UNDERWRITING AGREEMENT

February 27, 2015

NioCorp Developments Ltd.
Suite 525, 999 West Hastings Street
Vancouver, British Columbia V6C 2W2
Canada

Attention: Peter Dickie, President, Director and Secretary

Dear Sirs:

Mackie Research Capital Corporation (the "**Underwriter**") hereby offers to purchase an aggregate of 2,914,000 Special Warrants (the "**Special Warrants**") of NioCorp Developments Ltd. ("**NioCorp"** or the "**Company**") at a price of $0.75 per Special Warrant (the "**Issue Price**") for aggregate gross proceeds of $2,185,500 (the "**Offering**").

Subject to the conditions set forth in this Agreement (as defined herein), each Special Warrant will entitle the holder thereof to receive upon the exercise or deemed exercise of the Special Warrant, subject to adjustment in certain circumstances, one unit of the Company (a "**Unit**"), each Unit being comprised of one common share of the Company (a "**Unit Share**") and one transferable common share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder thereof to purchase one common share of the Company (a "**Warrant Share**") at an exercise price of $1.00 per Warrant Share for a period of 24 months following completion of the Offering. The Special Warrants may be exercised by the holder thereof at any time following the Closing Date (as defined herein) for no additional consideration.

The Special Warrants not already exercised will be deemed to be exercised at the earlier of (a) the third Business Day after the date a receipt is issued for a (final) short form prospectus of the Company (the "**Final Prospectus**") to qualify, in the Qualifying Jurisdictions (as defined herein), the distribution of the Underlying Securities (as defined herein) to be issued upon exercise or deemed exercise of the Special Warrants (the "**Qualification Date**"); and (b) the date that is four months and one day following the Closing Date. The Company will use its reasonable best efforts to obtain a receipt for the Final Prospectus (the "**Final Receipt**") to qualify the distribution of the Underlying Securities by the date that is 45 days from the Closing Date (the "**Qualification Deadline**"). If the Company fails to qualify the distribution of the Underlying Securities for issuance in the Qualifying Jurisdictions by the Qualification Deadline, each unexercised Special Warrant will thereafter entitle the holder thereof to receive upon the exercise thereof, for no additional consideration (the "**Penalty Provision**"), 1.1 Unit Shares (instead of one Unit Share)(the additional 0.1 Unit Shares are collectively referred to herein as the "**Penalty Shares**") and 1.1 Warrants (instead of one Warrant Share)(the additional 0.1 of a Warrant are collectively referred to herein as the "**Penalty Warrants**").

The Special Warrants will be offered to Purchasers (as defined herein) resident in each of the provinces of Canada, other than Quebec, and any other jurisdictions where the Special Warrants may be offered for sale as may be agreed upon between the Company and the Underwriter (the "**Offering Jurisdictions**"), on a private placement basis pursuant to exemptions from the prospectus requirements of Applicable Securities Laws (as defined herein).

The Company acknowledges and agrees that the Underwriter shall be permitted to appoint, at the Underwriter's expense, a soliciting dealer group consisting of other registered dealers acceptable to the Company, acting reasonably, for the purposes of arranging for purchasers of the Special Warrants. The Underwriter shall ensure that any investment dealer who is a member of any soliciting dealer group formed by the Underwriter pursuant to the provisions of this Agreement or with whom the Underwriter

has a contractual relationship with respect to the Offering, if any, agrees with the Underwriter to comply with the covenants and the obligations given by the Underwriter herein.

In consideration of the Underwriter's services to be rendered in connection with the Offering, the Company shall pay to the Underwriter the Underwriter's Commission (as defined herein) and issue the Compensation Options (as defined herein) as set forth in Section 13. The Underwriter's Commission shall be payable and the Compensation Options shall be issuable at the Closing Time (as defined herein) upon the closing of the sale of the Special Warrants.

Based upon the understanding of the Underwriter set out above and upon the terms and subject to the conditions contained hereinafter, upon the acceptance hereof by the Company, the Underwriter hereby offers to purchase the Special Warrants, and the Company agrees to sell to the Underwriter, the Special Warrants.

1. **Interpretation**

1.1 In this Agreement and the Schedules hereto, in addition to the terms defined above, unless otherwise indicated or unless the context otherwise requires, the following terms shall have the following meanings:

"**1933 Act**" means the *United States Securities Act of 1933*, as amended;

"**affiliate**" has the meaning ascribed thereto in the *Securities Act* (British Columbia);

"**Agreement**" means this underwriting agreement and includes the schedules hereto, as modified, amended and/or supplemented from time to time;

"**Ancillary Documents**" means all agreements (including the Subscription Agreements), certificates (including the specimen certificates or other evidences representing Special Warrants, the Warrants and the certificates representing the Compensation Options), officer's certificates of the Company and of any Subsidiary, notices and other documents executed and delivered, or to be executed and delivered, by the Company in connection with the Offering;

"**Applicable Laws**" means all laws, statutes, codes, ordinances, decrees, rules, regulations, by-laws, written policies, judicial or arbitral or administrative or ministerial or departmental or regulatory judgements, orders, decisions, rulings or awards, including general principles of common and civil law, and conditions of any grant of approval, permission, authority or license of any court, governmental entity or statutory body or regulatory body applicable to the Company and the Offering and includes, without limitation, Applicable Securities Laws and Applicable U.S. Securities Laws;

"**Applicable Securities Laws**" means, collectively, the securities laws, regulations and rules, and the blanket rulings and policies and written interpretations of, multilateral or national instruments, published policy statements, instruments, orders and rulings of securities regulatory authorities applicable to the Company if used in reference to the Company or applicable to the Underwriter if used in reference to the Underwriter of each of the Offering Jurisdictions or, as the context may require, any one or more of the Offering Jurisdictions and the applicable rules and regulations of the TSX-V;

"**Applicable U.S. Securities Laws**" means, all applicable securities laws in the United States, including without limitation, the *1993 Act*, the *U.S. Securities Exchange Act of 1934*, and the rules and regulations promulgated thereunder, and any applicable state securities laws;

"**Auditors**" means Davidson & Company LLP, the auditor of the Company;

"**BCSC**" means the British Columbia Securities Commission, the principal regulator of the Company;

"**Business Day**" means a day that is not a Saturday, a Sunday or a statutory or civic holiday, or a day on which commercial banks are not open for business, in the City of Vancouver, British Columbia and City of Toronto, Ontario;

"**Closing**" means the closing of the purchase and sale of Special Warrants under the Offering;

"**Closing Date**" means February 27, 2015, or such other date as the Company and the Underwriter may mutually agree upon in writing;

"**Closing Time**" means 7:30 a.m. (Vancouver time) on the Closing Date, or such other time as may be agreed upon by the Company and the Underwriter;

"**Common Share**" means a common share in the capital of the Company;

"**Company**" has the meaning ascribed thereto on the cover page of this Agreement;

"**Compensation Options**" has the meaning ascribed to that term in Section 13.1;

"**Contaminant**" means and includes, without limitation, any pollutants, dangerous substances, liquid wastes, hazardous wastes, hazardous materials, hazardous substances or contaminants), including, without limitation, the storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation thereof, or the release, escape, leaching, dispersal or migration thereof into the natural environment, including the movement through or in the air, soil, surface water or groundwater;

"**Directed Selling Efforts**" means "directed selling efforts" as that term is defined in Regulation S and means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Securities and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Securities;

"**Disclosure Documents**" means, collectively, all of the documentation that has been filed by or on behalf of the Company that is, or becomes, publicly available on SEDAR or otherwise available to the public, including the Financial Statements, press releases, material change reports, prospectuses, information circulars and Technical Reports;

"**Environmental Laws**" has the meaning ascribed thereto in Section 4.1(ii);

"**Final Prospectus**" has the meaning ascribed thereto on the cover page of this Agreement;

"**Financial Statements**" means the audited consolidated financial statements of the Company, the notes thereto and the auditor's report thereon for the financial year ended June 30, 2014, and the unaudited interim financial statements of the Company for the six month period ended December 31, 2014 and the notes thereto, all such statements being prepared in accordance with IFRS;

"**Foreign Issuer**" shall have the meaning ascribed thereto in Regulation S;

"**General Solicitation**" or "**General Advertising**" means "general solicitation" or "general advertising", as used in Rule 502(c) under the 1993 Act, including, without limitation, any

advertisements, articles, notices or other communications published on the internet or in any newspaper, magazine or similar media or broadcast over radio, television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

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

"**IFRS**" means international financial reporting standards set forth by the International Accounting Standards Board;

"**Issue Price**" has the meaning ascribed thereto on the cover page of this Agreement;

"**Material Adverse Effect**" means any change, fact, event, circumstance or state of being which could reasonably be expected to have a material and adverse effect (actual or anticipated, whether financial or otherwise) on the business, affairs, operations, Properties, Permits, assets, liabilities (contingent or otherwise), capital, prospects, results of operations or condition (financial or otherwise) of the Company and its Subsidiaries (taken as a whole);

"**Material Agreement**" has the meaning ascribed thereto in Section 4.1(l)(ii)C;

"**misrepresentation**", "**material fact**", "**material change**" and "**distribution**" have the respective meanings ascribed to them in the *Securities Act* (British Columbia);

"**NI 11-102**" means National Instrument 11-102 – *Passport System* adopted by the Canadian Securities Administrators;

"**NI 43-101**" means National Instrument 43-101 - *Standards of Disclosure* for Mineral Projects adopted by the Canadian Securities Administrators;

"**NI 45-106**" means National Instrument 43-106 – *Prospectus and Registration Exemptions* adopted by the Canadian Securities Administrators;

"**NP 11-202**" means National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions* adopted by the Canadian Securities Administrators;

"**Offered Securities**" means the 2,914,000 Special Warrants to be issued by the Company on the terms and conditions contained herein;

"**Offering**" shall have the meaning ascribed thereto on the cover page of this Agreement;

"**Offering Jurisdictions**" shall have the meaning ascribed thereto on the cover page of this Agreement;

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

"**Passport System**" means the Passport System for prospectus review created under NI 11-102 and NP 11-202;

"**Penalty Provision**" has the meaning ascribed thereto on the cover page of this Agreement;

"**Penalty Shares**" has the meaning ascribed thereto on the cover page of this Agreement;

"**Penalty Warrants**" has the meaning ascribed thereto on the cover page of this Agreement;

"**Permits**" means the material permits and licenses as applicable in respect of each Property;

"**Person**" means an individual, a firm, a Company, a syndicate, a partnership, a trust, an association, an unincorporated organization, a joint venture, an investment club, a government or an agency or political subdivision thereof and every other form of legal or business entity of any nature or kind whatsoever;

"**Preliminary Prospectus**" means the preliminary short form prospectus, including the documents incorporated by reference, to be prepared by the Company relating to the qualification for distribution of the Underlying Securities to purchasers resident or otherwise subject to the laws of one of the Qualifying Jurisdictions;

"**President's List**" means those Purchasers introduced to the Underwriter by the Company or a principal of the Company, which list will be agreed upon by the Company and Underwriter prior to Closing;

"**Properties**" means the mineral properties and projects of the Company and the Subsidiaries as described in the Disclosure Documents and "**Property**" means any one of them;

"**Purchasers**" means the Persons who as purchasers acquire Special Warrants by duly completing and executing the Subscription Agreements;

"**Qualification Date**" has the meaning ascribed thereto on the cover page of this Agreement;

"**Qualification Deadline**" has the meaning ascribed thereto on the cover page of this Agreement;

"**Qualifying Jurisdictions**" means each of the provinces of Canada, other than Quebec in which Purchasers reside;

"**Regulation D**" means Regulation D as adopted pursuant to the 1933 Act and the rules and regulations promulgated thereunder;

"**Regulation S**" means Regulation S as adopted pursuant to the 1933 Act and the rules and regulations promulgated thereunder;

"**Regulatory Authorities**" means the securities regulatory authority in each of the Offering Jurisdictions;

