

The holder of a Subscription Receipt deemed exercised in accordance with this Article 4, shall have no further rights hereunder except to receive Common Shares pursuant to this section 4.3(1)(a).

(2) If, in the opinion of counsel, any instrument is required to be filed with, or any permission, order or ruling is required to be obtained from, any securities administrator, regulatory agency or governmental authority in Canada or any other jurisdiction or any other step is required under any federal or provincial law of Canada or before the Common Shares, issuable upon the exercise of the Subscription Receipts may be issued or delivered to a Subscription Receiptholder, the Company covenants that it will use its best efforts to file such instrument, obtain such permission, order or ruling or take all such other actions, at its expense, as is required or appropriate in the circumstances provided, however, that in no event shall the Company be required to file a registration statement or a prospectus in any jurisdiction.

(3) The Company will give written notice of the issue of the Common Shares issuable upon exercise of the Subscription Receipts, in such detail as may be required, to each securities regulatory agency or government authority in Canada in each jurisdiction in which there is legislation requiring the giving of any such notice.

(4) Any Common Shares, that are issued upon the exercise of any Subscription Receipts, as applicable, bearing the legend set forth in section 2.8(2) may not be delivered to the holder thereof unless such Common Shares bear the legend set forth in subsection 2.8(2).

4.4 No Fractional Common Shares

Under no circumstances shall the Company be obliged to issue any fractional Common Shares or any cash or other consideration in lieu thereof upon the exercise of one or more Subscription Receipts. To the extent that the holder of one or more Subscription Receipts would otherwise have been entitled to receive on the exercise or partial exercise thereof a fraction of a Common Share, such Common Share shall be rounded down to the nearest whole number and no consideration will be paid in lieu thereof.

4.5 Expiration of Subscription Receipts

(1) The Subscription Receipts shall expire at the Termination Time of the applicable Subscription Receipts, whereupon the Subscription Receipt Agent shall, upon receipt of a Termination Notice, take the actions and comply with the requirements set forth in section 7.4 hereof.

ARTICLE 5 ADJUSTMENT OF EXCHANGE NUMBER

5.1 Definitions

In this Article, the terms “**record date**” and “**effective date**” where used herein shall mean the close of business on the relevant date.

5.2 Adjustment of Exchange Number

The Exchange Number (or the number and kind of shares or securities to be received upon exercise in the case of subsection 5.2(5)) (and the price per Subscription Receipt (in the case of subsection 5.2(1)) shall be subject to adjustment from time to time in the events and in the manner provided in section 5.3 and as follows:

(1) If, prior to the earlier of the Shareholder Approval Subscription Receipts conversion date and the Shareholder Approval Release Deadline, the Company enters into a binding agreement or publicly announces an intention to issue and sell additional Common Shares or Convertible Securities, at a price, or conversion price, per security (and if such price or conversion price is not in Canadian dollars, such price or conversion price shall, for the purposes hereof, be deemed to have been converted into Canadian dollars based on the Bank of Canada noon exchange rate on the applicable date, as agreed between the parties) less than the price per Subscription Receipt (which the parties hereto agree equates to C\$0.70) (such lower price being referred to herein as the “**Down-Round Price**”), whether by private placement, public offering or otherwise, but excluding an Excluded Issuance, (a “**Down-Round Issuance**”) then, promptly upon the occurrence of the entering into of such binding agreement or the making of such public announcement, the Company shall deliver notice to BCPI containing the number of Equity Securities to be included in the Down-Round Issuance by the Company, the date or proposed date of completion, the price and other terms and conditions of such Down-Round Issuance and, as soon as practicable thereafter, confirmation that such Down-Round Issuance and its terms have been accepted by the TSX on a conditional basis.

Following delivery by the Company of a notice of a Down-Round Issuance pursuant to subsection 5.2(1), the Exchange Number will be adjusted effective immediately in accordance with the following formula:

$$\frac{\text{C\$0.70}}{\text{Down-Round Price}} = \text{Exchange Number}$$

The Company shall apply for TSX conditional acceptance for any additional Common Shares issuable to BCPI pursuant to this subsection 5.2(1) prior to closing the Down-Round Issuance. If the Company provides notice of more than one Down-Round Issuance, the Exchange Number will be equal to that which is calculated on the lowest Down-Round Price for which notice has been delivered by the Company.

(2) If, prior to the Exercise Date, the Company shall:

- (a) issue to all or substantially all the holders of the Common Shares, by way of a stock distribution, stock dividend or otherwise, Common Shares or Convertible Securities; or
- (b) subdivide its outstanding Common Shares into a greater number of shares; or
- (c) combine or consolidate its outstanding Common Shares into a smaller number of shares,

(any of these events being herein called a "**Share Reorganization**"),

the Exchange Number shall be adjusted effective immediately after the record date at which the holders of Common Shares are determined for the purposes of the Share Reorganization to a number that is the product of (1) the Exchange Number in effect on the record date and (2) a fraction:

- (i) the numerator of which shall be the number of Common Shares outstanding after giving effect to the Share Reorganization; and
- (ii) the denominator of which shall be the number of Common Shares outstanding on the record date before giving effect to the Share Reorganization.

For the purposes of determining the number of Common Shares outstanding at any particular time for the purpose of this subsection 5.2(2), there shall be included that number of Common Shares which would have resulted from the conversion at that time of all outstanding Convertible Securities.

(3) If, prior to the Exercise Date, the Company shall issue rights, options or warrants to all or substantially all the holders of the Common Shares pursuant to which those holders are entitled to subscribe for, purchase or otherwise acquire Common Shares or Convertible Securities within a period of 45 days from the date of issue thereof at a price, or at a conversion price, of less than 95% of the Current Market Price at the record date for such distribution (any such issuance being herein called a "**Rights Offering**" and Common Shares that may be acquired in exercise of the Rights Offering or upon conversion of the Convertible Securities offered by the Rights Offering being herein called the "**Offered Shares**"), the Exchange Number shall be adjusted effective immediately after the record date at which holders of Common Shares are determined for the purposes of the Rights Offering to an Exchange Number that is the product of (1) the Exchange Number in effect on the record date and (2) a fraction:

- (a) the numerator of which shall be the sum of (i) the number of Common Shares outstanding on the record date plus (ii) the number of Offered Shares offered pursuant to the Rights Offering or the maximum number of Offered Shares into which the Convertible Securities so offered pursuant to the Rights Offering may be converted, as the case may be; and
- (b) the denominator of which shall be the sum of:
 - (i) the number of Common Shares outstanding on the record date for the Rights Offering; and
 - (ii) the number arrived at when (A) either the product of (1) the number of Offered Shares so offered and (2) the price at which those Common Shares are offered, or the product of (3) the conversion price thereof and (4) the maximum number of Offered Shares for or into which the Convertible Securities so offered pursuant to the Rights Offering may be converted, as the case may be, is divided by (B) the Current Market Price of the Common Shares on the record date.

Any Offered Shares owned by or held for the account of the Company shall be deemed not to be outstanding for the purpose of any computation; if all the rights, options or warrants are not so issued or if all rights, options or warrants are not exercised prior to the expiration thereof, the Exchange Number shall be readjusted to the Exchange Number in effect immediately prior to the record date and the Exchange Number shall be further adjusted based upon the number of Offered Shares (or Convertible Securities into Offered Shares) actually delivered upon the exercise of the rights, options or warrants, as the case may be, but subject to any other adjustment required hereunder by reason of any event arising after that record date.

(4) If, prior to the Exercise Date, the Company shall issue or distribute to all or substantially all the holders of the Common Shares (i) shares of any class other than Common Shares, or (ii) rights, options or warrants other than rights, options or warrants (other than in respect of a Rights Offering), or (iii) evidences of indebtedness, or (iv) any other assets (excluding Dividends) and that issuance or distribution does not constitute a Share Reorganization or a Rights Offering (any of those events being herein called a **"Special Distribution"**), the Exchange Number shall be adjusted effective immediately after the record date at which the holders of Common Shares are determined for purposes of the Special Distribution to an Exchange Number that is the product of (1) the Exchange Number in effect on the record date and (2) a fraction:

- (a) the numerator of which shall be the product of (i) the sum of the number of Common Shares outstanding on the record date plus the number of Common Shares which the Subscription Receiptholders would be entitled to receive upon exercise of all their outstanding Subscription Receipts if

they were exercised on the record date and (ii) the Current Market Price thereof on that date; and

- (b) the denominator of which shall be:
 - (i) the product of (A) the sum of the number of Common Shares outstanding on the record date plus the number of Common Shares which the Subscription Receiptholders would be entitled to receive upon exercise of all their outstanding Subscription Receipts if they were exercised on the record date and (B) the Current Market Price thereof on that date;
- less,
- (ii) the aggregate fair market value, as determined by the directors (subject to TSX acceptance), whose determination shall, absent manifest error, be conclusive, of the shares, rights, options, warrants, evidences of indebtedness or other assets issued or distributed in the Special Distribution.

Any Common Shares owned by or held for the account of the Company shall be deemed not to be outstanding for the purpose of any such computation. To the extent that the distribution of shares, rights, options, warrants, evidences of indebtedness or assets if not so made or to the extent that any rights, options or warrants so distributed are not exercised, the Exchange Number shall be readjusted to the Exchange Number that would then be in effect based upon the shares, rights, options, warrants, evidences of indebtedness or assets actually distributed or based upon the number of Common Shares or Convertible Securities actually delivered upon the exercise of the rights, options or warrants, as the case may be, but subject to any other adjustment required hereunder by reason of any event arising after the record date.

(5) If, prior to the Exercise Date, there is a reorganization of the Company not otherwise provided for in subsection 5.2(1) or a consolidation, merger, amalgamation, arrangement or business combination of the Company with or into another body corporate including a transaction whereby all or substantially all of the Company's undertaking and assets become the property of any other corporation (any such event being herein called a "**Capital Reorganization**") any holder of a Subscription Receipt shall be entitled to receive and shall accept, upon the exercise of his or her right at any time after the effective date of the Capital Reorganization, in lieu of the number of Common Shares to which he or she was theretofore entitled upon exercise of the Subscription Receipt, the aggregate number of Common Shares or other securities or property of the Company, or the continuing, successor or purchasing person, as the case may be, under the Capital Reorganization that the holder would have been entitled to receive as a result of the Capital Reorganization if, on the effective date thereof, he or she had been the holder of the number of Common Shares to which immediately before the transaction he or she was entitled upon exercise of the Subscription Receipts. No Capital Reorganization shall be carried into effect unless all necessary steps shall have been taken so that the holders of Subscription Receipts shall thereafter be entitled to

receive the number of Common Shares or other securities or property of the Company or of the continuing, successor or purchasing person, as the case may be, under the Capital Reorganization, subject to adjustment thereafter in accordance with provisions the same, as nearly as may be possible, as those contained in this section and in section 5.3.

5.3 Exercise Number Adjustment Rules

The following rules and procedures shall be applicable to adjustments made pursuant to section 5.1 and 5.2:

(1) The adjustments and readjustments provided for in this Article 5 are cumulative and, subject to subsection 5.3(2), shall apply (without duplication) to successive issues, subdivisions, combinations, consolidations, distributions and any other events that require adjustment of the Exchange Number or the number or kind of Common Shares or securities purchasable hereunder.