"**SEDAR**" means the System for Electronic Document Analysis and retrieval established by National Instrument 13-101 *System for Electronic Document Analysis and Retrieval* of the Canadian Securities Administrators;

"**Special Warrants**" has the meaning ascribed thereto on the cover page of this Agreement;

"Special Warrant Agent" means Computershare Trust Company of Canada;

"Special Warrant Indenture" means the indenture dated as of the Closing Date between the Company, the Underwriter and the Special Warrant Agent governing the Special Warrants;

"**Subscription Agreements**" means the subscription agreements with respect to the Special Warrants comprising the Offering, in the form agreed upon by the Company and the Underwriter, pursuant to which Purchasers agree to subscribe for and purchase Special Warrants, and shall include, for greater certainty, all schedules thereto;

"**Subsidiaries**" means the companies that are the direct and indirect subsidiaries of the Company as more particularly set forth in Schedule A and "**Subsidiary**" means any one of them;

"**Supplementary Material**" means any documents supplemental to the Preliminary Prospectus or the Final Prospectus including any amending or supplementary prospectus of other supplemental documents or similar documents;

"**Technical Report**" has the meaning ascribed to that term in NI 43-101;

"**TSX-V**" means the TSX Venture Exchange;

"**Underlying Securities**" means, as applicable the Unit Shares, the Warrants, the Warrant Shares, the Penalty Shares and the Penalty Warrants;

"**Underwriter**" has the meaning ascribed thereto on the cover page of this Agreement;

"**Underwriter's Commission**" has the meaning ascribed to that term in Section 13.1;

"**Underwriter's Shares"** has the meaning ascribed to that term in Section 13.1;

"**Units**" shall have the meaning ascribed thereto on the cover page of this Agreement;

"**Unit Shares**" shall have the meaning ascribed thereto on the cover page of this Agreement;

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

"**Warrants**" shall have the meaning ascribed thereto on the cover page of this Agreement

"Warrant Agent" means Computershare Trust Company of Canada;

"Warrant Indenture" means the warrant indenture to be dated as of the Closing Date between the Company and the Warrant Agent; and

"**Warrant Share"** shall have the meaning ascribed thereto on the cover page of this Agreement.

1.2 **Knowledge.** Where any representation or warranty contained in this Agreement or any Ancillary Document is expressly qualified by reference to the "knowledge" of the Company, or where any other reference is made herein or in any Ancillary Document to the knowledge of the Company, it shall be deemed to refer to the actual knowledge of the Chief Executive Officer, the President and the Chief Financial Officer of the Company after reasonable due enquiry of appropriate and relevant Persons.

1.3 **Business Days.** Where any action or step is to be taken or completed on or by a specified date, and such date is not a Business Day in the applicable jurisdiction, then such action or step may be taken or completed on the next following Business Day.

1.4 **Plural and Gender.** Whenever used in this Agreement, words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine gender and neuter.

1.5 **Currency.** All references to monetary amounts in this Agreement to "$" or to "C$" are to lawful money of Canada unless otherwise specified.

1.6 **Schedules.** The following schedules are attached to this Agreement and are deemed to be a part of and incorporated into this Agreement:

Schedule	Title
A	Subsidiaries and Corporate Structure
B	Form of Officer's Certificate
C	Form of Opinion

2. **Distribution and Certain Obligations of the Underwriter and the Company**

2.1 The Underwriter shall offer for sale the Offered Securities in the Offering Jurisdictions in compliance with the Applicable Securities Laws of the Offering Jurisdictions and only to such Persons and in such manner so that, pursuant to the provisions of the Applicable Securities Laws of the Offering Jurisdictions, no prospectus, registration statement or offering memorandum or other similar document need be filed with, or delivered to, any Regulatory Authority in any Offering Jurisdiction in connection therewith.

2.2 The Underwriter covenants with the Company that: (i) it will comply with the Applicable Securities Laws of the Offering Jurisdictions in which it solicits or procures subscriptions for Offered Securities in connection with the Offering; (ii) it will not solicit or procure subscriptions for Offered Securities so as to require the registration thereof or the filing of a prospectus, registration statement or offering memorandum or other similar document with respect thereto under the laws of any jurisdiction or compliance by the Company with regulatory requirements (including any continuous disclosure obligations) under the laws of any jurisdiction; and (iii) it will obtain from each Purchaser an executed Subscription Agreement in a form acceptable to the Company and the Underwriter, acting reasonably.

2.3 The Underwriter will not directly or indirectly, make any offers to purchase or sell the Offered Securities to any U.S. Person as defined in Regulation S of the 1933 Act and in any event, will comply with the Applicable U.S. Securities Laws.

2.4 The Company undertakes to file or cause to be filed all forms and undertakings required to be filed by the Company in connection with the Offering so that the distribution of the Offered Securities may lawfully occur in the Offering Jurisdictions without the necessity of filing a prospectus or an offering memorandum in Canada and the Underwriter undertakes to use the commercially reasonable efforts thereof to cause the Purchasers of the Offered Securities to complete (and it shall be a condition of closing in favour of the Company that the Purchasers complete and deliver to the Company) any forms and undertakings required by the Applicable Securities Laws of the Offering Jurisdictions. All fees payable in connection with such filings shall be at the expense of the Company.

2.5 Neither the Company nor the Underwriter shall (i) provide to prospective purchasers of Offered Securities any document or other material that would constitute an offering memorandum within the meaning of the Applicable Securities Laws of the Offering Jurisdictions or (ii) engage in any form of general solicitation or general advertising in connection with the offer and sale of the Offered Securities, including but not limited to, causing the sale of the Offered Securities to be

advertised in any newspaper, magazine, printed public media, printed media or similar medium of general and regular paid circulation, broadcast over radio, television or telecommunications, including electronic display or the Internet, or otherwise, or conduct any seminar or meeting relating to any offer and sale of the Offered Securities.

3. **Due Diligence**

3.1 The Company shall allow the Underwriter and the Underwriter's representatives to conduct all due diligence investigations, including meeting with senior management of the Company and any consultants to the Company, as the Underwriter shall consider appropriate in connection with the Offering. Prior to the filing of the Preliminary Prospectus and the Final Prospectus, the Company shall have allowed the Underwriter to participate fully in the preparation of, and to approve the form and content of, such documents and shall have allowed the Underwriter to conduct all due diligence investigations which it may reasonably require in order to fulfill its obligations as underwriter and in order to enable them to responsibly execute the certificate required to be executed by it at the end of the Preliminary Prospectus and the Final Prospectus. Furthermore, management of the Company agrees to be available to provide such assistance in marketing of the Offering as the Underwriter may reasonably request.

4. **Representations and Warranties**

4.1 The Company represents and warrants to the Underwriter and the Purchasers, and acknowledges that each of them is relying upon such representations and warranties in completing the Closing, as of the Closing Time or as of such other time as is contemplated by any representation or warranty set forth below:

(a) the Company is duly organized and is validly existing under the Business Corporations Act (British Columbia) and has all requisite corporate power, capacity and authority to own, lease and operate its Properties and assets and conduct its business as currently conducted or proposed to be conducted and to execute, deliver and carry out its obligations under this Agreement and all Ancillary Documents, and to do all acts and things and execute and deliver all documents as are required hereunder and thereunder in accordance with the terms hereof and thereof;

(b) the Company is:

(i) current with all filings required to be made under its jurisdiction of incorporation and all other jurisdictions in which it exists or carries on any business; and

(ii) has all necessary licences, leases, permits, authorizations and other approvals necessary to permit it to conduct its business as currently conducted or proposed to be conducted, except where the failure to make any filing or obtain any licence, lease, permit, authorization or other approval does not have a Material Adverse Effect;

(c) the Company has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement and the Ancillary Documents and to observe and perform the provisions of this Agreement and the Ancillary Documents in accordance with the provisions hereof and thereunder including, the creation, issue, sale and delivery of the Special Warrants, the issue and delivery of the Underlying Securities, the creation and issuance of the Compensation Options and the Underwriter's Shares issuable on the exercise of the Compensation Options;

(d) none of the Company or any Subsidiary has committed an act of bankruptcy or is insolvent, has proposed a compromise or arrangement to its creditors generally, has had a petition or a receiving order in bankruptcy filed against it, has made a voluntary assignment in bankruptcy, has taken

any proceedings with respect to a compromise or arrangement, has taken any proceedings to have itself declared bankrupt or wound-up, has taken any proceedings to have a receiver appointed for any of its property or has had any execution or distress become enforceable or become levied upon any of its property or assets;

(e) the authorized capital of the Company consists of an unlimited number of Common Shares, of which as of the date hereof, 145,719,669 Common Shares were issued and outstanding as fully paid and non-assessable shares.

As of the date hereof, other than:

(i) an aggregate of 11,680,000 options to acquire an aggregate of 11,680,000 Common Shares issued under the Company's stock option plan, and

(ii) an aggregate of 29,725,421 Common Share purchase warrants to purchase 29,725,421 Common Shares;

no Person will have any agreement, option, right or privilege (whether pre-emptive, contractual or otherwise) capable of becoming an agreement for the purchase, acquisition, subscription for or issue of any of the unissued shares or other securities of the Company;

(f) the Company does not beneficially own, or exercise control or direction over, 10% or more of the outstanding voting shares of any company other than the Subsidiaries and the Company beneficially owns, directly or indirectly, the percentage indicated on Schedule A of the issued and outstanding shares in the capital of the Subsidiaries free and clear of all pledges, liens, charges, encumbrances or adverse claims which would impair the legal or beneficial ownership of such shares, all of such shares have been duly authorized and validly issued and are outstanding as fully paid shares and no person has any agreement or option, or any right or privilege capable of becoming an agreement for the purchase, subscription or issuance of any securities in the capital of the Subsidiaries or any other security convertible into or exchangeable for any such shares;

(g) each Subsidiary has been duly incorporated and is validly existing under the laws of its jurisdiction of incorporation, has all requisite corporate power and authority and is qualified to carry on its business as now conducted and to own its properties and assets;

(h) the Company and each of the Subsidiaries, as applicable, are the beneficial owners of the properties, business and assets or the interests in the properties, business or assets referred to in the Disclosure Documents or which the Company or the Subsidiaries are referred to as beneficially owning and none of the Company or any of the Subsidiaries, or, to the knowledge of the Company, any other party is in breach of or default under any agreement by which the Company or any of the Subsidiaries holds an interest in a property, business or assets and the properties are in good standing under the applicable laws of the jurisdictions in which they are situated which breach or default could reasonably be expected to result in a Material Adverse Effect;

(i) the Property described in the opinions provided pursuant to Section 8.2(c) is the only material mineral property of the Company and its Subsidiaries. No Person has, or will upon completion of the Offering have, any agreement, option, right or privilege (whether pre-emptive, contractual or otherwise) capable of becoming an agreement for the purchase or acquisition of an interest in the Property;

(j) there are no, and at the Closing Time, there will be no shareholders' agreements to which the Company or any Subsidiary is a party, and to the best knowledge of the Company there are no, and at the Closing Time there will be no, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the securities of the Company or any Subsidiary;

(k) at the Closing Time, all necessary action will have been taken by the Company to:

(i) create and duly and validly issue the Special Warrants and the Compensation Options,

(ii) duly allot and reserve for issuance the Unit Shares and the Warrants issuable upon the exercise of the Special Warrants,

(iii) duly allot and reserve for issuance the Underwriter's Shares issuable upon the exercise of the Compensation Options; and

(iv) duly allot and reserve for issuance the Warrant Shares issuable upon exercise of the Warrants;

(v) upon the exercise of the Special Warrants, (i) the Unit Shares will be validly issued as fully paid and non-assessable Common Shares, (ii) the Warrants will be validly issued and, (iii) upon the exercise thereof and payment of the requisite consideration therefor, the Warrant Shares will be validly issued as fully paid and non-assessable Common Shares; and

(vi) upon the exercise of the Compensation Options, the Underwriter's Shares will be validly issued as fully paid and non-assessable Common Shares;

(l) the execution and delivery of this Agreement, the Subscription Agreements and the Ancillary Documents and the performance of the transactions contemplated hereunder and thereunder, the offering and sale of the Offered Securities, the Underlying Securities and the issuance of the Compensation Options on the Closing Date, does not and will not;

(i) require the consent, approval, authorization, registration or qualification of or with any Governmental Authority, stock exchange, securities regulatory authority or other third party, except: (i) such as have been obtained or will be obtained prior to the Closing Date; or (ii) such as may be required under the Applicable Securities Laws;

(ii) result in a breach of or default under, nor create a state of facts which, after notice or lapse of time or both, would result in a breach of or default under, nor conflict with:

A. any of the terms, conditions or provisions of the constating documents or resolutions of the shareholders, directors or any committee of directors of the Company or its Subsidiaries; or

B. any Applicable Law, including, without limitation, the Applicable Securities Laws, or any judgment, order or decree of any Governmental Authority or court having jurisdiction over the Company or a Subsidiary; or

C. any material mortgage, note, indenture, contract, agreement (written or oral), instrument, lease or other document to which the Company or a Subsidiary is a party or by which the Company or a Subsidiary, or a material portion of the

assets of the Company or a Subsidiary, is bound (each, a "**Material Agreement**"); or

(iii) give rise to any lien, charge or claim in or with respect to the properties or assets now owned by the Company or the acceleration of or the maturity of any debt under any indenture, mortgage, lease, agreement or instrument binding or affecting it or any of its properties;

(m) this Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and legally binding obligation of the Company enforceable against the Company in accordance with the terms hereof and each of the Ancillary Documents has been duly authorized and, upon execution and delivery by the Company, will constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with the terms thereof, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by Applicable Law;

(n) each of the documents which contains any of the Disclosure Documents is, as of the date thereof, in compliance in all material respects with the Applicable Securities Laws of the Qualifying Jurisdictions and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and such documents collectively constitute full, true and plain disclosure of all material facts relating to the Company and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, as of the date hereof. There is no fact known to the Company which the Company has not publicly disclosed which materially adversely affects, or so far as the Company can reasonably foresee, will materially adversely affect, the assets, liabilities (contingent or otherwise), capital, affairs, business, prospects, operations or condition (financial or otherwise) of the Company or the ability of the Company to perform its obligations under this Agreement or the Ancillary Documents;

(o) the Company is in compliance with all timely disclosure obligations under the Applicable Securities Laws and, without limiting the generality of the foregoing, there has not occurred any material adverse change in the assets, liabilities (contingent or otherwise), capital, affairs, business, prospects, operations or condition (financial or otherwise) of the Company or any Subsidiary which was required under Applicable Securities Laws to be publicly disclosed and which has not been publicly disclosed and none of the documents filed by or on behalf of the Company pursuant to such Applicable Securities Laws contain a misrepresentation at the date of the filing thereof;

(p) since June 30, 2014, there has not occurred any material adverse change (actual, anticipated, contemplated or threatened, whether financial or otherwise) in the assets, liabilities (contingent or otherwise), Properties, Permits, capital, affairs, prospects, business, operations or condition (financial or otherwise) of the Company or any Subsidiary that has not been publicly disclosed in a Disclosure Document;

(q) the currently issued and outstanding Common Shares are listed and posted for trading on the TSX-V and no order preventing, ceasing or suspending trading in any securities of the Company or prohibiting the issue and sale of securities by the Company has been issued and no proceedings

for either of such purposes have been threatened or, to the knowledge of the Company, are pending;

(r) the Financial Statements and the notes thereto, present fairly, in all material respects, the financial position of the Company and the statements of operations, retained earnings, cash flow from operations and changes in financial information of the Company for the periods specified in such Financial Statements, and (i) have been prepared in accordance with IFRS consistently applied throughout the period referred to therein, (ii) present fairly, in all material respects, the financial position (including the assets and liabilities, whether absolute, contingent or otherwise) of the Company as at such dates and results of operations of the Company for the periods then ended, and (iii) contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of the Company, and there has been no change in accounting policies or practices of the Company since December 31, 2014, except as disclosed in the notes to the interim financial statements;

(s) since June 30, 2014, there has not been a reportable event (within the meaning of National Instrument 51-102 - *Continuous Disclosure Obligations of the Canadian Securities Administrators*) with the Auditor;

(t) since June 30, 2014, none of:

(i) the Company or any Subsidiary has paid or declared any dividend or incurred any material capital expenditure or made any commitment therefor;

(ii) the Company or any Subsidiary has incurred any obligation or liability, direct or indirect, contingent or otherwise, except in the ordinary course of business and which is not, and which in the aggregate are not, material; and

(iii) the Company or any Subsidiary has entered into any material transaction.

except in each case as disclosed in the Disclosure Documents;

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

(v) except as disclosed in the Disclosure Documents, neither the Company nor any of the Subsidiaries has committed an act of bankruptcy or sought protection from the creditors thereof before any court or pursuant to any legislation, proposed a compromise or arrangement to the creditors thereof generally, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to be declared bankrupt or wound up, taken any proceeding to have a receiver appointed of any of the assets thereof, had any Person holding any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement or other security interest or receiver take possession of any of the property thereof, had an execution or distress become enforceable or levied upon any portion of the property thereof or had any petition for a receiving order in bankruptcy filed against it;

(w) other than as disclosed in the Disclosure Documents, none of the Company or any Subsidiary has approved or has entered into any agreement in respect of, or has any knowledge of:

(i) the purchase of any Property, Permit or material assets or any interest therein;

(ii) the sale, transfer or other disposition of any Property, Permit or material assets or any interest therein currently owned, directly or indirectly, by the Company or any Subsidiary whether by asset sale, transfer of shares or otherwise; or

(iii) the change of control (by sale or transfer of shares or sale of all or substantially all of the Properties, Permits and assets of the Company or any Subsidiary or otherwise) of the Company or any Subsidiary.

(x) the Company and each Subsidiary has filed in a timely manner all necessary tax returns and notices and has paid all applicable taxes of whatsoever nature for all tax years prior to the date hereof to the extent that such taxes have become due or have been alleged to be due and none of the Company or any Subsidiary is aware of any tax deficiencies or interest or penalties accrued or accruing, or alleged to be accrued or accruing, thereon where, in any of the above cases, it might reasonably be expected to result a Material Adverse Effect and there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by any of them or the payment of any tax, governmental charge, penalty, interest or fine against any of them. There are no actions, suits, proceedings, investigations or claims now threatened or pending against the Company or any Subsidiary that could reasonably be expected to result in a material liability in respect of taxes, charges or levies of any governmental authority, penalties, interest, fines, assessments or reassessments or any matters under discussion with any governmental authority relating to taxes, governmental charges, penalties, interest, fines, assessments or reassessments asserted by any such authority and the Company and each Subsidiary has withheld (where applicable) from each payment to each of the present and former officers, directors, employees and consultants thereof the amount of all taxes and other amounts, including, but not limited to, income tax and other deductions, required to be withheld therefrom, and has paid the same or will pay the same when due to the proper tax or other receiving authority within the time required under applicable tax legislation;

(y) the Company and each Subsidiary has conducted and is conducting the business thereof in compliance in all material respects with all Applicable Laws, tariffs, orders and directives of each jurisdiction in which it carries on business or holds assets and possesses all material approvals, consents, certificates, registrations, authorizations, permits (including the Permits) and licenses issued by the appropriate provincial, territorial, state, municipal, federal, national or other regulatory agency or body necessary to carry on the business currently carried on and has no reason to believe that it will not receive any such approvals, consents, certificates, registrations, authorizations, permits (including the Permits) and licenses necessary to carry on the business as contemplated to be carried on by it or as contemplated to be conducted, and the Company and each Subsidiary is in compliance in all material respects with the terms and conditions of all such approvals, consents, certificates, authorizations, permits (including the Permits) and licenses and with all laws, regulations, tariffs, rules, orders and directives material to the operations thereof, and none of the Company or any Subsidiary has received any notice of the modification, revocation or cancellation of, or any intention to modify, revoke or cancel or any proceeding relating to the modification, revocation or cancellation of any such approval, consent, certificate, authorization, permit (including any Permit) or license which, singly or in the aggregate, if the subject of an unfavourable decision, order, ruling or finding, could reasonably be expected to result in a Material Adverse Effect. All such material approvals, consents, certificates, registrations, authorizations, permits (including the Permits) and licenses are and will at the Closing Time be valid, subsisting and in good standing;

(z) neither the Company nor any Subsidiary is in violation of any material term of their respective notice of articles, articles or by-laws or any constating document thereof. Neither the Company nor any Subsidiary is in violation of any term or provision of any agreement, indenture or other instrument applicable to it which would, or could, result in any Material Adverse Effect on the business, condition (financial or otherwise), capital, affairs or operations of the Company or any Subsidiary, neither the Company nor any Subsidiary is in default in the payment of any obligation owed which is now due;

(aa) there are no actions, suits, proceedings or investigations commenced, pending or, to the knowledge of the Company, threatened which, in the aggregate, could reasonably be expected to result in any Material Adverse Effect or in any material liability on the part of the Company or any Subsidiary, or which places, or could place, in question the validity of the Offering, or the validity or enforceability of this Agreement, the Ancillary Documents or any document or instrument delivered, or to be delivered, by the Company pursuant hereto or thereto;

(bb) the Company and the Subsidiaries, as applicable, hold either freehold title, mining leases, mining concessions, mining claims, exploration permits, prospecting permits or participating interests or other conventional property or proprietary interests or rights, recognized in the jurisdiction in which a particular Property is located, in respect of the ore bodies and minerals located in each of the Properties in which the Company or a Subsidiary has an interest under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Company or the applicable Subsidiary to explore for the minerals relating thereto, all Property claims and Permits in which the Company or any Subsidiary has an interest or right have been validly located and recorded in accordance with all Applicable Laws and are valid and subsisting, the Company and the Subsidiaries holds all necessary surface rights, access rights and other necessary rights and interests relating to the Properties in which the Company and the Subsidiaries have an interest granting the Company or the applicable Subsidiary the right and ability to explore for minerals, ore and metals for development purposes as are appropriate in view of the rights and interest therein of the Company or the applicable Subsidiary, with only such exceptions as do not materially interfere with the use made by the Company or the applicable Subsidiary of the rights or interests so held, and each of the property interests or rights and each of the documents, agreements and instruments and obligations relating thereto referred to above is currently in good standing in the name of the Company or a Subsidiary;

(cc) any and all of the Permits, agreements and other documents and instruments pursuant to which the Company or any Subsidiary holds or will hold an interest in the Properties and assets thereof (including any interest in, or right to earn an interest in, any Property) are valid and subsisting Permits, agreements, documents or instruments in full force and effect, enforceable in accordance with terms thereof, none of the Company or any Subsidiary is in default of any of the provisions of any such agreements, documents or instruments nor has any such default been alleged, and such Properties, Permits and assets are in good standing under the Applicable Laws of the jurisdictions in which they are situated, all leases, licences, Permits and claims pursuant to which the Company or any Subsidiary derive the interests thereof in such Properties and assets are in good standing and there has been no default by the Company or any Subsidiary under any such lease, licence, Permit or claim and all fees and other amounts required to be paid with respect to such Permits, Properties and assets to the date hereof have been paid, other than defaults which could not result in a Material Adverse Effect;

(dd) all assessments or other work required to be performed to date in relation to the material Property in order to maintain the interest of the Company or a Subsidiary therein, if any, have been performed to date and the Company and its Subsidiaries have complied in all material respects with all applicable governmental laws, regulations and policies in this connection as well as with regard to legal, contractual obligations to third parties in this connection except in respect of

mining claims and mining rights that the Company or a Subsidiary intends to abandon or relinquish;