(2) No adjustment in the Exchange Number shall be required unless the adjustment would result in a change of at least 1/2 of 1% in the Exchange Number then in effect, provided, however, that any adjustments that, except for the provisions of this subsection would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment.

(3) No adjustment in the Exchange Number shall be made in respect of any event described in paragraph 5.2(2)(a) or subsections 5.2(3) or 5.2(4) if the holders of the Subscription Receipts are entitled (subject to TSX acceptance) to participate in the event on the same terms, mutatis mutandis, as if they had exercised their Subscription Receipts immediately prior to the effective date or record date of the event.

(4) No adjustment in the Exchange Number shall be made pursuant to section 5.2 in respect of the issue of Common Shares pursuant to:

- (a) this Agreement; or
- (b) an Excluded Issuance,

and any such issue shall be deemed not to be a Share Reorganization, a Rights Offering or a Special Distribution.

(5) If a dispute shall at any time arise with respect to adjustments of the Exchange Number, the dispute shall be conclusively determined by the Company's Auditors or, if they are unable or unwilling to act, by such firm of independent chartered accountants as may be selected by the directors and any such determination shall, absent manifest error, be binding upon the Company, the Subscription Receipt Agent, the transfer agent and all Subscription Receiptholders.

(6) If the Company shall set a record date to determine the holders of Common Shares for the purpose of entitling them to receive any Dividend or distribution or any subscription or purchase rights and shall, thereafter, legally abandon its plans to pay or

deliver the Dividend or distribution or subscription or purchase rights, then no adjustment in the Exchange Number shall be required by reason of the setting of the record date.

(7) If, and whenever at any time prior to the Exercise Date, the Company shall take any action affecting or relating to the Common Shares, other than any action described in this Article 5, which in the opinion of the directors of the Company would prejudicially affect the rights of any holders of Subscription Receipts, the Exchange Number will be adjusted by the directors of the Company in such manner, if any, and at such time, as the directors of the Company, may in their sole discretion, subject to the approval of any stock exchange on which the Common Shares are listed and posted for trading, reasonably determine to be equitable in the circumstances to such holders.

(8) As a condition precedent to the taking of any action which would require an adjustment in any of the rights under the Subscription Receipts, the Company will take any action which, in the opinion of counsel to the Company, may be necessary in order that the Company, or any successor to the Company or successor to the undertaking or assets of the Company will be obligated to and may validly and legally issue all the Common Shares which the holders of the Subscription Receipts would be entitled to receive thereafter and to exercise such Subscription Receipts in accordance with the provisions hereof.

5.4 Postponement of Subscription

In any case where the application of section 5.2 results in an increase of the Exchange Number taking effect immediately after the record date for or occurrence of a specific event, if any Subscription Receipts are exercised after that record date or occurrence and prior to completion of the event or of the period for which a calculation is required to be made, the Company may postpone the issuance to the holder of the Subscription Receipts of the Common Shares to which the holder is entitled by reason of the increase of the Exchange Number but the Common Shares shall be so issued and delivered to that holder upon completion of that event or period, with the number of those Common Shares calculated on the basis of the Exchange Number on the Exercise Date, adjusted for completion of that event or period, and the Company shall forthwith after the Exercise Date, deliver to the person or persons in whose name or names the Common Shares are to be issued an appropriate instrument evidencing the person's or persons' right to receive the Common Shares.

5.5 Notice of Certain Events

(1) Promptly upon the occurrence of the earlier of the effective date of or the record date for any event referred to in Article 5 that requires an adjustment in the Exchange Number, the Company shall:

- (a) file with the Subscription Receipt Agent a certificate of the Company specifying the particulars of the event and, if determinable, the adjustment and computation of the adjustment and the Subscription Receipt Agent may act and rely absolutely on the certificate of the Company; and

- (b) give notice to the Subscription Receiptholders and to BCPI of the particulars of the event and, if determinable, the adjustment (which, for greater certainty, may be satisfied by delivery of a notice of a Down-Round Issuance pursuant to Section 5.2 (1) to the extent the adjustment is triggered by a Down-Round Issuance).
- (2) If notice has been given under subsection 5.5(1) and the adjustment is not then determinable, the Company shall promptly, after the adjustment is determinable:
 - (a) file with the Subscription Receipt Agent a computation of the adjustment; and
 - (b) give notice to the Subscription Receiptholders and to BCPI of the adjustment.

5.6 Protection of Subscription Receipt Agent

Subject to the provisions of Article 11, the Subscription Receipt Agent:

- (a) shall not at any time be under any duty or responsibility to any Subscription Receiptholder to determine whether any facts exist which may require any adjustment when made pursuant to ARTICLE 5, or with respect to the method employed in making the same;
- (b) shall not be accountable with respect to the validity or value (or kind or amount) of any Common Shares or of any shares or other securities or property which may at any time be issued or delivered upon the exercise of the rights attaching to any Subscription Receipt;
- (c) shall not be responsible for any failure of the Company to make any cash payment or to issue, transfer or deliver Common Shares or certificates for the same upon the surrender of any Subscription Receipts for the purpose of the exercise of such rights or to comply with any of the covenants contained in ARTICLE 6;
- (d) shall not incur any liability or responsibility whatever or be in any way responsible for the consequence of any breach on the part of the Company of any of the representations, warranties or covenants herein contained or of any acts of the agents or servants of the Company; and
- (e) shall be entitled to act and rely on any adjustment calculation of the directors or the Company's Auditors including any certificates provided to the Subscription Receipt Agent pursuant to Section 5.5.

ARTICLE 6 RIGHTS AND COVENANTS

6.1 General Covenants of the Company

The Company covenants with the Subscription Receipt Agent for the benefit of the Subscription Receipt Agent and the Subscription Receiptholders that so long as any Subscription Receipts remain outstanding and may be exchanged for Common Shares:

- (1) The Company will at all times maintain its existence and will carry on and conduct its business in a prudent manner in accordance with industry standards and good business practice, and will keep or cause to be kept proper books of account in accordance with applicable law.
- (2) The Company will reserve and keep available a sufficient number of Common Shares for issuance upon the exercise of Subscription Receipts issued by the Company.
- (3) The Company will cause the Common Shares from time to time subscribed for pursuant to the Subscription Receipts issued by the Company hereunder, in the manner herein provided, to be duly issued and delivered in accordance with the Subscription Receipts and the terms hereof.
- (4) The Company shall make all requisite filings required in connection with the Subscription Receipts under applicable laws and regulations, including, without limitation, applicable Securities Laws.
- (5) The Company will cause the certificates representing the Common Shares from time to time to be acquired, pursuant to the Subscription Receipts in the manner herein provided, to be duly issued and delivered in accordance with the Subscription Receipts and the terms hereof.
- (6) All Common Shares that shall be issued by the Company upon exercise of the rights provided for herein shall be issued as fully paid and non-assessable Common Shares.
- (7) The Company will use its commercially reasonable best efforts to perform and carry out all of the acts or things to be done by it as provided in this Agreement and will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, all other acts, deeds and assurances in law as the Subscription Receipt Agent, relying on the advice of Counsel, may reasonable require for the better accomplishing and effecting of the intentions and provisions of this Agreement.
- (8) The Company will promptly advise the Subscription Receipt Agent and BCPI in writing of any default under the terms of this Agreement.
- (9) The Company confirms that as at the date hereof it does not have a class of securities registered pursuant to Section 12 of the U.S. Securities Exchange Act of 1934 (the "Exchange Act") or a reporting obligation pursuant to Section 15(d) of the Exchange

Act. The Company covenants that in the event that (i) any class of its securities shall become registered pursuant to Section 12 of the Exchange Act, (ii) the Company shall incur a reporting obligation pursuant to Section 15(d) of the Exchange Act, or (iii) any such registration or reporting obligation shall be terminated by the Company in accordance with the Exchange Act, the Company shall promptly deliver to the Subscription Receipt Agent an officers' certificate (in a form provided by the Subscription Receipt Agent) notifying the Subscription Receipt Agent of such registration or termination and such other information as the Subscription Receipt Agent may reasonably require at the time. The Company acknowledges that the Subscription Receipt Agent is relying upon the foregoing representation and covenants in order to meet certain obligations of the Subscription Receipt Agent with respect to those clients of the Subscription Receipt Agent that are required to file reports with the US Securities and Exchange Commission under the Exchange Act.

6.2 Subscription Receipt Agent's Remuneration and Expenses

The Company covenants that it will pay (and shall be responsible for the payments thereof) to the Subscription Receipt Agent from time to time reasonable remuneration for its services hereunder and will pay or reimburse the Subscription Receipt Agent upon its request for all reasonable expenses and disbursements of the Subscription Receipt Agent incurred in connection with the performance of its duties as the Escrow Agent and the Subscription Receipt Agent (including the reasonable compensation and the disbursements of counsel and all other advisers, experts, accountants and assistants not regularly in its employ) both before any default hereunder and thereafter until all duties of the Subscription Receipt Agent hereunder shall be finally and fully performed, except any such expense or disbursement in connection with or related to or required to be made as a result of the gross negligence, wilful misconduct or fraud of the Subscription Receipt Agent. Any amount due under this Section 6.2 and unpaid 30 days after request for such payment shall bear interest from the expiration of such 30 days at the standard interest rate of the Subscription Receipt Agent, as varied from time to time and will be payable on demand.

6.3 Performance of Covenants by the Subscription Receipt Agent

If the Company shall fail to perform any of its covenants contained in this Agreement, the Subscription Receipt Agent shall, upon receipt of written notice of such failure notify the Subscription Receiptholders of the failure on the part of the Company or may itself perform any of the said covenants capable of being performed by it, but shall be under no obligation to do so. All reasonable sums expended or advanced by the Subscription Receipt Agent in so doing shall be repayable as provided in section 6.2. No such performance, expenditure or advance by the Subscription Receipt Agent shall be deemed to relieve the Company of any default hereunder or of its continuing obligations under the covenants herein contained.

ARTICLE 7 ESCROWED PROCEEDS

7.1 Initial Escrowed Proceeds and Distribution Amounts

On the Closing Date, the Company shall direct that the Initial Escrowed Proceeds be delivered to the Subscription Receipt Agent by way of electronic wire, and the Subscription Receipt Agent shall accept and hold the Escrowed Proceeds in escrow for and on behalf of the persons who have an interest therein pursuant hereto, shall disburse and deal with the Escrowed Proceeds in the manner contemplated by this Article and at all times shall keep the Escrowed Proceeds in a segregated account, all on the terms and subject to the conditions hereof. The Company acknowledges and agrees that it is a condition of the payment by BCPI of the purchase price for the Subscription Receipts that the Escrowed Proceeds are held in escrow by the Subscription Receipt Agent in accordance with the provisions of this ARTICLE 7. The Company and the Subscription Receipt Agent further acknowledge and confirm that (except as set forth in section 7.2(3)) they have no interest in the Escrowed Proceeds or in the Earnings thereon, and the Company shall continue to have no interest therein, unless and until the Completion Notice and Direction is delivered to the Subscription Receipt Agent.