(ee) neither the Company nor any Subsidiary has received any notice of proceedings relating to the revocation or modification of any material mineral project right, mining or exploration authorities, permits or licenses previously granted to the Company or any Subsidiary, nor has it received notice of the revocation or cancellation of, or any intention to revoke or cancel, any material project right, mining claim, concession or lease of the Company or any Subsidiary;

(ff) to the Company's knowledge, all exploration, development and production work on the Properties, has been conducted in all respects in accordance with good mining and engineering practices and all applicable workers' compensation and health and safety and workplace laws, regulations and policies have been complied with in all material respects;

(gg) none of the Company or any Subsidiary is in default of any term, covenant or condition under or in respect of any judgment, order, Material Agreement to which it is a party or to which it or any of the Properties or assets thereof are or may be subject, and to the knowledge of the Company after due inquiry, no event has occurred and is continuing, and no circumstance exists which has not been waived, which constitutes a default in respect of any commitment, Material Agreement, document or other instrument to which the Company or any Subsidiary is a party or by which it is otherwise bound entitling any other party thereto to accelerate the maturity of any amount owing thereunder or which could result in a Material Adverse Effect;

(hh) the Company and each Subsidiary is in compliance with all Applicable Laws respecting employment and employment practices, terms and conditions of employment, pay equity and wages, except where such non-compliance could not reasonably be expected to result in a Material Adverse Effect, and there is no labour strike, dispute, slowdown, stoppage, complaint or grievance pending or threatened against the Company or any Subsidiary;

(ii) the Company and the Subsidiaries:

(i) and the Properties, assets and operations thereof comply in all material respects with all applicable "**Environmental Laws**" (which term means and includes, without limitation, any and all applicable international, federal, provincial, territorial, state, municipal, national or local laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, or any environmental activity (which term means and includes, without limitation, any past, present or future activity, event or circumstance in respect of a Contaminant);

(ii) do not have any knowledge of, and have not received any notice of, any material claim, judicial or administrative proceeding, pending or threatened against, or which may affect, either the Company or any Subsidiary or any of the Properties, or the assets or operations thereof, relating to, or alleging any violation of any Environmental Laws, the Company has no knowledge of any facts which could reasonably be expected to give rise to any such claim or judicial or administrative proceeding and none of the Company, any Subsidiary, any of the Properties, or assets or operations thereof, is the subject of any investigation, evaluation, audit or review by any Governmental Authority to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is needed in connection with a release of any Contaminant into the environment, except for compliance investigations conducted in the normal course by any Governmental Authority;

(iii) has obtained or is in the process of obtaining all material licences, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws (the "**Environmental Permits**") necessary as at the date hereof for the operation of the businesses currently carried on by the Company and its Subsidiaries and each Environmental Permit is valid, subsisting and in good standing and neither the Company nor any Subsidiary is in material default or breach of any Environmental Permit, and to the best of the knowledge of the Company, no proceeding is pending or threatened to revoke or limit any Environmental Permit, and, the Company knows of no issue or reason why the Environmental Permits that have not already been approved or obtained should not be approved and obtained in the ordinary course;

(iv) do not store any hazardous or toxic waste or substance on the Properties and have not disposed of any hazardous or toxic waste, in each case in a manner contrary to any Environmental Laws, and to the knowledge of the Company after due inquiry, there are no Contaminants on any of the premises or Properties, in each case other than in compliance with Environmental Laws except where such non-compliance could not reasonably be expected to result in a Material Adverse Effect; and

(v) are not subject to any material contingent or other liability relating to the restoration or rehabilitation of land, water or any other part of the environment (except for those derived from normal exploration activities) or non-compliance with Environmental Law;

(jj) all consents, approvals, permits, authorizations or filings as may be required under Applicable Laws necessary to the performance by the Company of its obligations under this Agreement and the Ancillary Documents will have been obtained at the Closing Time or will be obtained within the respective times prescribed by such Applicable Laws;

(kk) except as contemplated hereby (including any selling agents retained by the Underwriter), there is no Person acting or purporting to act at the request of the Company, who is entitled to any brokerage, finder's fee, commission or agency fee in connection with the transactions contemplated herein;

(ll) the Company is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will have a Material Adverse Effect on the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of the Company or its Subsidiaries;

(mm) the Company does not have any loans or other indebtedness outstanding which have been made to any of its officers, directors or employees, past or present, any known holder of more than ten per cent of any class of shares of the Company, or any person not dealing at arm's length with them that are currently outstanding, other than routine indebtedness that relates to amounts paid in arrears in the ordinary course;

(nn) except as set out in the Disclosure Documents, none of the directors, officers or employees of the Company, any known holder of more than 10% of any class of shares of the Company, or any known associate or affiliate of any of the foregoing persons or companies (as such terms are defined in the *Securities Act* (British Columbia)), had or has any material interest, direct or indirect, in any transaction within the previous two years or any proposed transaction that was or is material to the Company;

(oo) the Company maintains insurance covering the properties, operations, personnel and businesses of the Company and its Subsidiaries as the Company reasonably deems adequate; such insurance insures against such losses and risks to an extent which is adequate in accordance with customary industry practice to protect the Company, its Subsidiaries and the business of the Company and

its Subsidiaries; all such insurance is fully in force on the date hereof and will be fully in force on the Closing Date; and the Company has no reason to believe that it will not be able to renew any such insurance as and when such insurance expires;

(pp) the minute books of the Company and the Subsidiaries as provided or made available to the Underwriter are true and correct in all material respects and contain all the resolutions of its directors (including any committee thereof) and shareholders that have been duly passed since the date of the Issuer's incorporation. All such resolutions contained in such records have been duly passed and all such meetings have been duly called;

(qq) the specimen certificates representing the book-entry Special Warrants, Unit Shares and the Warrants and the certificates representing the Compensation Options have been duly approved by the Company and comply with the provisions of Applicable Laws;

(rr) the Company is a reporting issuer or the equivalent thereof in British Columbia and Alberta and is not in default of any of its obligations under Applicable Securities Laws of such provinces;

(ss) the Company is in material compliance with all rules, regulations and policies of the TSX-V;

(tt) neither the Company nor any of its Subsidiaries nor, to the best knowledge of the Company, any director, officer, agent, employee or other person associated with or acting on behalf of the Company or any of its Subsidiaries has

(i) used any corporate funds for any lawful contribution, gift, entertainment or other unlawful expense relating to political activity,

(ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds,

(iii) violated or is in violation of any provision of the *Corruption of Foreign Officials Act* (Canada), or

(iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment;

(uu) neither this Agreement, nor any schedule hereto, nor any delivery pursuant to the Agreement or any Subscription Agreement, contains an untrue statement of a material fact, fails to disclose a material fact, or fails to disclose a fact that is necessary to be disclosed in order for any material statement not to be misleading. Each of the representations and warranties made by the Company in this Agreement shall have been accurate in all material respects as of each Closing Date as if made on such Closing Date;

(vv) the Company is, and at Closing will be, (i) a Foreign Issuer; (ii) the Company is not now, and as a result of the offer and sale of the Offered Securities contemplated hereby will not be required to be registered as an "investment company" under the *United States Investment Company Act of 1940*, as amended; and

(ww) None of the Company, its affiliates or any persons acting on its or their behalf (other than the Underwriter, its affiliates and any person acting on their behalf, as to which no representation, warranty, covenant or agreement is made) has offered or sold, or will offer or sell, any of the Offered Securities in the United States.

5. **Representations and Warranties of the Underwriter**

5.1 The Underwriter represents and warrants to the Company, and acknowledges that the Company is relying upon such representations and warranties in entering into this Agreement, that:

(a) the Underwriter is a valid and subsisting corporation duly incorporated and in good standing under the laws of the jurisdiction in which it is incorporated;

(b) the Underwriter has all requisite power and authority and good and sufficient right and authority to enter into, deliver and carry out its obligations under this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein;

(c) the Underwriter will conduct all its activities of, and in connection with, arranging for the sale of the Special Warrants in compliance with Applicable Securities Laws;

(d) the Underwriter is appropriately registered under the Applicable Securities Laws or is exempt from the requirements under Applicable Securities Laws under a category that permits them to lawfully fulfill their obligations hereunder;

(e) the Underwriter acknowledges that the Offered Securities have not been and will not be registered under the 1933 Act or any state securities laws, and may not be offered or sold except in accordance with Regulation S or pursuant to an exemption from the registration requirements of the 1933 Act available under Section 4(a)(2) of the 1933 Act or Rule 506(b) of Regulation D and in reliance upon similar exemptions under applicable state securities laws; and

(f) the Underwriter and any persons acting on its behalf, has not engaged nor will engage in any Directed Selling Efforts.

5.2 The representations and warranties of the Underwriter contained in this Agreement shall be true at the Closing Time as though they were made at the Closing Time and they shall survive the completion of the transactions contemplated under this Agreement.

6. **Covenants**

6.1 Immediately following the acceptance by the Company hereof, the Company covenants and agrees with the Underwriter and the Purchasers that the Company will:

(a) obtain, to the extent not already obtained, the necessary regulatory consents from the TSX-V and, to the extent necessary, from the Regulatory Authorities of the Offering Jurisdictions for the Offering on such terms as are mutually acceptable to the Underwriter and the Company, acting reasonably;

(b) arrange for the listing of the Unit Shares, the Warrant Shares and the Underwriter's Shares on the TSX-V as soon as possible; and

(c) make all necessary filings to obtain all other necessary regulatory and other consents and approvals required in connection with the transactions contemplated by this Agreement.

6.2 The Company hereby covenants and agrees with the Underwriter and the Purchasers that:

(a) the Company will fulfill all legal requirements to permit the creation, issue, offering and sale of the Special Warrants as contemplated in this Agreement including, without limitation, compliance with the Applicable Securities Laws of the Offering Jurisdictions to enable the

Special Warrants to be offered for sale and sold to the Purchasers without the necessity of filing a prospectus in the Offering Jurisdictions;

(b) the Company will fulfill all legal requirements to permit the creation and issue of the Compensation Options as contemplated in this Agreement including, without limitation, compliance with the Applicable Securities Laws of the Offering Jurisdictions to enable the Compensation Options to be distributed to the Underwriter without the necessity of filing a prospectus in the Offering Jurisdictions;

(c) the Company will forthwith after the Closing Date file such documents as may be required under the Applicable Securities Laws of the Offering Jurisdictions relating to the offering of the Offered Securities which, without limiting the generality of the foregoing, shall include a Form 45-106F1 and Form 45-106F6 as prescribed under NI 45-106;

(d) the Company shall ensure that the Special Warrants upon issuance in accordance with the terms hereof have the attributes corresponding in all material respects to the description thereof set forth in this Agreement and the Subscription Agreements;

(e) the Company shall obtain prior approval of the Underwriter as to the content and form of any press release relating to the Offering, such approval not to be unreasonably withheld or delayed. In addition, if required by the Applicable Securities Laws or Applicable U.S. Securities Laws, any press release announcing or otherwise referring to the Offering shall not be disseminated in the United States and shall include an appropriate notation on the top of each page of the press release as follows: "NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES, OR DISSEMINATION IN THE UNITED STATES" as well as a legend at the bottom of the press release stating:

> *This press release is not for distribution or dissemination in the United States and accordingly, shall not constitute an offer of securities in the United States. The securities that may be issued pursuant to this press release are not currently qualified by prospectus or registered under the U.S. Securities Act of 1933, as amended (the "1933 Act"), or the laws of any state, and may not be offered or sold in the United States, or to, or for the account or benefit of United States persons (as defined in Regulation S under the 1933 Act) or persons in the United States absent registration or an applicable exemption from the registration requirements. The securities are subject to resale restrictions under applicable securities laws.;*

(f) the form and terms of the Compensation Options will conform to the description thereof set forth in Section 13;

(g) the form and terms of the Warrants will conform, in all material respects, to the description thereof in the Warrant Indenture;

(h) the Special Warrant Agent, at its principal offices in Vancouver, British Columbia will be duly appointed as the special warrant agent in respect of the Special Warrants; and

(i) the Warrant Agent, at its principal offices in Vancouver, British Columbia will be duly appointed as the warrant agent in respect of the Warrants.