7.2 Qualified Investments

(1) Upon receipt of a direction from the Company and BCPI, the Subscription Receipt Agent shall invest the Escrowed Proceeds in Qualified Investments in its name in accordance with such direction. Any direction from the Company to the Subscription Receipt Agent shall be in writing and shall be provided to the Subscription Receipt Agent no later than 9:00 a.m. (Vancouver time) on the Business Day before the day on which the Qualified Investment is to be made. Any such direction received by the Subscription Receipt Agent after 9:00 a.m. (Vancouver time) or received on a non-Business Day, shall be deemed to have been given prior to 9:00 a.m. (Vancouver time) the next Business Day. The Subscription Receipt Agent shall be entitled to retain for its own benefit, as partial compensation for its services hereunder, any amount of the interest earned on the Escrowed Funds that is not payable to this Section 7.2.

(2) In the event that Subscription Receipt Agent has only received partial direction with regard to the investment of the Escrowed Proceeds, the Escrowed proceeds shall be deposited into a non-interest bearing account until the Subscription Receipt Agent has been directed to so invest.

(3) In the event that the Subscription Receipt Agent does not receive any direction to invest the Escrowed Proceeds in Qualified Investments, the Escrowed Proceeds shall be deposited in one or more interest-bearing trust accounts, such accounts to be denominated in US dollars, to be maintained by the Subscription Receipt Agent in the name of the Subscription Receipt Agent at one or more banks listed in below in Subsection 7.2(5) (each such bank, an “**Approved Bank**”). The Subscription Receipt Agent shall pay interest at an annual rate which is equal to the average 90 day US Dollar treasury bill rate, such annual rate not to be less than zero. Such payment

obligation shall be calculated daily and paid to the account(s) within three (3) Business Days of each month-end. The Subscription Receipt Agent may receive investment earnings in excess of or less than the interest payable pursuant to this Section, such earnings being for the Subscription Receipt Agent's benefit or at its risk, as applicable. At any time and from time to time, the Company shall be entitled to direct the Subscription Receipt Agent by written notice (a) not to deposit any new amounts in any Approved Bank specified in the notice and/or (b) to withdraw all or any of the Escrow Amount that may then be deposited with any Approved Bank specified in the notice and re-deposit such amount with one or more of such other Approved Banks as specified in the notice. With respect to any withdrawal notice, the Subscription Receipt Agent will endeavor to withdraw such amount specified in the notice as soon as reasonably practicable and the Subscription Receipt Holders and the Company acknowledge and agree that such specified amount remains at the sole risk of Subscription Receiptholders and the Company prior to and after such withdrawal.

(4) All amounts held by the Subscription Receipt Agent pursuant to this Agreement shall be held by the Subscription Receipt Agent for the benefit of the Subscription Receiptholders and the delivery of the Escrowed Proceeds to the Subscription Receipt Agent shall not give rise to a debtor-creditor or other similar relationship between the Subscription Receipt Agent and the Subscription Receiptholders. The amounts held by the Subscription Receipt Agent pursuant to this Agreement are the sole risk of the Subscription Receiptholders and the Company and, without limiting the generality of the foregoing, the Subscription Receipt Agent shall have no responsibility or liability for any diminution of the Escrowed Proceeds which may result from any deposit made with an Approved Bank pursuant to this Section 7.2, including any losses resulting from a default by the Approved Bank or other credit losses (whether or not resulting from such a default) and any credit or other losses on any deposit liquidated or sold prior to maturity. The Company acknowledges and agrees that the Subscription Receipt Agent acts prudently in depositing the Escrowed Proceeds at any Approved Bank, and that the Subscription Receipt Agent is not required to make any further inquiries in respect of any such bank.

(5) The following are Approved Banks for the purposes of this agreement:

Bank	Relevant S&P Issuer Credit Rating (as a July 02, 2015)
Bank of America NA	A
Bank of Montreal	A+
The Bank of Nova Scotia	A+
Canadian Imperial Bank of Commerce	A+
Citibank NA	A
BMO Harris Bank	A+
Santander UK Plc	A
Societe Generale (Canada	A

Branch)	
National Australia Bank Limited	AA-
Bank of Tokyo-Mitsubishi UFJ	A+

7.3 Release of Escrowed Proceeds to the Company Upon Receipt of Completion Notice and Direction

(1) Upon receipt of a Completion Notice and Direction in respect of a Class on or before its respective Escrow Release Deadline, the Subscription Receipt Agent shall immediately liquidate Qualified Investments for the applicable portion of the Escrowed Proceeds in accordance with this Article.

(2) Escrowed Proceeds shall be released from escrow and paid by the Subscription Receipt Agent to the Company, or as otherwise directed by the Company in the Completion Notice and Direction, upon receipt by the Subscription Receipt Agent of the Completion Notice and Direction and any requisite instructions in connection therewith. Provided that the Completion Notice and Direction and any requisite instructions in connection therewith (including wire instructions) are provided to the Subscription Receipt Agent by 11:00 a.m. (Vancouver time), on the Business Day prior, the wire transfer(s) of Escrowed Proceeds in accordance with the Completion Notice and Direction shall be initiated on the same Business Day.

7.4 Release of Escrowed Proceeds on Termination

In the event that a Termination Event occurs for one or both Classes, the Company shall forthwith, and in any event no later than two Business Days following the occurrence of a Termination Event, deliver a Termination Notice to BCPI and the Subscription Receipt Agent stating the Termination Event has occurred, failing which BCPI may thereupon deliver such Termination Notice on behalf of the Company. The Company hereby waives any right of objection to BCPI delivering such Termination Notice hereunder. The Subscription Receipt Agent shall return to each such holder the Subscription Receiptholder's applicable Escrowed Proceeds within five Business Days following the Termination Date for a Class. Payment made in accordance with this ARTICLE 7 shall be made in accordance with section 7.7 hereof and the Subscription Receipt Agent shall mail such payment to such Subscription Receiptholders at their address last appearing on the register of the Subscription Receipts maintained by the Subscription Receipt Agent. All Subscription Receipts in respect of which the Subscription Receiptholder's Escrowed Proceeds have been paid to the Subscription Receiptholders shall be deemed to have been cancelled on the Termination Date and the Subscription Receipt Agent shall record the deemed cancellation of such Subscription Receipt on the register of the Subscription Receipts. Upon request the Subscription Receipt Agent shall furnish the Company with a certificate identifying the Subscription Receipt deemed to have been cancelled. All Subscription Receipts represented by Subscription Receipt which have been deemed to have been cancelled pursuant to this section 7.4 shall be without further force and effect whatsoever.

7.5 Direction

In order to permit the Subscription Receipt Agent to carry out its obligations under this ARTICLE 7, the Company hereby specifically authorizes and directs the Subscription Receipt Agent to make any stipulated payment or to take any stipulated action in accordance with the provisions of this Agreement.

7.6 Early Termination of any Investment of the Escrowed Proceeds

In making any payment pursuant to this Agreement, the Subscription Receipt Agent has the authority to liquidate any investments in order to make payments contemplated under this Article and shall not be liable for any loss sustained in the escrow account for early termination of any investment of the Escrowed Proceeds necessary to enable the Subscription Receipt Agent to make such payment.

7.7 Method of Disbursement and Delivery

(1) All disbursements of money made in accordance with the provisions of this ARTICLE 7 shall be made by cheque or wire transfer of immediately available funds drawn upon a Canadian Schedule I chartered bank or by official cheque or wire transfer of immediately available funds drawn upon the account of the Subscription Receipt Agent made payable to or to the order of the persons entitled to disbursement and in the correct amount (less all amounts required to be withheld by the Company by law, including without limitation, under the *Income Tax Act* (Canada)).

(2) If the Subscription Receipt Agent delivers any such cheque or wire transfer of immediately available funds as required under subsection 7.7(1), the Subscription Receipt Agent shall have no further obligation or liability for the amount represented thereby, unless any such cheque or wire transfer of immediately available funds is not paid on due presentation; provided that in the event of the non-receipt of such electronic deposit, cheque or wire transfer of immediately available funds by the payee, or the loss or destruction thereof, the Subscription Receipt Agent, upon being furnished with reasonable evidence of such non-receipt, loss or destruction and funding and indemnity reasonably satisfactory to it, shall initiate a new electronic deposit or issue to such payee a replacement cheque or wire transfer of immediately available funds for the amount of such cheque or wire transfer of immediately available funds.

7.8 Acknowledgements re: Escrowed Proceeds

(1) The Subscription Receipt Agent shall acknowledge receipt from BCPI of wire transfers in the aggregate amount of US\$5,000,000 and confirms that, once received, such funds will be deposited in a segregated account in the name of the Company designated as the "Western Lithium USA Corporation – Subscription Receipts" as caused to be deposited by the Company or as otherwise directed by the Company and, pending the satisfaction of the Escrow Release Conditions, will be held in accordance with section 7.2 hereof.

(2) The Company hereby:

- (a) acknowledges that the amounts received by the Subscription Receipt Agent pursuant to paragraph 7.8(1) in accordance with the Company's direction to BCPI, represents the payment in full of the purchase price for the Subscription Receipts; and
- (b) irrevocably directs the Subscription Receipt Agent to retain such amounts in accordance with the terms of this Agreement pending payment of such amounts in accordance with the terms of this Agreement.

7.9 Miscellaneous

(1) The Subscription Receipt Agent will disburse monies according to this Agreement only to the extent that monies have been deposited with it. The Subscription Receipt Agent shall be protected in acting and relying upon any written notice, request, waiver, consent, certificates, receipts, statutory declaration or other paper or document furnished to it, not only as to its due execution and the validity and effectiveness of its provisions but also as to the truth and acceptability of any information therein contained which it in good faith believes to be genuine and what it purports to be. The Subscription Receipt Agent shall have no duties except those which are expressly set forth herein, and it shall not be bound by any notice of a claim or demand with respect to, or any waiver, modification, amendment, termination or rescission of this Agreement, unless received by it in writing, and signed by the parties hereto and if its duties herein are affected, unless it shall have given its prior written consent thereto. The duties and obligations of the Subscription Receipt Agent shall be determined solely by the provisions hereof and, accordingly, the Subscription Receipt Agent shall not be responsible except for the performance of such duties and obligations as it has undertaken herein. The Subscription Receipt Agent shall retain the right not to act and shall not be held liable for refusing to act unless it has received clear and reasonable instructions which comply with the terms of this Agreement. Such documentation must not require the exercise of any discretion or independent judgment. The Subscription Receipt Agent is acting hereunder as Escrow Agent at the request of the Company and the Subscription Receiptholders and shall not be responsible as Escrow Agent except for its duties of receiving, holding and disbursing the Escrowed Proceeds pursuant to the terms and conditions of this Agreement. Any certificate of a party referred to herein, unless otherwise specified, shall, in the case of the Company, refer to a certificate of any officer or director of the Company, and, in the case of any other party, refer to a certificate of an authorized officer of such party. The Subscription Receipt Agent shall not be liable for any error in judgment or for any act done or step taken or omitted by it in good faith or for any mistake, in fact or law, or for anything which it may do or refrain from doing in connection therewith, except arising out of its own gross negligence, fraud or wilful misconduct. None of the provisions of this Agreement shall require the Subscription Receipt Agent to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers. The Subscription Receipt Agent shall not be responsible for any losses which may occur as a result of the investment of the Escrowed Proceeds where the Escrowed Proceeds have been invested in accordance with the terms of this Agreement.