6.3 The Company agrees not to issue or announce the issuance of any Common Shares or any securities convertible into or exchangeable for or exercisable to acquire Common Shares without the prior written consent of the Underwriter not to be unreasonably withheld during a period commencing on the date of execution of this Agreement and ending on the date the Company has

received a receipt for the Final Prospectus issued by the Regulatory Authorities in the Offering Jurisdictions, other than pursuant to:

(a) currently outstanding rights or agreements, including without limitation, options, warrants and other convertible securities and any rights which have been granted or issued, subject to any necessary regulatory approval; or

(b) currently outstanding options or other rights to acquire shares granted to officers, directors, employees or consultants of the Company or any Subsidiary thereof pursuant to the security based compensation plans of the Company; or

(c) the Company's existing stock option plan or other existing compensation and incentive plans and any other option plans not already discussed; or

(d) options or rights granted to the Underwriter in connection with the Offering.

7. **Prospectus Qualification**

7.1 The Company covenants and agrees with the Underwriter that it shall:

(a) elect and comply in all material respects with the procedures of prospectus review under the Passport System and shall use its reasonable best efforts to, as soon as reasonably practicable after the Closing Date, to:

(i) prepare and file the Preliminary Prospectus and other documents required under the Applicable Securities Laws of the Qualifying Jurisdictions with the Regulatory Authorities and designate the BCSC as the principal regulator; and

(ii) as soon as reasonably practicable after obtaining the receipt for the Preliminary Prospectus, resolve any comments with respect to the Preliminary Prospectus received by the Regulatory Authorities in the Qualifying Jurisdictions and prepare and file the Final Prospectus and other documents required under the Applicable Securities Laws of the Qualifying Jurisdictions with the Regulatory Authorities and obtain the Final Receipt;

(b) otherwise fulfill all necessary legal requirements to enable the Underlying Securities to be distributed in each of the Qualifying Jurisdictions;

(c) until the completion of the distribution of the Underlying Securities, promptly take or cause to be taken all additional steps and proceedings that from time to time may be required under the Applicable Securities Laws of the Qualifying Jurisdictions to continue to qualify the Underlying Securities for distribution or, in the event that the Underlying Securities have, for any reason, ceased to so qualify, to use reasonable commercial efforts to again qualify the Underlying Securities for distribution; and

(d) prior to the filing of the Preliminary Prospectus or the Final Prospectus and prior to the filing with any Regulatory Authorities of any Supplementary Material, have allowed the Underwriter and the Underwriter's counsel reasonable opportunity to participate fully in the preparation of and to approve the form of such documents (such approval not to be unreasonably withheld);

(e) deliver or cause to be delivered without charge to the Underwriter and the Underwriter's counsel the documents set out below at the respective times indicated:

(i) prior to the filing with the Regulatory Authorities of each of the Preliminary Prospectus and the Final Prospectus, copies of the Preliminary Prospectus and the Final Prospectus, signed by the Company as required by the Applicable Securities Laws of the Qualifying Jurisdictions;

(ii) contemporaneously with, or prior to the filing of the Final Prospectus or any Supplementary Material in respect of the Final Prospectus, a certificate dated the date of the Final Prospectus, addressed to the Underwriter and signed by the Chief Executive Officer and Chief Financial Officer of the Company, certifying for and on behalf of the Company, and not in their personal capacities, after having made due inquiries, with respect to the following matters:

A. the Company having complied with all of the covenants and satisfied all of the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the date of the Final Prospectus;

B. no order, ruling or determination having the effect of ceasing or suspending having been issued and no proceeding for such purpose being pending or, to the knowledge of such officers, threatened;

C. the representations and warranties of the Company contained in this agreement and in any certificates of Company delivered pursuant to or in connection with this agreement being true and correct as at the date of the Final Prospectus or Supplementary Material, with the same force and effect as if made on and as at the date of the Final Prospectus or Supplementary Material, as the case may be, after giving effect to the transactions contemplated by this agreement;

D. since the Closing Time, there having been no material adverse change, financial or otherwise, in the assets, liabilities (contingent or otherwise), capital, business or results of operations of the Company; and

E. the property described in the title opinion delivered to the Underwriter on the Closing Date, as contemplated herein, is the only material property described in the Final Prospectus and such title opinion continues to be correct and complete in all material respects;

(iii) contemporaneously with, or prior to the filing of the Final Prospectus, a "comfort letter" from the Company's auditors, dated the date of the Final Prospectus, addressed to the Underwriter and satisfactory in form and substance to the Underwriter and the Underwriter's counsel, acting reasonably, containing statements and information of the type ordinarily included in auditors' comfort letters to an underwriter in connection with securities offerings in Canada with respect to certain financial and accounting information relating to the Company in the Final Prospectus which comfort letter shall be based on the Company's auditors review having a cut-off date of not more than two Business Days prior to the date of the Final Prospectus;

(iv) as soon as possible after the filing of the Final Prospectus, without charge, commercial copies of the Final Prospectus in such numbers and in such cities as the Underwriter may reasonably request by written instructions to the Company, or the printer thereof, given no later than the time when the Company authorizes the printing of the commercial copies of such documents;

(v) upon the Final Receipt being issued, a favourable legal opinion of the Company's counsel or other local counsel acceptable to the Underwriter acting reasonably, addressed to the Underwriter, in form and substance reasonably satisfactory to the Underwriter and the Underwriter's counsel, acting reasonably;

(vi) each delivery of the Preliminary Prospectus, the Final Prospectus or any Supplementary Material pursuant to subparagraph (b) hereof shall constitute a representation and warranty to the Underwriter by the Company (and the Company hereby acknowledges that the Underwriter is relying on such representations and warranties in entering into this agreement) that:

A. the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as applicable:

B. are at the respective dates of such documents, true and correct in all material respects;

C. contain no misrepresentation; and

D. contain full, true and plain disclosure of all material facts relating to the Company, the Unit Shares, the Warrants and the Warrant Shares as required under Applicable Securities Laws of the Qualifying Jurisdictions, other than any information or statements relating solely to the Underwriter and furnished in writing to the Company by the Underwriter expressly for inclusion in the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as the case may be, and except any information and statements which are modified or superseded by information or statements contained in the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as the case may be;

(f) the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as applicable, complies in all material respects with the Applicable Securities Laws of the Qualifying Jurisdictions; and

(g) except as has been disclosed in the Disclosure Documents, there has been no material change (actual, proposed or prospective, whether financial or otherwise) from the date of the Preliminary Prospectus, the Final Prospectus and any Supplementary Material to the time of delivery of such respective document in the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Company and its Subsidiaries, taken as a whole;

(h) it will use its reasonable commercial efforts to obtain, prior to the Closing Time, all necessary approvals of the TSX-V required for the issuance of the Unit Shares, the Warrants, the Warrant Shares and the Compensation Options and the listing of the Unit Shares, the Warrant Shares and the Underwriter's Shares and shall comply with all requirements of the TSX-V in connection with the issuance of the Unit Shares, the Warrants and the Warrant Shares, and the listing of the Unit Shares, the Warrant Shares and the Underwriter's Shares on the TSX-V including the filing of all necessary documentation in accordance with the requirements of the Exchange in connection with the listing of the Unit Shares, the Warrant Shares, and the Underwriter's Shares on the TSX-V;

(i) during the period commencing with the date hereof and ending on the Qualification Date, the Company will promptly provide to the Underwriter, for review by the Underwriter and the Underwriter's counsel, prior to filing or issuance of the same, any proposed public disclosure document, including without limitation, any financial statements of the Company, report to shareholders, information circular or any press release or material change report, subject to the Company's obligations under Applicable Securities Laws and the Applicable U.S. Securities Laws to make timely disclosure of material information, and the Underwriter agree to keep such information confidential until it is disseminated into the marketplace;

(j) any press release issued by the Company concerning the offering of Special Warrants shall not be disseminated in the United States and shall be marked, at the top of the press release, as follows: "NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES" and shall contain the following legend;

> *This press release is not for distribution or dissemination in the United States and accordingly, shall not constitute an offer of securities in the United States. The securities that may be issued pursuant to this press release are not currently qualified by prospectus or registered under the U.S. Securities Act of 1933, as amended (the "1933 Act"), or the laws of any state, and may not be offered or sold in the United States, or to, or for the account or benefit of United States persons (as defined in Regulation S under the 1933 Act) or persons in the United States absent registration or an applicable exemption from the registration requirements. The securities are subject to resale restrictions under applicable securities laws.*

(k) during the period commencing with the date hereof and ending on the Qualification Date, the Company will promptly inform the Underwriter of the full particulars of:

(i) any material change (actual, anticipated or threatened) in or affecting the business, operations, revenues, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Company and its Subsidiaries, taken as a whole;

(ii) any change in any material fact contained or referred to in the Disclosure Documents; and

(iii) the occurrence of a material fact or event, which, in any such case, is, or may be, of such a nature as to: (A) render any portion of the Disclosure Materials Documents, false or misleading in any material respect; (B) result in a misrepresentation in the Disclosure Documents; or (C) result in the Disclosure Documents not complying in a material respect with the Applicable Securities Laws or the Applicable U.S. Securities Laws;

provided that if the Company is uncertain as to whether a material change, change, occurrence or event of the nature referred to in this Section 7.1(k)(iii) has occurred, the Company shall promptly inform the Underwriter of the full particulars of the occurrence giving rise to the uncertainty and shall consult with the Underwriter as to whether the occurrence is of such a nature;

(l) during the period commencing with the date hereof and ending on the Qualification Date, the Company will promptly inform the Underwriter of:

(i) any request of the Regulatory Authorities for any amendment to the Preliminary Prospectus, the Final Prospectus or any other part of the Disclosure Documents or for any additional information;

(ii) the receipt by the Company of any communication from any Regulatory Authority or similar regulatory authority, the TSX-V, or any other competent authority relating to any part of the Disclosure Documents or the Offering; and

(iii) the issuance by any Regulatory Authority or similar regulatory authority, the TSX-V or by any other competent authority, of any order to cease or suspend trading of any securities of the Company or of the institution or threat of institution of any proceedings for that purpose;

(m) the Company will promptly, and in any event within any applicable time limitation, comply to the reasonable satisfaction of the Underwriter and the Underwriter's counsel, with Applicable Securities Laws with respect to any material change or change, occurrence or event of the nature referred to in this Section7.1(m) and the Company will prepare and file promptly at the Underwriter's request, acting reasonably, any amendment to the Preliminary Prospectus, the Final Prospectus or Supplementary Material as may be required under Applicable Securities Laws of the Qualifying Jurisdictions; provided that the Company shall have allowed the Underwriter and the Underwriter's counsel reasonable opportunity to participate fully in the preparation of any amendment to the Preliminary Prospectus, the Final Prospectus or Supplementary Material and to conduct all due diligence investigations which the Underwriter may reasonably require in order to fulfil their obligations as Underwriter and in order to enable the Underwriter to execute the certificate required to be executed by them in, or in connection with, such Supplementary Material;

(n) the Company will duly, faithfully and punctually perform all the obligations to be performed by it and comply with its covenants and agreements hereunder and under the Subscription Agreements;

(o) all representations, warranties and covenants in Sections 4, 6 and 7 in this Agreement made by the Company to the Underwriter shall also be deemed to be made for the benefit of the Purchasers as if the Purchasers were also parties hereto (it being agreed that the Underwriter is acting for and on behalf of the Purchasers for this purpose);

(p) use its commercially reasonable efforts to maintain its status as a "reporting issuer" or the equivalent not in default in each of the Qualifying Jurisdictions for a period of two years from the Closing Date, other than in connection with a merger, amalgamation, arrangement, take-over bid, going private transaction or other similar transaction involving the purchase or sale of all of the outstanding Common Shares; and

(q) use its commercially reasonable efforts to maintain the listing of the Common Shares on the TSX-V or other recognized stock exchange for a period of two years from the Closing Date, other than in connection with a merger, amalgamation, arrangement, take-over bid, going private transaction or other similar transaction involving the purchase or sale of all of the outstanding Common Shares.