(2) In the event that the Subscription Receipt Agent shall hold any amount of interest or other distributable amount which is unclaimed or which cannot be paid for any reason other than the gross negligence, fraud or wilful misconduct of the Subscription Receipt Agent, the Subscription Receipt Agent shall be under no obligation to invest or reinvest the same but shall only be obligated to hold the same on behalf of the person or persons entitled thereto in a current or other interest bearing account pending payment to the person or persons entitled thereto. The Subscription Receipt Agent shall, as and when required by law, and may at any time prior to such required time, pay all or part of such interest or other distributable amount so held to the Public Trustee of British Columbia (or other appropriate official or agency), whose receipt shall be good discharge and release of the Subscription Receipt Agent for such amounts.

(3) The Subscription Receipt Agent shall be entitled to act and rely absolutely on the Completion Notice and Direction or the Termination Notice and shall be entitled to release the Escrowed Proceeds upon the receipt of the Completion Notice and Direction or the Termination Notice as provided for in this Agreement.

(4) The parties agree that the Escrow Agent does not have any interest in the Escrowed Proceeds but is serving only as escrow agent hereunder. All taxes in respect of earnings on the Initial Escrowed Proceeds will be the obligation of and will be paid when due by the recipient of such earnings, who shall indemnify and hold the Escrow Agent harmless from and against any liability arising from such taxes, including the failure to pay such taxes. To the extent required by law, the Escrow Agent will perform its withholding, remittance and reporting obligations under the *Income Tax Act* (Canada), as amended, and the regulations promulgated thereunder and any relevant provincial legislation. The Company represents and warrants in favour of the Escrow Agent that it is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

ARTICLE 8 ENFORCEMENT

8.1 Suits by Subscription Receiptholders

Subject to section 9.11, all or any of the rights conferred upon a Subscription Receiptholder by the terms of the Subscription Receipts held by such Subscription Receiptholder and/or this Agreement may be enforced by such Subscription Receiptholder by appropriate legal proceedings but without prejudice to the right that is hereby conferred upon the Subscription Receipt Agent to proceed in its own name to enforce each and all of the provisions herein contained for the benefit of the holders of the Subscription Receipts from time to time outstanding. The Subscription Receipt Agent shall also have the power at any time and from time to time to institute and to maintain such suits and proceedings as it may reasonably be advised shall be necessary or advisable to preserve and protect its interests and the interests of Subscription Receiptholders.

Subject to applicable law, the Subscription Receipt Agent and, by acceptance of the Subscription Receipt Certificates and as part of the consideration for the issue of the

Subscription Receipts, the Subscription Receiptholders hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any person in its capacity as an incorporator or any past, present or future shareholder, director, officer, employee or agent of the Company for the creation and issue of the Subscription Receipts pursuant to any warrant or any covenant, agreement, representation or warranty by the Company herein or contained in the Subscription Receipt Certificates, if applicable.

8.2 Limitation of Liability

The obligations hereunder (including without limitation under subsection 11.6(5)) are not personally binding upon, nor shall resort hereunder be had to, the private property of any of the past, present or future directors or shareholders of the Company or any of the past, present or future officers, employees or agents of the Company but only the property of the Company (or any successor person) shall be bound in respect hereof, provided that the Subscription Receiptholders are not, for greater certainty, waiving or releasing any right, cause of action or remedy under the subscription agreements or any other agreements whether pursuant to contract, statutory right of action, subrogation or otherwise.

ARTICLE 9 MEETINGS OF SUBSCRIPTION RECEIPTHOLDERS

9.1 Right to Convene Meetings

The Subscription Receipt Agent may at any time and from time to time and shall on receipt of a written request of the Company or of a Subscription Receiptholders' Request and upon being funded and indemnified to its reasonable satisfaction by the Company or by the Subscription Receiptholders signing the Subscription Receiptholders' Request against the cost that may be incurred in connection with the calling and holding of the meeting, convene a meeting of the Subscription Receiptholders. In the event of the Subscription Receipt Agent failing within seven days after receipt of the written request of the Company or Subscription Receiptholders' Request and funding and indemnity given as aforesaid to give notice convening a meeting, the Company or the Subscription Receiptholders, as the case may be, may call and convene the meeting. Every meeting shall be held in Vancouver, British Columbia or at such other place as may be approved or determined by the Subscription Receipt Agent.

9.2 Notice

At least 14 days' notice of any meeting shall be given to the Subscription Receiptholders in the manner provided by section 12.2 and a copy of the notice shall be sent by mail to the Subscription Receipt Agent unless the meeting has been called by it and to the Company unless the meeting has been called by it. Each notice shall state the time when and the place where the meeting is to be held and shall state briefly the general nature of the business to be transacted thereat and it shall not be necessary for the notice to set out the terms of any resolution to be proposed or any of the provisions

of this ARTICLE 9. The notice convening any such meeting shall be signed by an appropriate signatory or officer of the Subscription Receipt Agent or the Company or by a representative of the Subscription Receiptholders, as the case may be.

9.3 Chairman

A person (who need not be a Subscription Receiptholder) nominated in writing by the Subscription Receipt Agent shall be chairman of the meeting and if no person is so nominated or if the person so nominated is not present within 15 minutes from the time fixed for the holding of the meeting, the Subscription Receiptholders present in person or by proxy shall choose a person present to be chairman.

9.4 Quorum

Subject to the provisions of section 9.12 (which addresses extraordinary resolutions), at any meeting of the Subscription Receiptholders a quorum shall consist of Subscription Receiptholders present in person or by proxy and representing at least 25% of the aggregate number of then outstanding Subscription Receipts. If a quorum of the Subscription Receiptholders shall not be present within one-half hour from the time fixed for holding any meeting, the meeting, if summoned by the Subscription Receiptholders or on a Subscription Receiptholders' Request, shall be dissolved; but, subject to section 9.12, in any other case the meeting shall stand adjourned to such day being not less than ten days later and to such place and time as may be designated by the chairman of the meeting and at least five days' notice shall be given of such adjourned meeting. No business shall be transacted at any meeting unless a quorum is present at the commencement of the meeting. At the adjourned meeting, the Subscription Receiptholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened, notwithstanding that they may not represent at least 25% of the aggregate number of then outstanding Subscription Receipts.

9.5 Power to Adjourn

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

9.6 Show of Hands

Every question submitted to a meeting shall, subject to section 9.7, be decided in the first place by a majority of the votes given by Subscription Receiptholders on a show of hands, case except that votes on an extraordinary resolution shall be given in the manner hereinafter provided. At any meeting, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Subscription Receipts, if any,

held by him.

9.7 Poll

On every extraordinary resolution and on any other question submitted to a meeting upon which a poll is directed by the chairman or requested by one or more of the Subscription Receiptholders acting in person or by proxy and representing at least 5% of the aggregate number of all Subscription Receipts then outstanding, a poll shall be taken in such manner as the chairman shall direct. Questions other than those required to be determined by an extraordinary resolution shall be decided by (i) a majority of the votes cast on a poll by Subscription Receiptholders, and (ii) a majority of the votes cast on a poll by Subscription Receiptholders.

9.8 Voting

On a show of hands, every person who is present and entitled to vote, whether as an Subscription Receiptholder or as proxy for one or more absent Subscription Receiptholders or both, shall have one vote. On a poll, each Subscription Receiptholder present in person or represented by proxy duly appointed by instrument in writing shall be entitled to one vote in respect of each Subscription Receipt then held by him. A proxy need not be a Subscription Receiptholder. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Subscription Receipts, if any, held or represented by him but shall not be entitled to a casting vote in the case of an equality of votes.

On a show of hands, every person who is present and entitled to vote, whether as a Subscription Receiptholder or as proxy for one or more absent Subscription Receiptholders or both, shall have one vote. On a poll, each Subscription Receiptholder present in person or represented by proxy duly appointed by instrument in writing shall be entitled to one vote in respect of each Subscription Receipt then held by him. A proxy need not be a Subscription Receiptholder. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Subscription Receipts, if any, held or represented by him but shall not be entitled to a casting vote in the case of an equality of votes.

Votes of Subscription Receiptholders and Subscription Receiptholders shall be taken and tabulated as separate class votes.

9.9 Regulations

The Subscription Receipt Agent, or the Company with the approval of the Subscription Receipt Agent, from time to time, may make or vary such regulations as they shall think fit:

- (a) for the setting of a record date for a meeting for the purposes of determining the Subscription Receiptholders entitled to receive notice of an to vote at the meeting;
- (b) for the deposit of instruments appointing proxies at such place and time as

the Subscription Receipt Agent, the Company or the Subscription Receiptholders convening the meeting, as the case may be, may in the notice convening the meeting direct;

- (c) for the deposit of instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of the instruments appointing proxies to be sent by mail, facsimile, cable, telex or other means of prepaid, transmitted, recorded communication before the meeting to the Company or to the Subscription Receipt Agent at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting;
- (d) for the form of instrument appointing a proxy and the manner in which the form of proxy may be executed; and
- (e) generally for the calling of meetings of Subscription Receiptholders and the conduct of business thereat including setting a record date for Subscription Receiptholders entitled to receive notice of or to vote at such meeting.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as the regulations may provide, the only persons who shall be recognized at any meeting as the holders of any Subscription Receipts, or as entitled to vote or, subject to section 9.10, be present at the meeting in respect thereof, shall be persons who are the registered holders of Subscription Receipts or their duly appointed proxies.

9.10 Company and Subscription Receipt Agent may be Represented

The Company and the Subscription Receipt Agent by their respective officers, employees, or directors, as applicable, and the counsel to the Company and the Subscription Receipt Agent may attend any meeting of the Subscription Receiptholders, but shall have no votes as such.

9.11 Powers Exercisable by Extraordinary Resolution

In addition to all other powers conferred upon them by any other provisions of this Agreement or by law, the Subscription Receiptholders at a meeting shall, subject to section 9.12, have the following powers exercisable from time to time by extraordinary resolution:

- (a) to agree to any modification, abrogation, alteration, compromise or arrangement of the rights of Subscription Receiptholders and/or the Subscription Receipt Agent in its capacity as Subscription Receipt Agent hereunder (subject to the Subscription Receipt Agent's approval) or on behalf of the Subscription Receiptholders against the Company, whether those rights arise under this Agreement or the Subscription Receipts or

otherwise;

- (b) to amend, alter or repeal any extraordinary resolution previously passed;
- (c) to direct or authorize the Subscription Receipt Agent (subject to the Subscription Receipt Agent receiving funding and indemnity) to enforce any of the covenants on the part of the Company contained in this Agreement or the Subscription Receipts or to enforce any of the rights of the Subscription Receiptholders in any manner specified in the extraordinary resolution or to refrain from enforcing any such covenant or right;
- (d) to waive, authorize and direct the Subscription Receipt Agent to waive any default on the part of the Company in complying with any provisions of this Agreement or the Subscription Receipts, either unconditionally or upon any conditions specified in the extraordinary resolution;
- (e) to restrain any Subscription Receiptholder from taking or instituting any suit, action or proceeding against the Company for the enforcement of any of the covenants on the part of the Company contained in this Agreement or the Subscription Receipts or to enforce any of the rights of the Subscription Receiptholders;
- (f) to direct any Subscription Receiptholder who, as such, has brought any suit, action or proceeding to stay or discontinue or otherwise deal with the same upon payment of the costs, charges and expenses reasonably and properly incurred by the Subscription Receiptholder in connection therewith;
- (g) to assent to any change in or omission from the provisions contained in the Subscription Receipts and this Agreement or any ancillary or supplemental instrument which may be agreed to by the Company, and to authorize the Subscription Receipt Agent to concur in and execute any ancillary or supplemental agreement embodying the change or omission;
- (h) to assent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with the holders of any shares or securities of the Company, wherever such assent may be required;
- (i) from time to time and at any time to remove the Subscription Receipt Agent and appoint a successor Subscription Receipt Agent; and
- (j) in the event that the Escrow Release Conditions are not satisfied on or prior to 5:00 p.m. on the applicable Escrow Release Deadline, to extend the applicable Escrow Release Deadline.

9.12 Meaning of "Extraordinary Resolution"

(1) The expression "**extraordinary resolution**" when used in this Agreement means, subject as hereinafter in this section and in sections 9.15 and 9.16 provided, a resolution proposed at a meeting of the Subscription Receiptholders duly convened for that purpose and held in accordance with the provisions of this ARTICLE 9 at which there are present in person or by proxy Subscription Receiptholders representing at least 25% of the aggregate number of then outstanding Subscription Receipts, and passed by the affirmative votes of Subscription Receiptholders representing not less than two-thirds of the aggregate number of all the Subscription Receipts represented at the meeting and voted on the poll upon the resolution.

(2) If, at any meeting called for the purpose of passing an extraordinary resolution, Subscription Receiptholders representing at least 25% of the aggregate number of then outstanding Subscription Receipts are not present in person or by proxy within half an hour after the time appointed for the meeting, then the meeting, if convened by Subscription Receiptholders or on a Subscription Receiptholders' Request, shall be dissolved; but in any other case it shall stand adjourned to such day, being no less than 15 or more than 50 days later and to such place and time as may be appointed by the chairman. Not less than 10 days' notice shall be given of the time and place of the adjourned meeting in the manner provided in section 12.2. The notice shall state that at the adjourned meeting the Subscription Receiptholders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting, the Subscription Receiptholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at the adjourned meeting and passed by the requisite vote as provided in subsection 9.12(1) shall be an extraordinary resolution within the meaning of this Agreement notwithstanding that Subscription Receiptholders representing at least 25% of the aggregate number of then outstanding Subscription Receipts are not present in person or by proxy at the adjourned meeting.

(3) Votes on an extraordinary resolution shall always be given on a poll and no demand for a poll on an extraordinary resolution shall be necessary.

9.13 Powers Cumulative

It is hereby declared and agreed that any one or more of the powers or any combination of the powers in this Agreement stated to be exercisable by the Subscription Receiptholders by extraordinary resolution or otherwise may be exercised from time to time and the exercise of any one or more of the powers or any combination of the powers from time to time shall not be deemed to exhaust the right of the Subscription Receiptholders to exercise that power or those powers or combination of powers then or any other power or powers or combination of powers thereafter from time to time.

9.14 Minutes

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

9.15 Instruments in Writing

All actions that may be taken and all powers that may be exercised by the Subscription Receiptholders at a meeting held as hereinbefore in this ARTICLE 9 provided may also be taken and exercised by Subscription Receiptholders representing at least two-thirds of the aggregate number of then outstanding Subscription Receipts, as required pursuant to section 9.12, by an instrument in writing signed in one or more counterparts by such Subscription Receiptholders in person or by attorney duly appointed in writing and the expression "extraordinary resolution" when used in this Agreement shall include an instrument so signed.

9.16 Binding Effect of Resolutions

Every resolution and every extraordinary resolution passed in accordance with the provisions of this ARTICLE 9 at a meeting of Subscription Receiptholders shall be binding upon all the affected Subscription Receiptholders, whether present at or absent from the meeting, and every instrument in writing signed by Subscription Receiptholders in accordance with section 9.15 shall be binding upon all the affected Subscription Receiptholders, whether signatories thereto or not, and each and every affected Subscription Receiptholder and the Subscription Receipt Agent (subject to the provisions for its funding and indemnity herein contained) shall be bound to give effect accordingly to every resolution and instrument in writing passed or executed in accordance with these provisions.

9.17 Holdings by Company Disregarded

In determining whether the requisite number of Subscription Receiptholders are present at a meeting of Subscription Receiptholders for the purpose of obtaining a quorum or have voted or consented to any resolution, extraordinary resolution, consent, waiver, Subscription Receiptholders' Request or other action under this Agreement, Subscription Receipts owned by the Company, its Subsidiaries and any partnership of which the Company is directly or indirectly a party to shall be deemed to be not outstanding in accordance with Section 1.7(b). The Company shall provide, upon the written request of the Subscription Receipt Agent, a certificate as to the registration particulars of any Subscription Receipts held by the Company.

ARTICLE 10
SUPPLEMENTAL AGREEMENTS AND SUCCESSOR COMPANIES

10.1 Provision for Supplemental Agreements for Certain Purposes

From time to time the Company (if properly authorized by its directors) and the Subscription Receipt Agent may, subject to the provisions of this Agreement, and they shall, when so directed hereby, execute and deliver by their proper officers, agreements or instruments supplemental hereto, which thereafter shall form part hereof, for any one or more or all of the following purposes:

- (a) adding to the provisions hereof such additional covenants and enforcement provisions as, in the opinion of counsel, are necessary or advisable, provided that the same are not in the opinion of the Subscription Receipt Agent, relying on the advice of counsel, prejudicial to the interests of the Subscription Receiptholders as a group;
- (b) giving effect to any extraordinary resolution passed as provided in ARTICLE 9;
- (c) making such provisions not inconsistent with this Agreement as may be necessary or desirable with respect to matters or questions arising hereunder provided that such provisions are not, in the opinion of the Subscription Receipt Agent, relying on the advice of counsel, prejudicial to the interests of the Subscription Receiptholders as a group;
- (d) adding to or amending the provisions hereof in respect of the transfer of Subscription Receipts, making provision for the exchange of Subscription Receipts and making any modification in the form of the Subscription Receipt Certificates, which does not affect the substance hereof or thereof, as applicable;
- (e) amending any of the provisions of this Agreement or relieving the Company from any of the obligations, conditions or restrictions herein contained, provided that no such amendment or relief shall be or become operative or effective if, in the opinion of the Subscription Receipt Agent, relying on the advice of counsel, such amendment or relief impairs any of the rights of the Subscription Receiptholders, as a group or of the Subscription Receipt Agent, and provided further that the Subscription Receipt Agent may in its sole discretion decline to enter into any supplemental agreement which in its opinion may not afford adequate protection to the Subscription Receipt Agent when the same shall become operative; and
- (f) for any other purpose not inconsistent with the terms of this Agreement, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors or omissions herein, provided that, in the opinion of the Subscription Receipt Agent, relying on the advice of

counsel, the rights of the Subscription Receipt Agent and the Subscription Receiptholders as a group are in no way prejudiced thereby.

10.2 Successor Companies

In the case of the amalgamation, consolidation, merger or transfer of the undertaking or assets of the Company as an entirety or substantially as an entirety to another person (a "**successor company**"), the successor company resulting from the amalgamation, consolidation, merger or transfer (if not the Company) shall be bound by the provisions hereof and all obligations for the due and punctual performance and observance of each and every covenant and obligation contained in this Agreement to be performed by the Company and the successor company shall by supplemental agreement satisfactory in form to the Subscription Receipt Agent and executed and delivered to the Subscription Receipt Agent, expressly assume those obligations.

ARTICLE 11 CONCERNING THE SUBSCRIPTION RECEIPT AGENT

11.1 Applicable Legislation

- (1) If and to the extent that any provision of this Agreement limits, qualifies or conflicts with a mandatory requirement of the Applicable Legislation, such mandatory requirement shall prevail.
- (2) The Company and the Subscription Receipt Agent agree that each will, at all times in relation to this Agreement and any action to be taken hereunder, observe and comply with and be entitled to the benefits of the Applicable Legislation.

11.2 Rights and Duties of Subscription Receipt Agent

- (1) In the exercise of the rights and duties prescribed or conferred by the terms of this Agreement, the Subscription Receipt Agent shall act honestly and in good faith with a view to the best interests of the Subscription Receiptholders and shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in performing the duties of an escrow agent or subscription receipt agent in comparable circumstances. No provision of this Agreement shall be construed to relieve the Subscription Receipt Agent from, or require any other person to indemnify the Subscription Receipt Agent against liability for its own gross negligence, wilful misconduct or fraud.
- (2) The Subscription Receipt Agent shall not be bound to do or take any act, action or proceeding for the enforcement of any of the obligations of the Company under this Agreement unless and until it shall have received a Subscription Receiptholder's Request specifying the act, action or proceeding which the Subscription Receipt Agent is requested to take. The obligation of the Subscription Receipt Agent to commence or continue any act, action or proceeding for the purpose of enforcing any rights of the Subscription Receipt Agent or the Subscription Receiptholders hereunder shall be conditional upon the Subscription Receiptholders furnishing, when required by notice in

writing by the Subscription Receipt Agent, sufficient funds to commence or continue the act, action or proceeding and an indemnity reasonably satisfactory to the Subscription Receipt Agent and its counsel to protect and hold harmless the Subscription Receipt Agent, its directors, officers, employees and agents against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof. None of the provisions contained in this Agreement shall require the Subscription Receipt Agent to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified and funded as aforesaid.

(3) The Subscription Receipt Agent may, before commencing any act, action or proceeding or at any time during the continuance thereof, require the Subscription Receiptholders at whose instance it is acting to deposit with the Subscription Receipt Agent the Subscription Receipts held by them, for which Subscription Receipts the Subscription Receipt Agent shall issue receipts.

(4) Every provision of this Agreement that, by its terms, relieves the Subscription Receipt Agent of liability or entitles it to rely upon any evidence submitted to it, is subject to the provisions of Applicable Legislation, section 11.1, and this section 11.2.

(5) The Subscription Receipt Agent shall not be bound to give any notice or do or take any act, action or proceeding by virtue of the powers conferred on it hereunder unless and until it shall have been required to do so under the terms hereof; nor shall the Subscription Receipt Agent be required to take notice of any default hereunder, unless and until notified in writing of such default, which notice shall specifically set out the default desired to be brought to the attention of the Subscription Receipt Agent and in the absence of such notice the Subscription Receipt Agent may for all purposes of this Agreement conclusively assume that no default has occurred or been made in the performance or observance of the representations, warranties and covenants, agreements or conditions herein contained. Any such notice shall in no way limit any discretion herein given to the Subscription Receipt Agent to determine whether or not the Subscription Receipt Agent shall take action with respect to any default.

(6) In this Agreement, whenever confirmations or instructions are required to be given to the Subscription Receipt Agent, in order to be valid, such confirmations and instructions shall be in writing.