8. **Deliveries: By the Closing Time**

8.1 All actions required to be taken by or on behalf of the Company including, without limitation, the passing of all required resolutions of the directors, including committees of the directors of the Company, shall have occurred in order to complete the transaction contemplated by this

Agreement and to execute, deliver and perform its obligations pursuant to the Subscription Agreements including, without limitation, to issue the Special Warrants and the Compensation Options, and a certified copy of all such resolutions shall have been delivered by the Company to the Underwriter.

8.2 The Company shall have delivered or caused to be delivered to the Underwriter:

(a) certificates dated the Closing Date signed by a senior officer of the Company and addressed to, among others, the Underwriter, with respect to the notice of articles and articles of the Company, the resolutions of the directors of the Company relating to this Agreement, the Ancillary Documents executed and delivered by the Company and with respect to such other matters as the Underwriter may reasonably request and including specimen signatures of the signing officers of the Company;

(b) a favourable legal opinion dated the Closing Date of counsel to the Company, who may rely on opinions of local counsel acceptable to the Underwriter, addressed to, among others, the Underwriter and the Purchasers substantially in the form of the opinion attached hereto as Schedule C;

(c) a favourable opinion of legal counsel to the Company in Nebraska, addressed to the Underwriter and legal counsel to the Underwriter, dated as of the Closing Date, with respect to the title to and rights in the Properties and Permits in such jurisdiction, and such opinion to be in form and substance, acceptable in all reasonable respects to the Underwriter and its legal counsel;

(d) a favourable corporate opinion dated as of the Closing Date, of legal counsel to the Company respecting the Company's ownership of its Subsidiaries;

(e) a certificate dated the Closing Date addressed to, among others, the Underwriter, the Purchasers and counsel to the Underwriter, signed by two senior officers of the Company acceptable to the Underwriter certifying such matters as the Underwriter may reasonably request, substantially in the form of the certificate attached hereto as Schedule B;

(f) a Subscription Agreement from each Purchaser accepted by the Company;

(g) a certificate from the Transfer Agent dated the Closing Date and signed by an authorized officer of the Transfer Agent, confirming the outstanding share capital of the Company;

(h) confirmation of the book-entry only deposit of the Special Warrants representing the number of Special Warrants issued by the Company as provided in Section 9 of this Agreement;

(i) certificates representing the Compensation Options registered in the name of the Underwriter or in such other name as the Underwriter may direct;

(j) the Special Warrant Indenture;

(k) the Warrant Indenture; and

(l) such further certificates, opinions of counsel and other documentation from the Company as may be contemplated herein or as the Underwriter or counsel to the Underwriter may reasonably require,

all in form and substance satisfactory to the Underwriter, acting reasonably.

8.3 The Underwriter shall have delivered or cause to be delivered to the Company:

(a) a Subscription Agreement for each Purchaser;

(b) payment of the aggregate gross purchase price for the Offered Securities, less (i) the Underwriter's Commission payable by the Company to the Underwriter and (ii) the reasonable expenses payable by the Company to the Underwriter as provided in Section 13 of this Agreement, by certified cheque, wire transfer or bank draft payable to the Company or as the Company may otherwise direct in writing against delivery from the Company to the Underwriter of a receipt for same; and

(c) such further documents as may be contemplated by this Agreement or as the Company may reasonably require,

all in form and substance satisfactory to the Company, acting reasonably.

9. Closing

9.1 The Closing shall occur, subject to satisfaction or waiver by the applicable parties of the conditions set out in Section 9.3, on the Closing Date, as is mutually agreeable to the Company and the Underwriter.

9.2 The Closing shall occur at the Closing Time at the offices of Boughton Law Corporation in Vancouver, British Columbia, Canada or at such other place as the Underwriter and the Company may agree upon.

9.3 The following are conditions precedent to the obligation of the Underwriter to purchase the Offered Securities on the Closing Date pursuant to this Agreement, which conditions the Company covenants to use the best efforts thereof to fulfil within the times set out herein, and which conditions may be waived in writing in whole or in part by the Underwriter:

(a) the Company shall have received all necessary approvals and consents, including all necessary regulatory approvals and consents (including those of the TSX-V) required for the completion of the transaction contemplated by this Agreement, all in a form satisfactory to the Underwriter and the TSX-V shall have conditionally approved the listing thereon of the Unit Shares and Warrant Shares subject to the fulfillment of normal conditions and the Company being satisfied, in its sole discretion, that is can satisfy these conditions of the TSX-V as outlined in the conditional approval;

(b) receipt by the Underwriter of the documents set forth in Section 8 of this Agreement to be delivered by the Company;

(c) the Underwriter shall have conducted all due diligence inquiries and investigations and not identified any material adverse changes or misrepresentations or any items materially adversely affecting the Company's affairs that exist as of the date hereof;

(d) the representations and warranties of the Company contained herein being true and correct as of the Closing Time on the Closing Date with the same force and effect as if made at and as of the Closing Time on the Closing Date after giving effect to the transactions contemplated hereby;

(e) the Company having complied with all covenants, and satisfied all terms and conditions, contained herein to be complied with and satisfied by the Company at or prior to the Closing Time on the applicable Closing Date;

(f) no order ceasing or suspending the trading in any securities of the Company, or ceasing or suspending trading by the directors, officers or promoters of the Company, or any one of them, or prohibiting the trade or distribution of any of the securities referred to herein will have been issues and no proceedings for such purpose, to the knowledge of the Company, will be pending or threatened; and

(g) the Underwriter shall not have terminated its obligations under this Agreement pursuant to Section 14.

10. **Material Changes During Distribution**

10.1 During the period from the date hereof to the completion of the distribution and issuance of all of the Special Warrants, the Company shall, upon becoming aware of the same, promptly notify the Underwriter (and, if requested by the Underwriter, confirm such notification in writing) and provide full particulars to the Underwriter of any material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise), condition (financial or otherwise), Properties, Permits, prospects or capital of the Company and/or the Subsidiaries. The Company shall promptly, and in any event, within any applicable time limitation periods prescribed by Applicable Securities Laws or Applicable U.S. Securities Laws, comply with all applicable filing and other requirements under Applicable Securities Laws and the Applicable U.S. Securities Laws as a result of any such change, provided however that the Company shall not file or publicly issue any document in respect of any such change without first providing the Underwriter with a copy of such document and an opportunity to review and comment thereon. The Company shall in good faith discuss with the Underwriter any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt as to whether notice in writing need be given to the Underwriter pursuant to this Section 10. The parties agree that this Section 10 shall not operate to prohibit the Company from complying with its timely disclosure obligations under Applicable Law and policies of the TSX-V.

11. **Survival of Representations and Warranties**

11.1 All warranties, representations, covenants and agreements herein contained or contained in any Ancillary Documents delivered pursuant to this Agreement and in connection with the transactions herein contemplated as incorporated by reference herein shall survive the issuance and sale of the Offered Securities and the Compensation Options and continue in full force and effect for the benefit of the Underwriter and the Purchasers in accordance with the terms hereof, and shall not be limited or prejudiced by any investigation made by or on behalf of the Underwriter in connection with the issuance and sale of the Special Warrants or otherwise, for a period of two (2) years from the date hereof.

12. **All Terms to be Conditions**

12.1 All of the terms and conditions contained in this Agreement to be satisfied by the Company prior to the Closing Time shall be construed as conditions and any breach or failure by the Company to comply with any of such terms and conditions shall entitle the Underwriter to terminate the obligations thereof to complete the Closing by written notice to that effect given by the Underwriter to the Company prior to the Closing Time. It is understood and agreed that the Underwriter may waive in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to the rights thereof in respect of any other such term and condition or any other or subsequent breach or non-compliance; provided that to be binding on the Underwriter any such waiver or extension must be in writing and signed by the Underwriter.

If the Underwriter shall elect to terminate the obligations thereof to complete the Closing as aforesaid, whether the reason for such termination is within or beyond the control of the Company, the liability of the Company hereunder shall be limited to the indemnity referred to in Section 15, the right to contribution referred to in Section 15 and the payment of expenses referred to in Section 13.

13. **Underwriter's Commission, Compensation Options and Expenses**

13.1 In consideration of the agreement of the Underwriter to act as underwriter in respect of the Offering, and in consideration of the services performed and to be performed by the Underwriter in connection therewith, including, without limitation:

(a) acting as underwriter of the Company to solicit offers to purchase the Offered Securities;

(b) participating in the preparation of the form of the Subscription Agreement and certain of the Ancillary Documents;

(c) advising the Company with respect to the private placement of the Offered Securities; and

(d) performing administrative work in connection with the distribution of the Offered Securities in the Offering Jurisdictions,

the Company shall pay to the Underwriter or as the Underwriter may otherwise direct at the Closing Time on the applicable Closing Date a commission equal to 6.5% of the subscription proceeds from the sale of the Special Warrants (the "**Underwriter's Commission**") sold by the Underwriter other than the Special Warrants sold to the President's List Purchasers. No commission will be paid in respect of the sale of Special Warrants to President's List Purchasers.

13.2 As additional consideration, the Company will issue to the Underwriter at the Closing Time non-transferable compensation options (the "**Compensation Options**"), registered in such name or names as the Underwriter may direct in writing. The Compensation Options will entitle the holder thereof to acquire Common Shares of the Company (the "**Underwriter's Shares**") from the treasury in an amount equal to 6.5% of the aggregate number of Special Warrants sold by the Underwriter under the Offering, other than the Special Warrants sold to the President's List Purchasers. The Compensation Options will be exercisable into Underwriter's Shares at an exercise price of $0.85 per Compensation Option. No Compensation Options will be issued in respect of the sale of Special Warrants to President's List Purchasers.

13.3 If the Qualification Date has not occurred on or before the Qualification Deadline, then each Compensation Option will upon due exercise thereof entitle the holder thereof to receive 1.1 Underwriter's Shares (instead of one Underwriter Share).

13.4 Whether or not the Offering is completed, all reasonable expenses of or incidental to the issue and delivery of the Special Warrants and of or incidental to all matters in connection with the transactions herein set out shall be borne by the Company including, without limitation, expenses in connection with the issuance and sale of the Special Warrants, all private placement fees required under Applicable Securities Laws, the fees and expenses of counsel to the Company and all local counsel selected by the Company, all TSX-V and any other listing fees, all fees and expenses of the Company's auditors, all reasonable costs and expenses of the Underwriter (including all reasonable travel, meals and accommodation expenses in connection with road show presentations, selling, marketing and the out-of-pocket expenses of the Underwriter) and all disbursements, reasonable fees and expenses of legal counsel to the Underwriter in all jurisdictions. Costs and expenses of the Underwriter will be payable by the Company in addition

to any other fees payable under this Agreement and will be payable at the Closing Time with any additional costs and expenses incurred after the Closing to be paid immediately upon invoice from the Underwriter to the Company thereof. The Underwriter will, as soon as practicable following payment of their costs and expenses by the Company, provide documentation outlining such costs and expenses. In the event that the Offering is not completed for any reason whatsoever, or the Underwriter has terminated this Agreement pursuant to Section 14, the Company shall be responsible for the payment of all of the expenses of the Underwriter otherwise payable by the Company under this Section 13.4.

13.5 All or part of any of the commission, fees and other expenses to be paid to the Underwriter under this Agreement may be subject to applicable taxes in which event a corresponding additional amount will be payable by the Company to the Underwriter.