11.3 Evidence, Experts and Advisers

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

(2) In the exercise of its rights and duties hereunder, the Subscription Receipt Agent may, if it is acting in good faith, act and rely absolutely as to the truth of the statements and the accuracy of the opinions expressed therein, upon statutory declarations, opinions, reports, written requests, consents, or orders of the Company, certificates of

the Company or other evidence furnished to the Subscription Receipt Agent pursuant to any provision hereof or pursuant to a request of the Subscription Receipt Agent. The Subscription Receipt Agent shall be under no responsibility in respect of the validity of this Agreement or the execution and delivery hereof by or on behalf of the Company or in respect of the validity or the execution of any Subscription Receipt Certificate by the Company and issued hereunder, nor shall it be responsible for any breach by the Company of any covenant or condition contained in this Agreement or in any such Subscription Receipt Certificate; nor shall it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any securities to be issued upon the right to acquire provided for in this Agreement and/or in any Subscription Receipt Certificate or as to whether any securities will when issued be duly authorized or be validly issued and fully paid and non-assessable.

(3) The Subscription Receipt Agent may act and rely and shall be protected in acting and relying upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, letter, telegram, cablegram or other paper document believed by it to be genuine and to have been signed, sent or presented by or on behalf of the proper party or parties. The Subscription Receipt Agent may act and rely and shall be protected in acting or not acting and relying in good faith on the opinion or advice of or information obtained from any counsel, accountant, appraisers or other expert or advisor, whether retained or employed by the Company or by the Subscription Receipt Agent, in relation to any matter arising in the administration of the duties and obligations hereof. Any reasonable remuneration paid by the Subscription Receipt Agent shall be funded and paid by the Company in accordance with section 6.2.

(4) The Subscription Receipt Agent may, as a condition precedent to any action to be taken by it under this Agreement, require such opinions, statutory declarations, reports, certificates or other evidence as it, acting reasonably, considers necessary or advisable in the circumstances.

11.4 Action by Subscription Receipt Agent to Protect Interests

Subject to the provisions of this Agreement, the Subscription Receipt Agent shall have power to institute and to maintain such actions and proceedings as it may consider necessary or expedient to preserve, protect or enforce its interests and the interests of the Subscription Receiptholders.

11.5 Subscription Receipt Agent not Required to Give Security

The Subscription Receipt Agent shall not be required to give any bond or security in respect of the performance of its duties as Escrow Agent pursuant to this Agreement or otherwise.

11.6 Protection of Subscription Receipt Agent

By way of supplement to the provisions of any law for the time being relating to the performance of the duties of the Subscription Receipt Agent pursuant to this Agreement, it is expressly declared and agreed as follows:

(1) The Subscription Receipt Agent shall not be liable for or by reason of any representations, statements of fact or recitals in this Agreement or in the Subscription Receipt Certificates (except the representations contained in sections 11.8(1) and 11.11 or in the certificate of the Subscription Receipt Agent on the Subscription Receipts) or be required to verify the same and all such statements of fact or recitals are and shall be deemed to be made by the Company (except the representations contained in sections 11.8(1) and 11.11 or in the certificate of the Subscription Receipt Agent on the Subscription Receipts).

(2) Nothing herein contained shall impose any obligation on the Subscription Receipt Agent to see to or to require evidence of the registration or filing (or renewal thereof) of this Agreement or any instrument ancillary or supplemental hereto.

(3) The Subscription Receipt Agent shall not be bound to give notice to any person or persons of the execution hereof.

(4) The Subscription Receipt Agent shall not incur any liability or responsibility whatsoever or be in any way responsible for the consequence of any breach on the part of the Company of any of the covenants or warranties herein contained or of any acts of any directors, officers, employees, agents or servants of the Company.

(5) Without limiting any protection or indemnity of the Subscription Receipt Agent under any other provision hereof, or otherwise at law, the Company hereby agrees to indemnify and hold harmless the Subscription Receipt Agent and its directors, officers, agents and employees from and against any and all liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements, including reasonable legal or advisor fees and disbursements, of whatever kind and nature which may at any time be imposed on, incurred by or asserted against the Subscription Receipt Agent in connection with the performance of its duties and obligations hereunder, other than such liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements arising by reason of the gross negligence, fraud or wilful misconduct of the Subscription Receipt Agent. This provision shall survive the resignation or removal of the Subscription Receipt Agent, or the termination of this Agreement. The Subscription Receipt Agent shall not be under any obligation to prosecute or defend any action or suit in respect of this Agreement which, in the opinion of its counsel, may involve it in expense or liability, unless the Company shall, so often as required, furnish the Subscription Receipt Agent with satisfactory indemnity and funding against such expense or liability. No provisions of this Agreement shall be construed to relieve the Subscription Receipt Agent from liability for its own gross negligence, fraud or wilful misconduct.

(6) The Subscription Receipt Agent shall incur no liability with respect to the delivery or non-delivery of any payments, certificate or certificates whether delivered by hand, mail or any other means provided that they are sent in accordance with the provisions hereof.

(7) Notwithstanding the foregoing or any other provision of this Agreement, other than in respect of any losses, damages, penalties, claims, actions, suits, costs, expense

and disbursements arising by reason of the gross negligence, fraud or wilful misconduct of the Subscription Receipt Agent, any liability of the Subscription Receipt Agent shall be limited, in the aggregate, to the amount of annual retainer fees paid by the Company to the Subscription Receipt Agent under this Agreement in the twelve (12) months immediately prior to the Subscription Receipt Agent receiving the first notice of the claim. Notwithstanding any other provision of this Agreement, and whether such losses or damages are foreseeable or unforeseeable, the Subscription Receipt Agent shall not be liable under any circumstances whatsoever for any (a) breach by any other party of securities law or other rule of any securities regulatory authority, (b) lost profits or (c) special, indirect, incidental, consequential, exemplary, aggravated or punitive losses or damages.

11.7 Replacement of Subscription Receipt Agent

(1) The Subscription Receipt Agent may resign as the subscription receipt agent and Escrow Agent and be discharged from all further duties and liabilities hereunder by giving to the Company not less than 60 days' notice in writing or such shorter notice as the Company may accept as sufficient. The Subscription Receiptholders by extraordinary resolution shall have the power at any time to remove the Subscription Receipt Agent and to appoint a new Subscription Receipt Agent. In the event of the Subscription Receipt Agent resigning or being removed as aforesaid or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, the Company shall forthwith appoint a new Subscription Receipt Agent unless a new Subscription Receipt Agent has already been appointed by the Subscription Receiptholders; failing that appointment by the Company, the retiring Subscription Receipt Agent (at the Company's expense) or any Subscription Receiptholder may apply to a justice of the British Columbia Supreme Court, on such notice as the justice may direct, for the appointment of a new Subscription Receipt Agent; but any new Subscription Receipt Agent so appointed by the Company or by the British Columbia Supreme Court shall be subject to removal as aforesaid by the Subscription Receiptholders. Any new Subscription Receipt Agent appointed under any provision of this section shall be a corporation authorized to carry on the business of a trust company in the province of British Columbia. In any such appointment the new Subscription Receipt Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Subscription Receipt Agent without any further assurance, conveyance, act or deed; but there shall be immediately executed, at the expense of the Company, all such conveyances or other instruments as may, in the opinion of counsel, be necessary or advisable for the purpose of assuring the same to the new Subscription Receipt Agent, provided that any resignation or removal of the Subscription Receipt Agent and appointment of a successor Subscription Receipt Agent shall not become effective until the successor Subscription Receipt Agent shall have executed an appropriate instrument accepting such appointment and, at the request of the Company, the predecessor Subscription Receipt Agent, upon payment of its outstanding remuneration and expenses, shall execute and deliver to the successor Subscription Receipt Agent an appropriate instrument transferring to such successor Subscription Receipt Agent all rights and powers of the Subscription Receipt Agent hereunder and all securities, documents of title and other instruments and all monies and properties held by the Subscription Receipt Agent hereunder.

(2) Upon the appointment of a successor Subscription Receipt Agent, the Company shall promptly notify the Subscription Receiptholders thereof in the manner provided for in section 12.2.

(3) Any corporation into or with which the Subscription Receipt Agent may be merged or consolidated or amalgamated, or any corporation succeeding to the stock transfer business of the Subscription Receipt Agent, whether by sale or otherwise, shall be the successor to the Subscription Receipt Agent hereunder without any further act on its part or of any of the parties hereto, provided that such corporation would be eligible for appointment as a new Subscription Receipt Agent under subsection 11.7(1).

(4) Any Subscription Receipts certified but not delivered by a predecessor Subscription Receipt Agent may be certified by the new or successor Subscription Receipt Agent in the name of the predecessor or the new or successor Subscription Receipt Agent.

11.8 Conflict of Interest

(1) The Subscription Receipt Agent represents to the Company that at the time of the execution and delivery hereof, to the best of its knowledge, no material conflict of interest exists which it is aware of in the Subscription Receipt Agent's role hereunder and agrees that in the event of a material conflict of interest arising which it becomes aware of hereafter it will, within 90 days after ascertaining that it has a material conflict of interest, either eliminate the same or resign as the Subscription Receipt Agent hereunder.

(2) Subject to subsection 11.8(1), the Subscription Receipt Agent, in its personal or any other capacity, may buy, lend upon and deal in securities of the Company, may act as registrar and transfer agent for the Common Shares and generally may contract and enter into financial transactions with the Company, all without being liable to account for any profit made thereby.

11.9 Appointment of Escrow Agent

The Subscription Receipt Agent hereby agrees to act as the Escrow Agent and to perform the duties of an escrow agent pursuant to the terms and conditions set forth herein and agrees to hold the Escrowed Proceeds for and on behalf of the Company and those persons who become holders of Subscription Receipts from time to time issued pursuant to this Agreement.

11.10 Subscription Receipt Agent Not to be Appointed Receiver

The Subscription Receipt Agent and any person related to the Subscription Receipt Agent shall not be appointed a receiver or receiver and manager or liquidator of all or any part of the assets or undertaking of the Company or any Subsidiary or any partnership of which the Company is directly or indirectly involved.

11.11 Authorization to Carry on Business

The Subscription Receipt Agent represents to the Company that it is registered to carry on the business of a trust company in the Province of British Columbia.

11.12 Third Party Interests

Each party to this Agreement hereby represents to the Subscription Receipt Agent that any account to be opened by, or interest to be held by the Subscription Receipt Agent in connection with this Agreement, for or to the credit of such party, either (i) is not intended to be used by or on behalf of any third party; or (ii) is intended to be used by or on behalf of a third party, in which case such party hereto agrees to complete and execute forthwith a declaration in the Subscription Receipt Agent's prescribed form as to the particulars of such party.

11.13 Not Bound to Act

The Subscription Receipt Agent shall retain the right not to act and shall not be liable for refusing to act, due to a lack of information or for any other reason whatsoever, the Subscription Receipt Agent, in its sole judgment, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, should the Subscription Receipt Agent, in its sole judgment, determine at any time that its acting under this Agreement has resulted in its being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 days written notice to the Company, provided (i) that the Subscription Receipt Agent's written notice shall describe the circumstances of such non-compliance; and (ii) that if such circumstances are rectified to the Subscription Receipt Agent's satisfaction within such 10 day period, then the resignation will not be effective.

11.14 Privacy

The parties acknowledge that the Subscription Receipt Agent may, in the course of providing services hereunder, collect or receive financial and other personal information about such parties and/or their representatives, as individuals, or about other individuals related to the subject matter hereof, and use such information for the following purposes:

- (a) to provide the services required under this agreement and other services that may be requested from time to time;
- (b) to help the Subscription Receipt Agent manage its servicing relationships with such individuals;
- (c) to meet the Subscription Receipt Agent's legal and regulatory requirements; and
- (d) if Social Insurance numbers are collected by the Subscription Receipt Agent, to perform tax reporting and to assist in verification of an

individual's identity for security purposes.

Each party acknowledges and agrees that the Subscription Receipt Agent may receive, collect, use and disclose personal information provided to it or acquired by it in the course of this agreement for the purposes described above and, generally, in the manner and on the terms described in its Privacy Code, which the Subscription Receipt Agent shall make available on its website or upon request, including revisions thereto. Some of this personal information may be transferred to servicers in the United States for data processing and/or storage. Further, each party agrees that it shall not provide or cause to be provided to the Subscription Receipt Agent any personal information relating to an individual who is not a party to this agreement unless that party has assured itself that such individual understands and has consented to the aforementioned uses and disclosures.

11.15 Force Majeure

No Party shall be liable to the other, or held in breach of this Agreement, if prevented, hindered, or delayed in the performance or observance of any provision contained herein by reason of act of God, riots, terrorism, acts of war, epidemics, governmental action or judicial order, earthquakes, or any other similar causes (including, but not limited to, mechanical, electronic or communication interruptions, disruptions or failures). Performance times under this Agreement shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this Section 11.15.

11.16 Tax Reporting

- (a) The Company agrees that during the term of this Agreement and until the Escrowed Proceeds are released and distributed, for tax reporting purposes, all interest or other taxable income earned from the Escrowed Proceeds in any tax year shall be taxable, and the requisite tax reporting forms shall be issued to the Company in the taxation year that it was earned, notwithstanding if no such amount has been distributed.
- (b) In the event the Escrowed Proceeds are released and distributed to the Subscription Receiptholders pursuant to Section 7.4, the Company and BCPI agree that for tax reporting purposes, all Earnings in that tax year shall be taxable, and the requisite tax reporting forms shall be issued to the Subscription Receiptholders, as applicable, in the taxation year that it was earned and the Subscription Receipt Agent shall be entitled to withhold or deduct from the Escrowed Proceeds to be released and distributed as applicable, on a pro rata basis to the Subscription Receiptholders, the amount of any such taxes or other charges payable on the Earnings. The Company and BCPI agree to provide the Subscription Receipt Agent with their certified tax identification numbers and others forms, documents and information that the Subscription Receipt Agent may request in order to fulfill any tax reporting function.

ARTICLE 12 GENERAL

12.1 Notice to the Company, the Subscription Receipt Agent and BCPI

(1) Unless herein otherwise expressly provided, any notice to be given hereunder to the Company or the Subscription Receipt Agent shall be deemed to be validly given if delivered, if sent by registered mail, postage prepaid or if transmitted by electronic mail or facsimile:

(a) If to the Company, to:

Western Lithium USA Corporation
Suite 1100
355 Burrard Street
Vancouver, BC V6C 2G8

Attention: Jay Chmelauskas, CEO & President
Fax: 604-629-0726
Email: jayc@westernlithium.com

with a copy to:

Cassels Brock & Blackwell LLP
Suite 2200
885 West Georgia Street
Vancouver, BC V6C 3E8

Attention: David Redford
Fax: 604-691-6120
Email: dredford@casselsbrock.com

(b) If to BCPI:

BCP Innovation PTE. Ltd.

05-02, 8 Marina Boulevard,
Singapore, Singapore, 018981

Attention: Somchai Tejavaniya
Fax: (66) 2140 8925
E-mail: Somchai@bangchak.co.th

(c) If to the Subscription Receipt Agent, to:

Computershare Trust Company of Canada
510 Burrard Street, 2nd Floor
Vancouver, BC V6C 3B9

Attention: General Manager
Email: corporatetrust.vancouver@computershare.com

and any notice given in accordance with the foregoing shall be deemed to have been received on the date of delivery (or date of electronic delivery) if that date is a Business Day or, if mailed, on the fifth Business Day following the date of the postmark on such notice or, if transmitted by facsimile or by email, on the day following the transmission.

(2) The Company, the Subscription Receipt Agent or BCPI, as the case may be, may from time to time notify the other in the manner provided in subsection 12.1(1) of a change of address which, from the effective date of such notice and until changed by like notice, shall be the address of the Company, the Subscription Receipt Agent or BCPI, as the case may be, for all purposes of this Agreement. A copy of any notice of change of address given pursuant to this subsection 12.1(2) shall be available for inspection at the principal stock transfer offices of the Subscription Receipt Agent in Vancouver, British Columbia by Subscription Receiptholders during normal business hours.

(3) If, by reason of a strike, lockout or other work stoppage, actual or threatened, involving postal employees, any notice to be given to the Subscription Receipt Agent, BCPI or to the Company hereunder could reasonably be considered unlikely to reach its destination, the notice shall be valid and effective only if it is delivered to an officer of the party to which it is addressed or if it is delivered to that party at the appropriate address provided in subsection 12.1(1) by cable, telegram, facsimile or other means of prepaid, transmitted or recorded communication and any notice delivered in accordance with the foregoing shall be deemed to have been received on the date of delivery to the officer or if delivered by cable, telegram, facsimile or other means of prepaid, transmitted, recorded communication on the third Business Day following the date of the sending of the notice by the person giving the notice.

12.2 Notice to the Subscription Receiptholders

(1) Unless herein otherwise expressly provided, any notice to be given hereunder to Subscription Receiptholders shall be deemed to be validly given if the notice is sent by first class mail, postage prepaid, addressed to the holder or delivered by hand (or so mailed to certain holders and so delivered to other holders) at their respective addresses appearing on the register maintained by the Subscription Receipt Agent. Any notice so given shall be deemed to have been given on the day of delivery by hand or on the next Business Day if delivered by mail.

(2) If, by reason of strike, lockout or other work stoppage, actual or threatened, involving postal employees, any notice to be given to the Subscription Receiptholders could reasonably be considered unlikely to reach its destination, the notice may be published or distributed once in the Report on Business section of the national edition of The Globe and Mail newspaper or, in the event of a disruption in the circulation of that newspaper, once in a daily newspaper in the English language of general circulation in the City of Vancouver, British Columbia; provided that in the case of a notice convening a meeting of the holders of Subscription Receipts, the Subscription Receipt Agent may

require such additional publications of that notice, in the same or in other cities or both, as it may deem necessary for the reasonable protection of the holders of Subscription Receipts or to comply with any applicable requirement of law or any stock exchange. Any notice so given shall be deemed to have been given on the day on which it has been published in all of the cities in which publication was required (or first published in a city if more than one publication in that city is required). In determining under any provision hereof, the date when notice of any meeting or other event must be given, the date of giving notice shall be included and the date of the meeting or other event shall be excluded.

(3) Accidental error or omissions in giving notice or accidental failure to mail notice to any Subscription Receiptholder will not invalidate any action or proceeding founded thereon.

12.3 Discretion of Directors

Any matter provided herein to be determined by the directors of the Company in their sole discretion and determination so made will be conclusive.

12.4 Satisfaction and Discharge of Agreement

Upon the date by which Common Shares shall have been delivered to Subscription Receiptholders to the full extent of the rights attached to all Subscription Receipts theretofore certified hereunder or upon the termination of all Subscription Receipts upon the occurrence of one or more Termination Events, and the monies to be paid hereunder have been paid, this Agreement shall cease to be of further effect and the Subscription Receipt Agent, on demand of and at the cost and expense of the Company and upon delivery to the Subscription Receipt Agent of a certificate of the Company stating that all conditions precedent to the satisfaction and discharge of this Agreement have been complied with and upon payment to the Subscription Receipt Agent of the fees and other remuneration payable to the Subscription Receipt Agent, the parties hereto shall execute proper instruments acknowledging satisfaction of and discharging this Agreement.

12.5 Rights of Rescission and Withdrawal for Subscription Receiptholders

Should a Subscription Receiptholder exercise any legal, statutory, contractual or other right of withdrawal or rescission that may be available to it, and the holder's funds which were paid on exercise have already been released to the Company by the Subscription Receipt Agent, the Subscription Receipt Agent shall not be responsible for ensuring the exercise is cancelled and a refund is paid back to the holder. In such cases, the holder shall seek a refund directly from the Company and subsequently, the Company, upon surrender to the Company or the Subscription Receipt Agent of any underlying Common Shares that may have been issued, or such other procedure as agreed to by the parties hereto, shall instruct the Subscription Receipt Agent in writing, to cancel the exercise transaction and any such underlying Common Shares on the register, which may have already been issued upon the Subscription Receipt exercise. In the event that any payment is received from the Company by virtue of the

Subscription Receiptholder being a shareholder for such Common Shares that were subsequently rescinded, such payment must be returned to the Company by such Subscription Receiptholder. The Subscription Receipt Agent shall not be under any duty or obligation to take any steps to ensure or enforce that the funds are returned pursuant to this section, nor shall the Subscription Receipt Agent be in any other way responsible in the event that any payment is not delivered or received pursuant to this section. Notwithstanding the foregoing, in the event that the Company provides the refund to the Subscription Receipt Agent for distribution to the Subscription Receiptholder, the Subscription Receipt Agent shall return such funds to the Subscription Receiptholder as soon as reasonably practicable, and in so doing, the Subscription Receipt Agent shall incur no liability with respect to the delivery or non-delivery of any such funds.

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

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

12.7 Paramountcy

In the case of any difference or inconsistency in whole or in part as between this Agreement and the Subscription Agreement or any provisions hereof or thereof, this Agreement and its provisions shall prevail.

12.8 Counterparts and Formal Date

This Agreement may be simultaneously executed in several counterparts by electronic signature or facsimile, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution shall be deemed to bear the date set out at the top of the first page of this Agreement.

12.9 Language

The parties hereto have requested that this document be drafted in the English language. Les parties ont demandé que le présent document soit rédigé en langue anglaise.

[Signature page follows]

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

**WESTERN LITHIUM USA
CORPORATION**

By: "Jay Chmelauskas"
Name: Jay Chmelauskas
Title: Chief Executive Officer
and President

BCP INNOVATION PTE. LTD.