14. **Rights of Termination**

14.1 The Underwriter shall be entitled, at its sole option, to terminate and cancel, without any liability on the part of the Underwriter, all of its obligations under this Agreement and the obligations of any Purchaser to purchase the Special Warrants, by notice in writing to that effect delivered to the Company prior to or at the Closing Time if:

(a) the Underwriter, in its sole discretion, is not satisfied with the results of its due diligence review and investigation of the Company;

(b) any inquiry, action, suit, investigation or other proceeding whether formal or informal (including matters of regulatory transgression or unlawful conduct) is instituted, announced or threatened, or any order or ruling is made by any federal, provincial or other governmental authority or the TSX-V, any securities regulatory authority, in relation to or against the Company, any Subsidiary or any directors or officers of principal shareholders thereof;

(c) there should develop, occur or come into effect any occurrence, event or incident of any nature, including without limitation, accident, natural disaster, act of terrorism, public protest, governmental law or regulation, or financial occurrence of national or international consequence, which in the sole opinion of the Underwriter seriously adversely affects or involves, or may seriously adversely affect or involve, the national or international financial markets or the properties, operations, business, affairs, prospects, financial condition or assets of the Company or any Subsidiary, or the market price or value or marketability of the securities of the Company;

(d) there is any material change in relation to the Company or any Subsidiary or any Property or if there should, whether as a result of the Underwriter's continuing due diligence or otherwise, be discovered any previously undisclosed material fact or if there should occur a change in any material fact or a new material fact should arise (including in respect of any change in Applicable Laws, including tax laws), which in any case, in the reasonable opinion of the Underwriter, has or could reasonably be expected to have a Material Adverse Effect or a significant adverse change or effect on the market price or value of the securities of the Company;

(e) the Company is in breach of any material term, condition or covenant of this Agreement required to be fulfilled at or prior to the Closing Time (the Company agreeing that all terms and conditions in this Agreement to be fulfilled at or prior to the Closing Time shall be construed as conditions and complied with so far as the same relate to acts to be performed or caused to be performed by it, that it will cause such conditions to be complied with in accordance with Section 9, and that the Underwriter may waive, in whole or in part, or extend the time for compliance with, any terms and conditions of this Agreement without prejudice to their rights in respect of any other of such terms and conditions or any other or subsequent breach or non-compliance, provided that

any such waiver or extension shall be binding upon the Underwriter only if the same is in writing); or

(f) any order to cease or suspend trading in any securities of the Company is made, threatened or announced by the TSX-V or any other securities regulatory authority.

14.2 The rights of termination contained in Section 14.1 may be exercised by the Underwriter and are in addition to any other rights or remedies the Underwriter may have in respect of any default, act or failure to act or non-compliance by the Company in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of the Underwriter to the Company or on the part of the Company to the Underwriter except in respect of any liability or obligation which may have arisen or arises after such termination under Sections 13, and 15.

14.3 The Underwriter shall use commercially reasonable efforts to give the notice to the Company as contemplated by Section 14.1 of the occurrence of any of the events or circumstances referred to therein, provided that neither the giving nor the failure to give such notice shall in any way affect the Underwriter's entitlement to exercise their rights contained in Section 14.1 at any time through to the Closing Time.

15. **Indemnity**

15.1 The Company and its Subsidiaries, as the case may be, (collectively, the "**Indemnitor**") hereby agrees to indemnify and hold the Underwriter and each of its subsidiaries and affiliates and each of their partners, directors, officers, or employees (in this Section 15 each an "**Indemnified Person**" and collectively the "**Indemnified Persons**") harmless from and against any and all expenses, losses (other than loss of profits), claims, actions, damages or liabilities, whether joint or several (including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings or claims), and the reasonable fees and expenses of their counsel that may be incurred in advising with respect to and/or defending any claim that may be made against the Underwriter and/or the Indemnified Persons to which the Underwriter and/or the Indemnified Persons may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such expenses, losses, claims, damages, liabilities or actions arise out of or are based, directly or indirectly, upon the performance of professional services rendered to the Indemnitor by the Underwriter and the Indemnified Persons hereunder or otherwise in connection with the matters referred to in this Agreement, provided, however, that this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that:

(a) the Underwriter or the Indemnified Persons have been negligent or dishonest or have committed any fraudulent act in the course of such performance, or have breached applicable laws; and

(b) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were directly caused by the negligence, dishonesty, fraud, or breach referred to in (a).

15.2 If, for any reason (other than the occurrence of any events itemized in (a) or (b) above) the foregoing indemnification is unavailable to the Underwriter and/or Indemnified Persons or insufficient to hold the Underwriter and/or Indemnified Persons harmless, then the Indemnitor and the Underwriter shall contribute to the aggregate of such losses, claims, costs, damages, expenses or liabilities (except loss of profit or consequential damage) of the nature provided for above in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand and the Underwriter or any Indemnified Person on the other, but also the relative fault of the Indemnitor and the Underwriter or any Indemnified Person as well as any

relevant equitable considerations. The Underwriter shall only be responsible for that portion represented by the percentage that the portion of the cash fee bears to the gross proceeds to be realized by the sale of the securities and the Indemnitor shall be responsible for the balance, provided that, in no event, shall the Underwriter be responsible for any amount in excess of the amount of the cash fee actually received by the Underwriter. In the event that the Indemnitor may be entitled to contribution from the Underwriter under the provisions of any statute or law, the Indemnitor shall be limited to contribution in an amount not exceeding the lesser of the portion of the amount of losses, claims, costs, damages, expenses and liabilities giving rise to such contribution for which the Underwriter is responsible and the amount of the cash fee actually received by the Underwriter.

15.3 Notwithstanding the foregoing, a party guilty of fraudulent representation shall not be entitled to contribution from the other party. Any party entitled to contribution will, promptly after receiving notice of commencement of any claim, action, suit or proceeding against the other party, notify such party from whom contribution may be sought. In no case shall such party from whom contribution may be sought be liable under this indemnity unless such notice has been provided, but the omission to so notify such party shall not relieve the party from whom contribution may be sought from any other obligation it may have otherwise than under this indemnity. The right of contribution provided herein shall be in addition and not in derogation of any other right to contribution which the Underwriter may have by statute or otherwise by law. The Indemnitor agrees that in case any legal proceeding shall be brought against the Indemnitor and/or the Underwriter and/or the Indemnified Persons by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or any such authority shall investigate the Indemnitor and/or the Underwriter and any Indemnified Persons shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Indemnitor by the Underwriter and/or the Indemnified Persons; the Indemnitor shall be entitled but not obligated to participate in or assume the defence thereof; provided however, that the defence shall be through legal counsel acceptable to the Underwriter, acting reasonably. In addition, the Underwriter and/or the Indemnified Persons shall also have the right to employ separate counsel in any such action and participate in the defence thereof, and the fees of such counsel shall be borne by the Underwriter or the Indemnified Person unless:

(a) the employment of separate counsel has been specifically authorized in writing by the Indemnitor;

(b) the Underwriter and/or the Indemnified Person has been advised by counsel that representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests; or

(c) the Indemnitor has failed, within a reasonable period of time after receipt of notice, to assume the defence of such action or claim; provided that the Indemnitor shall not be required to assume the fees and expenses of more than one additional counsel.

15.4 Neither party shall effect any settlement of any such action or claim or make any admission of liability without the written consent of the other party, such consent to be properly considered and not to be unreasonably withheld. None of the Underwriter or any Indemnified Person shall be liable for any settlement of any legal proceeding, action or claim unless it has consented in writing to such settlement, such consent not to be unreasonably withheld. Promptly after receipt of notice of the commencement of any legal proceeding against the Underwriter or any Indemnified Person or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which Indemnification may be sought

from the Indemnitor, the Underwriter will notify the Indemnitor in writing of the commencement thereof and, throughout the course thereof will provide copies of all relevant documentation to the Indemnitor, will keep the Indemnitor advised of all discussions and significant actions proposed in respect thereof.

15.5 The indemnity and contribution obligations of the Indemnitor shall be in addition to any liability which the Indemnitor may otherwise have shall extend upon the same terms and conditions to the Indemnified Persons and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Indemnitor, the Underwriter and Indemnified Persons. The foregoing provisions shall survive the completion of professional services rendered under this Agreement or any termination of the authorization given by this Agreement.

16. **Advertisements**

16.1 The Company acknowledges that the Underwriter shall have the right, at their own expense, to place such advertisement or advertisements or press releases relating to and following the completion of the sale of the Special Warrants contemplated herein as the Underwriter may consider desirable or appropriate and as may be permitted by Applicable Law and in accordance with Sections 6.2(e) and 7.1(j) of this Agreement. The Company and the Underwriter each agree that it will not make or publish any advertisement or press release in any media whatsoever relating to, or otherwise publicizing, the Offering so as to result in any exemption from the prospectus and registration requirements of Applicable Securities Laws or Applicable U.S. Securities Laws being unavailable in respect of the issue and sale of the Special Warrants to prospective purchasers. Subject to compliance with Applicable Law, any press release or advertisement of the Company or the Underwriter relating to the Offering will be provided in advance the other party hereto and such other party will use its reasonable commercial efforts to agree to the form and substance thereof with the other party prior to the release thereof.

17. **Notices**

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

(a) If to the Company, at:

NioCorp Developments Ltd.
Suite 525, 999 West Hastings Street
Vancouver, British Columbia V6C 2W2

Attention: Peter Dickie
Facsimile No.: (604) 688-4215

and, in respect of any notice given to the Company, with a copy to:

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

Attention: Rory Godinho
Facsimile No.: (604) 683-5317

(b) If to the Underwriter, at:

Mackie Research Capital Corporation
199 Bay Street, Suite 4500
Commerce Court West, Box 368
Toronto, Ontario M5L 1G2

Attention: David Keating
Facsimile No.: (416) 860-8671

and, in respect of any notice given to the Underwriter, with a copy to:

Lawson Lundell LLP
1600 – 925 West Georgia Street
Vancouver, British Columbia V6C 3L2

Attention: Randall Chatwin
Facsimile No.: (604) 694-2946

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

17.2 Each notice shall be personally delivered to the addressee or sent by facsimile transmission to the addressee and a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and a notice which is sent by facsimile transmission shall be deemed to be given and received on the first Business Day following the day on which it is sent.

18. **Time of the Essence**

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

19. **Headings**

19.1 The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

20. **Entire Agreement**

20.1 This Agreement (including all Schedules) and the other agreements and documents referred to herein constitute the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings between the parties hereto with respect to the transactions contemplated in this Agreement including without limitation the engagement letter between Underwriter and the Company dated February 11, 2015, as amended. This Agreement may be amended or modified in any respect by written instrument only.

21. **Severability**

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

22. **Successors and Assigns**

22.1 The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Company, the Underwriter and the Purchasers and their respective successors and permitted assigns; provided that, except as provided herein or in the Subscription Agreements, this Agreement shall not be assignable by either party without the prior written consent of the other.

23. **Further Assurances**

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

24. **Effective Date**

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

25. **Counterparts and Facsimile Execution**

25.1 This Agreement may be executed in any number of counterparts, which taken together shall form one and the same agreement. This Agreement may be executed by one or more of the parties by facsimile transmitted signature or by e-mail in pdf format and all parties agree that the reproduction of signature by way of facsimile or by e-mail in pdf format will be treated as though such reproductions were executed originals.

26. **Governing Law**

26.1 This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and the parties hereto attorn to the non-exclusive jurisdiction of the courts of such province in connection with all matters arising hereunder.

27. **Fiduciary**

27.1 The Company acknowledges that the Underwriter is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Underwriter act or be responsible as a fiduciary to the Company, its management, shareholders or creditors or any other person in connection with any activity that the Underwriter may undertake or has undertaken in furtherance of such purchase and sale of the Company's securities, either before or after the date hereof. The Underwriter hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Underwriter agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Underwriter to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company. The Company and the Underwriter agree that the Underwriter has not assumed, and will not assume, any advisory responsibility in favour of the Company with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether the Underwriter has advised or is currently advising the Company on other matters).

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

[Remainder of this page intentionally left blank]

Yours very truly,

MACKIE RESEARCH CAPITAL CORPORATION

"Signed"

Per: _____
Name: David Keating
Title: Managing Director

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

DATED as of the 27 day of February, 2015.

NIOCORP DEVELOPMENTS LTD.

"Signed"

Per: _____
Name: Peter Dickie
Title: President and Corporate Secretary

SCHEDULE "A"

SUBSIDIARIES AND CORPORATE STRUCTURE

Subsidiaries:

The following sets forth all of the Company's subsidiaries, their jurisdictions of incorporation and the percentage of voting securities held, directly or indirectly, by the Company:

The Company has four subsidiaries, whose securities are held as follows:

1. Elk Creek Resources Corp., a Nebraska corporation.
    a. 100% of the issued and outstanding securities of Elk Creek Resources Corp. are held by 0896800 B.C. Ltd.
2. 0896800 B.C. Ltd., a British Columbia corporation.
    a. 100% of the issued and outstanding securities of 0896800 B.C. Ltd. are held by the Company.
3. Silver Mountain Mines Corp., a Nevada corporation.
    a. 100% of the issued and outstanding securities of Silver Mountain Mines Corp. are held by the Company.
4. Northeast Minerals PTY Ltd., and Australian company.
    a. 100% of the issued and outstanding securities of Northeast Minerals PTY Ltd. are held by the Company.

SCHEDULE B

OFFICER'S CERTIFICATE

The undersigned, ●, Chief Executive Officer of Niocorp Developments Ltd. (the "**Company**"), and ●, Chief Financial Officer of the Company, hereby certify, for and on behalf of the Company in their capacity as officers of the Company and not in their personal capacity, after having made due inquiry, that the following facts, matters and information are true and accurate and not misleading in any material respect:

1. This certificate is being made and delivered pursuant to Section 8.2(e) of the Underwriting Agreement dated February ●, 2015 between the Company and the Underwriter (the "Underwriting Agreement") and we acknowledge that the addressees hereof will be relying on this certificate. Unless otherwise defined herein, all words and terms with the initial letter or letters thereof capitalized in this certificate and not defined herein but defined in the Underwriting Agreement shall have the meanings given to such capitalized words and terms in the Underwriting Agreement. The undersigned acknowledge that they are familiar with the definitions given to the capitalized words and terms in the Underwriting Agreement and such definitions are hereby incorporated by reference.

2. The facts, matters and information certified to herein are based on one or more of knowledge and information available or provided to us and our honest belief and all statements made in this certificate represent our reasonably held honest belief as to the facts, matters, information and belief possessed by us. We have used best efforts to become informed of and about the facts, matters and information certified to herein and have sought the advice of counsel for the Company on those matters certified to herein which involve matters of laws and have relied upon such advice to the extent that those matters involve matters of law.

3. The Company has complied with all covenants and agreements contained in the Underwriting Agreement and has satisfied all of the terms and conditions of the Underwriting Agreement to be complied with and satisfied by the Company at or prior to the Closing Time.

4. The representations and warranties of the Company contained in the Underwriting Agreement are true and correct as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated thereby.

5. Since June 30, 2014, except as disclosed in the Disclosure Documents, there has been no material adverse change (whether actual, anticipated, proposed, prospective or threatened) in the financial condition, assets, liabilities (contingent or otherwise), business, affairs, operations or prospects of the Company or any of the Subsidiaries or in the capital of the Company.

6. No order, ruling or determination having the effect of ceasing or suspending the sale or ceasing, suspending or restricting trading in the Offered Securities, the Common Shares or any other securities of the Company has been issued or made by any stock exchange, securities commission or other regulatory authority and is continuing in effect and no proceedings, investigations or enquiries for such purpose have been instituted or are pending, or, to the best of our knowledge, are contemplated or threatened under any of the Securities Laws of the Qualifying Jurisdictions or by any stock exchange (including the TSX-V), securities commission or other regulatory authority.

7. There are no actions, suits, proceedings or enquiries pending or, to the best of our knowledge, threatened against or affecting the Company or any of the Subsidiaries or to which any property or assets of the Company or any of the Subsidiaries is subject, at law or in equity, or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which may, in any way, materially and adversely affect the Company or any of the Subsidiaries.

8. No failure or default on the part of the Company or any of the Subsidiaries exists under any licence, permit, contract, agreement or other instrument to which the Company or any of the Subsidiaries is a party or by which the Company or any of the Subsidiaries is bound, which may in any way materially and adversely affect the Company and the execution, delivery and performance of the Underwriting Agreement and the performance by the Company of its obligations thereunder will not result in any such default.

9. The minute books and corporate records of the Company and its Subsidiaries made available to Lawson Lundell LLP are the original minute books and records of the Company and its Subsidiaries and contain complete copies of all resolutions passed by the shareholders and directors of the Company and its Subsidiaries as well as complete copies of the notice of articles, articles, and other constating documents of the Company and its Subsidiaries (together with amendments and supplements in respect of such documents) to the date hereof. There have been no other resolutions passed by the shareholders and directors of the Company and its Subsidiaries to the date hereof not reflected in such minute books and corporate records. Such minute books and records are true, correct and complete in all material respects and since being made available as aforesaid there have been no changes, additions or alterations thereto.

SCHEDULE C
FORM OF OPINION

1. The Company is a corporation incorporated and existing under the *Business Corporations Act* (British Columbia), has not been dissolved and has all requisite corporate power to carry on its business as now conducted and to own, lease and operate its property and assets;

2. The Subsidiaries are corporations existing under ● and have not been discontinued and have not been dissolved thereunder. The Subsidiaries have all necessary corporate power and authority to own, lease and operate their respective properties and assets and to conduct their business as presently conducted. Each Subsidiary is authorized to issue an unlimited number of common shares. The Company is the registered owner of all of the outstanding Common Shares of each Subsidiary.

3. The Company is authorized to issue, among other things, an unlimited number of Common Shares, of which as at the Closing Date, 145,719,669 Common Shares are outstanding as fully paid and non-assessable shares in the capital of the Company.

4. The Company is a reporting issuer, or its equivalent, in each of the provinces of Alberta and British Columbia and it is not noted on the list of defaulting reporting issuers maintained by the Regulatory Authorities in the provinces of Alberta or British Columbia.

5. All necessary corporate action having been taken by the Company to authorize the execution and delivery of this Agreement and the performance by the Company of its obligations hereunder and to authorize the issuance, sale and delivery of the Special Warrants, the Unit Shares, the Warrants, the Warrant Shares, the Compensation Options, and the Underwriter's Shares.

6. The Special Warrants have been, subject to receipt of payment therefor, validly issued as fully paid Special Warrants in accordance with the provisions of the Special Warrant Indenture.

7. The Compensation Options have been validly issued in accordance with the terms of the Compensation Options.

8. The Unit Shares, Warrant Shares and Underwriter's Shares have been allotted and reserved for issuance by the Company and upon valid exercise including full payment therefor and the issue thereof, the Unit Shares, Warrant Shares and Underwriter's Shares will have been validly issued as fully paid and non-assessable common shares in the capital of the Company.

9. The form and terms of the certificates for the Special Warrants, the Warrants and the Compensation Options have been approved and adopted by the directors of the Company and comply in all material respects with applicable corporate legislation and requirements.

10. The Company has all necessary corporate power and capacity: (i) to execute and deliver this Agreement and the Special Warrant Indenture and perform its obligations under this Agreement and the Special Warrant Indenture; (ii) to issue the Special Warrants; (iii) to issue the Unit Shares and Warrant Shares; (iv) to grant the Compensation Options; and (v) to issue the Underwriter's Shares.

11. Each of this Agreement, the Ancillary Documents and the Compensation Options has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of

the Company enforceable against the Company in accordance with its terms, subject to customary qualifications.

12. The authorization, execution and delivery of each of the Underwriting Agreement and the Ancillary Documents, the performance of the provisions thereof by the Company and the offering, issue and sale of the Special Warrants and the issue of the Compensation Options, Unit Shares, the Warrants, the Warrant Shares, and the Underwriter's Shares do not and will not (i) require the consent, approval or authorization of, or registration or qualification with, any governmental authority, stock exchange, securities regulatory authority or other Person, except such as have been obtained or requested, (ii) conflict with or result in any breach or violation of the notice of articles or articles of, or any resolution of the directors or shareholders of, the Company or any agreement or other instrument to which the Company is a party or by which it is bound of which we are aware, (iii) violate the provisions of any law, statute, rule or regulation to which the Company or the property or assets thereof is subject, or (iv) breach any judgment, order or decree of any court, governmental authority, agency, tribunal, arbitrator, stock exchange or securities regulatory authority or other authority to which the Company or any of the property or assets thereof is subject of which we are aware.

13. The offering, issue, sale and delivery to the Purchasers of the Special Warrants in accordance with the Subscription Agreements is exempt from the prospectus requirements of Applicable Securities Laws and no prospectus or other document is required to be filed, proceedings required to be taken or approvals, permits, consents or authorizations of securities regulatory authorities required to be obtained by the Company under the Applicable Securities Laws to permit the issue, sale and delivery to the Purchasers of the Special Warrants, other than the execution and filing by the Company with the securities commission of each Offering Jurisdiction where the distribution is made, on or before the 10th day after such distribution, of a report on Form 45-106F1 or Form 45-106F6, as applicable, prepared and executed in accordance with NI 45-106, together with any applicable fees.

14. The issuance and delivery of the Unit Shares and Warrants by the Company to Purchasers in the Qualifying Jurisdictions upon deemed exercise of Special Warrants are exempt from the prospectus requirements of Applicable Securities Laws of the Qualifying Jurisdictions and no prospectus is required nor are other documents required to be filed, proceeding taken or approval, consent or authorization obtained by the Company under Applicable Securities Laws of the Qualifying Jurisdictions to permit the issuance and delivery of the Unit Shares and Warrants to Purchasers in the Qualifying Jurisdictions.

15. The issuance and delivery of the Warrant Shares by the Company to Purchasers in the Qualifying Jurisdictions upon valid exercise of Warrants are exempt from the prospectus requirements of Applicable Securities Laws of the Qualifying Jurisdictions and no prospectus is required nor are other documents required to be filed, proceeding taken or approval, consent or authorization obtained by the Company under Applicable Securities Laws of the Qualifying Jurisdictions to permit the issuance and delivery of the Unit Shares and Warrants to Purchasers in the Qualifying Jurisdictions.

16. The issuance and delivery of the Compensation Options are exempt from the prospectus requirements of Applicable Securities Laws of the Qualifying Jurisdictions and no prospectus is required nor are other documents required to be filed, proceeding taken or approval, consent or authorization obtained by the Company under Applicable Securities Laws of the Qualifying Jurisdictions to permit the issuance and delivery to the Underwriter of the Compensation Options.

17. The issuance and delivery of the Underwriter's Shares upon valid exercise of the Compensation Options are exempt from the prospectus requirements of Applicable Securities Laws of the Qualifying Jurisdictions and no prospectus is required nor are other documents required to be filed, proceeding taken or approval, consent or authorization obtained by the Company under Applicable Securities Laws of the Qualifying Jurisdictions to permit the issuance and delivery to the Underwriter of the Underwriter's Shares.

18. The first trade of the Special Warrants, the Unit Shares, the Warrants, the Warrant Shares, the Compensation Options, and the Underwriter's Shares are exempt from the prospectus requirements of the Applicable Securities Laws, and no documents are required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations of regulatory authorities required to be obtained under the Applicable Securities Laws in connection with the first trade by the Purchasers or the Underwriter, as applicable.

19. The Common Shares are traded on the TSX Venture Exchange and the Common Shares issuable in connection with the Offering have been conditionally listed for trading on the TSX Venture Exchange upon the issue thereof, subject to compliance by the Company with the listing conditions set out in the TSX-Venture Exchange conditional listing letter.

20. Computershare Investor Services Inc. has been duly appointed as the transfer agent and registrar for the Common Shares.

21. Computershare Trust Company of Canada has been appointed by the Company as the warrant agent for the Special Warrants and the Warrants.