By: "Somchai Tejavaniya"
Somchai Tejavaniya – Director

By: "Surachai Kositareewong"
Surachai Kositareewong – Director

**COMPUTERSHARE TRUST COMPANY
OF CANADA**

By: "Jill Dunn"
Name: Jill Dunn
Title: Corporate Trust Officer

By: "Jennifer Lesley Wong"
Name: Jennifer Lesley Wong
Title: Associate Trust Officer

SCHEDULE "A"

FORM OF SUBSCRIPTION RECEIPT CERTIFICATE

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE ●, 2015"

SUBSCRIPTION RECEIPTS TO ACQUIRE COMMON SHARES OF

WESTERN LITHIUM USA CORPORATION

(a company incorporated under the laws of British Columbia)

Subscription Receipt
Certificate No. ●

● Subscription Receipts, each entitling the holder to acquire one Common Share (subject to adjustment as set out below)

THIS IS TO CERTIFY THAT, for value received, ● (herein called the "**holder**") is the registered holder of the number of Subscription Receipts of Western Lithium USA Corporation (the "**Company**") specified above and is entitled to receive in the manner herein provided and without further payment therefor or other action on the part of the holder, subject as hereinafter provided and as more specifically set forth in the Subscription Receipt Agreement (defined below) one fully paid and non-assessable common share (a "**Common Share**") in the capital of the Company for each Subscription Receipt held, subject to adjustment as set forth in the Subscription Receipt Agreement. Capitalized terms used in this Subscription Receipt Certificate and not otherwise defined shall have the meanings ascribed to them in the Subscription Receipt Agreement.

The Subscription Receipts represented by this Subscription Receipt Certificate are issued under and pursuant to a Subscription Receipt agreement (the "**Subscription Receipt Agreement**") entered into as of ●, 2015 among the Company, BCP Innovation PTE. Ltd., and Computershare Trust Company of Canada (the "**Subscription Receipt Agent**") to which Subscription Receipt Agreement and any instruments supplemental thereto reference is hereby made for a full description of the rights of the holders of the Subscription Receipts and the terms and conditions upon which Subscription Receipts are, or are to be, issued, held, exchanged and surrendered, all to the same effect as if the provisions of the Subscription Receipt Agreement and all instruments supplemental thereto were herein set forth, and to all of which provisions the holder of this Subscription Receipt Certificate by acceptance hereof assents.

In the event of any inconsistency between the terms set forth in this Subscription Receipt Certificate and the terms of the Subscription Receipt Agreement, the terms of the Subscription Receipt Agreement shall govern.

As provided in the Subscription Receipt Agreement, if the applicable Escrow

Release Conditions are satisfied prior to the applicable Escrow Release Deadline, applicable the Escrowed Proceeds will be released to the Company in accordance with the terms of this Agreement.

Upon the issuance of the Common Shares upon the automatic exercise of the Subscription Receipts, the Subscription Receipt Certificates will be deemed to have been surrendered and cancelled without further action on the part of the Subscription Receiptholder, the Company or the Subscription Receipt Agent.

The Subscription Receipt Agreement provides for adjustments to the right of subscription, including the amount of any kind of securities or other property issuable upon exercise, upon the happening of certain stated events, including the subdivision or consolidation of the Common Shares, certain distributions of Common Shares or securities convertible into Common Shares or of other securities or assets of the Company, certain offerings or rights, warrants or options, and certain capital reorganizations and for payment of an amount to compensate for Dividends and distributions paid on Common Shares. The Subscription Receipt Agreement also provides a Down-Round Price adjustment mechanism.

In the event that a Termination Event occurs for the Class of Subscription Receipt represented by this Certificate, the applicable Subscription Receipts will be cancelled and each Subscription Receiptholder's applicable Escrowed Proceeds will be refunded to each Subscription Receiptholder. The Company shall forthwith deliver a Termination Notice to each of the Subscription Receiptholders and the Subscription Receipt Agent and the Subscription Receipt Agent shall return to such holder the Subscription Receiptholder's applicable Escrowed Proceeds. The Subscription Receipt Agent shall pay to each Subscription Receiptholder the Subscription Receiptholder's applicable Escrowed Proceeds in respect of the Subscription Receipts within five Business Days following the date of the Termination Notice.

The holder of this Subscription Receipt Certificate may, upon surrender hereof to the Subscription Receipt Agent at its principal offices in Vancouver, British Columbia, exchange this Subscription Receipt Certificate for other Subscription Receipt Certificates evidencing Subscription Receipts entitling the holder to receive in the aggregate the same number of Common Shares as may be acquired pursuant to the Subscription Receipts evidenced by this Subscription Receipt Certificate.

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

The Subscription Receipts evidenced by this Subscription Receipt Certificate may only be transferred in accordance with applicable Securities Laws and, subject thereto, may be transferred on the register kept at the offices of the Subscription Receipt Agent by the holder hereof or the holder's legal representatives or his or her or their attorney duly appointed by an instrument in writing in form and execution

satisfactory to the Subscription Receipt Agent only upon compliance with the conditions prescribed in the Subscription Receipt Agreement and upon compliance with such reasonable requirements as the Subscription Receipt Agent may prescribe.

This Subscription Receipt Certificate shall not be valid for any purpose whatsoever unless and until it has been manually countersigned by or on behalf of the Subscription Receipt Agent. The certification of the Subscription Receipt Agent on the Subscription Receipt Certificate issued hereunder shall not be construed as a representation or warranty by the Subscription Receipt Agent as to the validity of this Subscription Receipt Certificate (except the due certification thereof) and the Subscription Receipt Agent shall in no respect be liable or answerable for the use made of the Subscription Receipts or any of them or of the consideration therefor, except as otherwise specified herein.

Time shall be of the essence hereof.

IN WITNESS WHEREOF the Company has caused this Subscription Receipt Certificate to be signed by its duly authorized officer as of the ● day of ●, 2015.

**WESTERN LITHIUM USA
CORPORATION**

By _____
: Name
:
Title:

Countersigned by:

**COMPUTERSHARE TRUST COMPANY
OF CANADA**

By: _____
Authorized Signing Officer

Date: _____

TRANSFER FORM

"ANY TRANSFER OF SUBSCRIPTION RECEIPTS WILL REQUIRE COMPLIANCE WITH APPLICABLE SECURITIES LEGISLATION. TRANSFERORS AND TRANSFEREES ARE URGED TO CONTACT LEGAL COUNSEL BEFORE EFFECTING ANY SUCH TRANSFER."

TO: WESTERN LITHIUM USA CORPORATION
c/o Computershare Trust Company of Canada
510 Burrard Street, 2nd Floor
Vancouver, BC V6C 3B9

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto:

(name)

(address)

_____ of the Subscription Receipts registered in the name of the undersigned represented by the within certificate and hereby appoints _____ as its attorney with full power of substitution to transfer the said Subscription Receipts on the appropriate register of the Subscription Receipt Agent.

The undersigned hereby represents, warrants and certifies that it did not acquire Subscription Receipts from the Company in the United States as part of the original offering thereof and that it is not transferring the Subscription Receipts (i) to a person in the United States or a U.S. Person (as defined in Rule 902(k) of Regulation S under the United States Securities Act of 1933, as amended) or for the account or benefit of a person in the United States or a U.S. Person.

DATED this _____ day of _____, 2015.

Signature Guaranteed

Name of Subscription Receiptholder

Name of Authorized Representative

Signature of Subscription Receiptholder
or Authorized Representative

Title or Capacity of Authorized
Representative

Daytime Phone Number of Subscription
Receiptholder or Authorized Representative

CERTAIN REQUIREMENTS RELATING TO TRANSFERS – READ CAREFULLY

The signature(s) of the transferor(s) must correspond with the name(s) as written upon the face of this certificate(s), in every particular, without alteration or enlargement, or any change whatsoever. All securityholders or a legally authorized representative must sign this form. The signature(s) on this form must be guaranteed in accordance with the transfer agent's then current guidelines and requirements at the time of transfer.

Notarized or witnessed signatures are not acceptable as guaranteed signatures. As at the time of closing, you may choose one of the following methods (although subject to change in accordance with industry practice and standards):

- **Canada and the USA:** A Medallion Signature Guarantee obtained from a member of an acceptable Medallion Signature Guarantee Program (STAMP, SEMP, NYSE, MSP). Many commercial banks, savings banks, credit unions, and broker dealers participate in a Medallion Signature Guarantee Program. The Guarantor must affix a stamp bearing the actual words "Medallion Guaranteed", with the correct prefix covering the face value of the certificate.
- **Canada:** A Signature Guarantee obtained from an authorized officer of the Royal Bank of Canada, Scotia Bank or TD Canada Trust. The Guarantor must affix a stamp bearing the actual words "Signature Guaranteed", sign and print their full name and alpha numeric signing number. Signature Guarantees are not accepted from Treasury Branches, Credit Unions or Caisse Populaires unless they are members of a Medallion Signature Guarantee Program. For corporate holders, corporate signing resolutions, including certificate of incumbency, are also required to accompany the transfer, unless there is a "Signature & Authority to Sign Guarantee" Stamp affixed to the transfer (as opposed to a "Signature Guaranteed" Stamp) obtained from an authorized officer of the Royal Bank of Canada, Scotia Bank or TD Canada Trust or a Medallion Signature Guarantee with the correct prefix covering the face value of the certificate.
- **Outside North America:** For holders located outside North America, present the certificate(s) and/or document(s) that require a guarantee to a local financial institution that has a corresponding Canadian or American affiliate which is a member of an acceptable Medallion Signature Guarantee Program. The corresponding affiliate will arrange for the signature to be over-guaranteed.

SCHEDULE "B"

COMPLETION NOTICE AND DIRECTION

TO: Computershare Trust Company of Canada

RE: Subscription Receipt Agreement (the "**Subscription Receipt Agreement**") dated ●, 2015 among Western Lithium USA Corporation, BCP Innovation PTE. Ltd. and Computershare Trust Company of Canada

Pursuant to Section 7.3 of the Subscription Receipt Agreement, the undersigned hereby certify that, upon delivery of this notice, the **[Shareholder/Performance]** Release Conditions have been satisfied and further instructs that payment of the applicable Escrowed Proceeds in respect of the **[Shareholder Approval/Performance]** Subscription Receipts be paid to **Western Lithium USA Corporation** as it further directs.

This Completion Notice and Direction, which may be signed in counterparts and delivered by facsimile, is irrevocable and shall constitute your good and sufficient authority for taking the actions described herein.

DATED this _____ day of _____, 2015.

WESTERN LITHIUM USA CORPORATION

By: _____
Name: _____
Title: _____

BCP INNOVATION PTE. LTD.

By: _____
Somchai Tejavaniya – Director

By: _____
Surachai Kositareewong – Director

SCHEDULE "C"

FORM OF TERMINATION NOTICE

TO: Computershare Trust Company of Canada
AND TO: Subscription Receiptholders
AND TO: BCP Innovation PTE. Ltd.

RE: Subscription Receipt Agreement (the "**Subscription Receipt Agreement**") dated ●, 2015 among Western Lithium USA Corporation, BCP Innovation PTE. Ltd. and Computershare Trust Company of Canada

Pursuant to the Subscription Receipt Agreement, the undersigned hereby confirms that a Termination Event in respect of the **[Shareholder Approval/Performance]** Subscription Receipts has occurred and hereby instructs Computershare Trust Company of Canada to return all applicable Escrowed Proceeds in respect of the **[Shareholder Approval/Performance]** Subscription Receipts in its possession to the Subscription Receiptholders all in accordance with section 7.4 of the Subscription Receipt Agreement.

This Termination Notice is irrevocable and shall constitute your good and sufficient authority for taking the actions described herein.

DATED this _____ day of _____, 2015.

**WESTERN LITHIUM USA
CORPORATION**

By: _____
Name:
Title: