ROMAN CORPORATION LIMITED

and

COMPUTERSHARE TRUST COMPANY OF CANADA

WARRANT INDENTURE

Providing for the Issue of up to
2,044,561 Warrants to Purchase up to
2,044,561 Common Shares of
Roman Corporation Limited

June 14, 2004

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THIS WARRANT INDENTURE dated as of June 14, 2004.

B E T W E E N:

ROMAN CORPORATION LIMITED,
a corporation existing under the laws of the Province of Ontario,

(hereinafter called the "**Corporation**"),

\- and -

COMPUTERSHARE TRUST COMPANY OF CANADA,
a trust company organized under the laws of Canada and authorized to carry on business as a trust company in all the provinces of Canada,

(hereinafter called the "**Trustee**").

WHEREAS the Corporation proposes to issue up to a maximum of **[number of warrants issued pursuant to the offering plus warrants issuable on exercise of compensation warrants]** warrants, each warrant entitling the holder thereof to acquire, upon exercise thereof and payment of the Exercise Price as defined hereunder, one common share of the Corporation, all upon the terms and subject to the conditions contained herein;

AND WHEREAS for such purpose the Corporation deems it necessary to create and issue warrants, to be constituted and issued in the manner hereinafter set forth;

AND WHEREAS the Corporation is duly authorized to create and issue the warrants to be issued as herein provided;

AND WHEREAS all things necessary have been done and performed to make the warrants, when certified by the Trustee and issued as in this Indenture provided, legal, valid and binding upon the Corporation with the benefits of and subject to the terms of this Indenture;

AND WHEREAS the Trustee has agreed to enter into this Indenture and to hold all rights, interests and benefits contained herein for and on behalf of those persons who from time to time become holders of warrants issued pursuant to this Indenture;

NOW THEREFORE THIS INDENTURE WITNESSES that for good and valuable consideration mutually given, the receipt and sufficiency of which are hereby acknowledged, the Corporation hereby appoints the Trustee as warrant trustee for the holders of warrants, to hold all rights, interests and benefits contained herein for and on behalf of those persons who from time to time become holders of warrants issued pursuant to this Indenture, and it is hereby agreed and declared as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Indenture, unless there is something in the subject matter or context inconsistent therewith, the following phrases and words shall have the meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**Applicable Legislation**" has the meaning set out in Section 9.1(a);

"**Business Day**" means a day that is not a Saturday, Sunday or civic or statutory holiday in Toronto, Ontario or a day on which the Trustee is normally open for business;

"**Common Shares**" means the fully paid and non-assessable common shares without nominal or par value in the capital of the Corporation, as currently constituted;

"**Corporation**" means Roman Corporation Limited, a corporation existing under the laws of the Province of Ontario, and its successors from time to time;

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

"**counsel**" means a barrister or solicitor or a firm of barristers or solicitors (who may be counsel for the Corporation) acceptable to the Trustee, acting reasonably;

"**Current Market Price**" on any date, means the weighted average trading price per share at which the Common Shares have been traded on the TSX (or, if on such date the Common Shares are not listed on that exchange, on such other stock exchange on which the Common Shares are then listed or quoted as may be selected by the directors of the Corporation, or, if the Common Shares are not then listed or quoted on a stock exchange, on such over-the-counter market on which the Common Shares are traded) during the period of 20 consecutive Trading Days commencing on the Trading Day immediately before such date; weighted average trading price shall be determined by dividing the aggregate sale price of all Common Shares sold on such exchange or over-the-counter market on the said 20 Trading Days by the total number of Common Shares sold;

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

"Dividends Paid in Ordinary Course" means such dividends paid in cash on the Common Shares in any fiscal year of the Corporation to the extent that such dividends in the aggregate do not exceed in amount or value the greatest of:

(a) 110% of the aggregate amount or value of the dividends paid by the Corporation on its Common Shares in the 12 consecutive months ended immediately prior to the first day of such fiscal year;

(b) 25% of the consolidated net earnings of the Corporation before extraordinary items and after dividends paid on any and all preferred shares of the Corporation for the most recently completed fiscal year; and

(c) 10% of the Shareholders' Equity.

"**Eligible Institution**" means a Canadian chartered bank, a major trust company in Canada, a firm which is a member of a recognized stock exchange in Canada, a member of the Investment Dealers Association of Canada, a national securities exchange in the United States or the National Association of Securities Dealers, Inc., or a participant in the Securities Transfer Agents Medallion (STAMP) Program;

"**Exercise Date**", with respect to any Warrant, means the date during the Exercise Period on which such Warrant is surrendered for exercise in accordance with the provisions of Article 4;

"**Exercise Period**" means the period beginning on the date hereof and ending at the Expiry Time;

"**Exercise Price**" means $10.19 per Common Share, unless such price shall have been adjusted in accordance with the provisions of Article 3, in which case it shall mean the adjusted price in effect at such time;

"**Exercise Rate**" has the meaning set out in Section 3.3(b);

"**Expiry Date**" means June 14, 2006;

"**Expiry Time**" means 4:30 p.m. (Toronto time) on the Expiry Date;

"**extraordinary resolution**" has the meaning set out in Section 7.11;

"**person**" includes an individual, a corporation, a partnership, a trustee, any unincorporated organization or any other juridical entity and words importing persons have a similar meaning;

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

"**Shareholder**" means a holder of record on the books of the Corporation of one or more Common Shares;

"**Shareholders' Equity**" means the aggregate of all classes of share capital, other paid-in-capital, retained earnings/deficit and any and all surplus accounts and reserves as shown on the audited financial statements of the Corporation for the most recently ended fiscal year;

"**Subject Securities**" means the Common Shares issuable upon exercise of the Warrants, including the shares or other securities or property issuable upon the exercise of the Warrants as a result of any adjustment of subscription rights pursuant to Article 3;

"**successor**" has the meaning set out in Section 8.2;

"**Trading Day**", with respect to any stock exchange or over-the-counter market, means a day on which shares may be traded through the facilities of such stock exchange or in such over-the-counter market;

"**Trustee**" means Computershare Trust Company of Canada, a corporation organized under the laws of Canada, or its successors for the time being in the trusts hereby created;

"**TSX**" means the Toronto Stock Exchange;

"**U.S. Person**" means "U.S. person" as defined in Regulation S;

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

"**United States of America**" means the United States of America, its territories, its possessions, any state of the United States, the District of Columbia and other areas subject to its jurisdiction;

"**Warrant Agency**" means the principal transfer office of the Trustee in Toronto or at any other place that is designated by the Corporation with the approval of the Trustee;

"**Warrant Certificates**" has the meaning set out in Section 2.1;

"**Warrantholder**" or "**holder**" means a person whose name is entered for the time being in the register maintained pursuant to Section 2.8(a)(i) and, for greater certainty, in respect of any action to be taken by a holder in respect of his Warrants, means the holder or his executors, administrators or other legal representatives or his or their attorney duly appointed by instrument in writing in form, substance and execution satisfactory to the Trustee with signatures guaranteed by an Eligible Institution;

"**Warrantholders' Request**" means an instrument signed in one or more counterparts by Warrantholders holding in the aggregate not fewer than 10% of the then outstanding Warrants, requesting the Trustee to take some action or proceeding specified therein;

"**Warrants**" means the share purchase warrants of the Corporation entitling registered holders thereof upon exercise thereof and payment of the consideration therefor to acquire Common Shares, or such other securities or property calculated or otherwise determined pursuant to the provisions of Article 3 hereof;

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

1.2 Construction

In this Indenture, unless otherwise expressly stated or the context otherwise requires:

(a) the division of this Indenture into Articles and Sections, the provision of a table of contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Indenture;

(b) the terms, "this Indenture", "herein", "hereby", "hereof" and "hereunder" and similar expressions refer to this warrant indenture and not to any particular Article, Section or other portion hereof and include any agreement or instrument supplemental or ancillary hereto;

(c) references to Articles, Sections and Schedules are to the specified Articles or Sections of or Schedules to this Indenture;

(d) words importing the singular include the plural and *vice versa* and words importing any gender shall include the masculine, feminine and neutral genders;

(e) all references herein and in the Warrant Certificates to dollar amounts are references to Canadian dollars; and

(f) the words "includes" and "including", when following any general term or statement, is not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as referring to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement.

1.3 Business Day

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

1.4 Time of the Essence

Time shall be of the essence in all respects in this Indenture and the Warrants.

1.5 Applicable Law

This Indenture and the Warrants shall be governed by and construed in accordance with the laws of the Province of Ontario and shall be treated in all respects as Ontario contracts.

1.6 Severability

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

ARTICLE 2
ISSUE OF WARRANTS

2.1 Issue of Warrants

A maximum of 2,044,561 whole Warrants entitling the holders thereof to acquire a maximum of 2,044,561 Common Shares, or such other kind and amount of Subject Securities determined pursuant to the provisions of Article 3, are hereby created and authorized to be issued hereunder upon the terms and conditions herein set forth. Certificates evidencing the Warrants ("Warrant Certificates") shall be executed by the Corporation and certified by or on behalf of the Trustee in accordance with Sections 2.3 and 2.4 upon the written order of the Corporation.

2.2 Form and Terms of Warrants

(a) The Warrant Certificates shall be in registered form substantially in the form set out in Schedule A hereto, shall be dated as of the date hereof (regardless of their actual date of issue), and shall have such distinguishing letters and numbers as the Corporation may, with the approval of the Trustee, prescribe.

(b) Each Warrant authorized to be issued under shall entitle the holder thereof to acquire (subject to Section 3.1), for the Exercise Price, one Common Share, or such other kind and amount of Subject Securities calculated pursuant to the provisions of Article 3 in accordance with the provisions of this Indenture.

(c) Fractional Warrants shall not be issued or otherwise provided for.

(d) Any legends to be typed on to the Warrant Certificates or certificates representing Subject Securities shall be typed thereon in accordance with the provisions of this Indenture upon the written direction of the Corporation. The Trustee and the Corporation have no duty to ensure that the Warrantholders comply with the provisions of any such legend.

(e) All Warrant Certificates issued to a U.S. Person or a person in the United States of America shall, and the Trustee is hereby directed to, have typed thereon the following legend:

> THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THE WARRANTS HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF ROMAN CORPORATION LIMITED (THE "CORPORATION") THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY: (A) TO THE CORPORATION; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT; (C) WITHIN THE UNITED STATES IN ACCORDANCE WITH AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT, PROVIDED THAT IT PROVIDES AN OPINION OF COUNSEL OF RECOGNIZED STANDING REASONABLY SATISFACTORY TO THE CORPORATION REGARDING THE APPLICABILITY OF SUCH EXEMPTION; OR (D) UNDER AN EFFECTIVE REGISTRATION STATEMENT, AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS AND SECURITIES LAWS OF ANY OTHER APPLICABLE JURISDICTION.

and each such certificate, as well as all certificates issued in exchange for or in substitution of the foregoing securities, shall bear both the foregoing legend and the following additional legend:

> DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. A NEW CERTIFICATE, BEARING NO LEGEND, DELIVERY OF WHICH WILL CONSTITUTE "GOOD DELIVERY", MAY BE OBTAINED FROM COMPUTERSHARE TRUST COMPANY OF CANADA. UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO COMPUTERSHARE TRUST COMPANY OF CANADA AND THE CORPORATION, TO THE EFFECT THAT SUCH SALE IS BEING MADE IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT;

provided, that if any such securities are being sold in compliance with the requirements of Rule 904 of Regulation S under the U.S. Securities Act and applicable Canadian securities laws and regulations, the legend may be removed by providing a declaration to the Trustee, to the following effect (or as the Corporation may prescribe from time to time):

> "The undersigned (a) acknowledges that the sale of the securities of Roman Corporation Limited (the "Corporation") to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the 'U.S. Securities Act'), and (b) certifies that: (1) the undersigned is not an affiliate of the Corporation as that term is defined in Rule 405 under the U.S. Securities Act; (2) the offer of such securities was not made to a person in the United States and either (A) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States, or (B) the transaction was executed in, on or through the facilities of the applicable Canadian stock exchanges designated in Regulation S or any other Designated Offshore Securities Market (as that term is defined in Regulation S under the U.S. Securities Act) and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; and (3) neither the seller nor any affiliate of the seller nor any person acting on its or their behalf has engaged or will engage in any "directed selling efforts" in the United States in connection with the offer and sale of such securities".

and provided, further, that, if any such securities are being sold pursuant to Rule 144 of the U.S. Securities Act or a transaction that does not require registration under the U.S. Securities Act or applicable state securities laws, the legend may be removed by delivery to the Trustee of an opinion of counsel, of recognized standing reasonably satisfactory to the Corporation, to the effect that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws.

2.3 Signing of Warrant Certificates

The Warrant Certificates shall be signed by any officer of the Corporation, and may but need not be under the corporate seal of the Corporation or a reproduction thereof. The signature of such officer may be mechanically reproduced in facsimile and Warrant Certificates bearing such facsimile signatures shall be binding upon the Corporation as if they had been manually signed by such officer. Notwithstanding that the person whose manual or facsimile signature appears on any Warrant Certificate as such officer may no longer hold office at the date of issue of such Warrant Certificate or at the date of certification or delivery thereof, any Warrant Certificate signed as aforesaid shall, subject to Section 2.4, be valid and binding upon the Corporation and the registered holder thereof shall be entitled to the benefits of this Indenture.

2.4 Certification by the Trustee

(a) No Warrant Certificate shall be issued or, if issued, shall be valid for any purpose or entitle the registered holder to the benefit hereof or thereof until it has been certified by manual signature by or on behalf of the Trustee in the form of the certificate set out in Schedule A and such certification by the Trustee upon any Warrant Certificate shall be conclusive evidence as against the Corporation that the Warrant Certificate so certified has been duly issued hereunder and the holder is entitled to the benefits hereof.

(b) The certification of the Trustee on Warrant Certificates issued hereunder shall not be construed as a representation or warranty by the Trustee as to the validity of this Indenture or the Warrants (except the due certification thereof) and the Trustee shall in no respect be liable or answerable for the use made of the Warrants or any of them or of the consideration therefor except as otherwise specified herein.

2.5 Warrantholder Not a Shareholder, Etc.

The holding of a Warrant shall not be construed as conferring upon a Warrantholder any right or interest whatsoever as a Shareholder nor entitle the holder to any right or interest in respect thereof (including the right to vote at, to receive notice of or to attend meetings of Shareholders or any other proceedings of the Corporation, and any right to receive dividends or other distributions) except as expressly provided herein or in the Warrants.

2.6 Issue in Substitution for Lost Warrant Certificates

(a) In the case where any of the Warrant Certificates shall become mutilated or be lost, destroyed or stolen, the Corporation, subject to applicable law and Section 2.6(b), shall issue and thereupon the Trustee shall certify and deliver a new Warrant Certificate of like tenor as the one mutilated, lost, destroyed or stolen in exchange for and in place of and upon cancellation of such mutilated certificate, or in lieu of and in substitution for such lost, destroyed or stolen certificate, and the substituted certificate shall be in a form approved by the Trustee and shall be entitled to the benefits hereof and shall rank equally in accordance with its terms with all other Warrant Certificates issued or to be issued hereunder.

(b) The applicant for the issue of a new certificate pursuant to this Section 2.6 shall bear the cost of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to the Corporation and to the Trustee such evidence of ownership and of the loss, destruction or theft of the certificate so lost, destroyed or stolen as shall be satisfactory to the Corporation and to the Trustee in their sole discretion, and such applicant may also be required to furnish an indemnity or security in amount and form satisfactory to the Corporation and the Trustee in their sole discretion and shall pay the reasonable charges of the Corporation and the Trustee in connection therewith.

2.7 Warrants to Rank Pari Passu

All Warrants shall rank pari passu, whatever may be the actual date of issue of the Warrant Certificates evidencing same.

2.8 Registers for Warrants

(a) The Corporation shall cause to be kept by the Trustee at its principal transfer office in the City of Toronto (i) a register of holders of Warrants in which shall be entered the names and addresses of the holders of the Warrants and of the number of Warrants held by them and (ii) a register of transfers of Warrants in which shall be entered the date and other particulars of each transfer of Warrants.

(b) No transfer of a Warrant shall be valid unless made by:

(i) the holder or his executors, administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Trustee with signatures guaranteed by an Eligible Institution; or

(ii) the liquidator of, or a trustee in bankruptcy for, a Warrantholder,

and upon compliance with such reasonable requirements as the Trustee and the Corporation may prescribe (including the requirement to provide evidence of satisfactory compliance with applicable securities laws) and recorded on the register of transfers maintained by the Trustee pursuant to Section 2.8(a), nor until all stamp taxes or governmental or other charges arising by reason of such transfer have been paid by the Warrantholder. Subject to the Trustee complying with the provisions of this Indenture, the Trustee is entitled to assume compliance with all applicable securities laws unless otherwise notified in writing by the Corporation. Prior to effecting any transfer, the Trustee shall notify the Corporation of such transfer.

2.9 Transferee Entitled to Registration

The transferee of a Warrant shall, after the transfer form printed on the Warrant Certificate or any other form of transfer acceptable to the Trustee is duly completed and the Warrant Certificate is lodged with the Trustee at the Warrant Agency and upon compliance with all other conditions in that regard required by this Indenture or by law, be entitled to have his name entered on the register of holders as the owner of such Warrant free from all equities or rights of set-off or counterclaim between the Corporation and the transferor or any previous holder of such Warrant, save in respect of equities of which the Corporation or the transferee is required to take notice by statute or by order of a court of competent jurisdiction.

2.10 Registers Open for Inspection

The registers referred to in Section 2.8 shall be open at all reasonable times for inspection by the Corporation, the Trustee or any Warrantholder. The Trustee shall, from time to time when requested to do so by the Corporation, furnish the Corporation with a list of the names and addresses of holders of Warrants entered in the register of holders kept by the Trustee and showing the number of Warrants held by each such holder.

2.11 Exchange of Warrants

(a) Warrant Certificates may, upon compliance with the reasonable requirements of the Trustee, be exchanged for Warrant Certificates in any other authorized denomination representing in the aggregate the same number of Warrants. The Corporation shall sign and the Trustee shall certify, in accordance with Sections 2.3 and 2.4, all Warrant Certificates necessary to carry out the exchanges contemplated herein.

(b) Warrant Certificates may be exchanged only at the Warrant Agency. Any Warrant Certificates tendered for exchange shall be surrendered to the Trustee and cancelled.

(c) No charge will be levied by the Corporation or the Trustee upon a presenter of a Warrant Certificate pursuant to this Indenture for the transfer of any Warrant or for the exchange of any Warrant Certificate, and reimbursement of the Trustee or the Corporation for any and all taxes or governmental or other charges required to be paid shall be made by the person requesting such exchange as a condition precedent to such exchange.

2.12 Ownership of Warrants

The Corporation and the Trustee shall deem and treat the registered holder of any Warrant Certificate as the absolute owner of the Warrant represented thereby for all purposes, and the Corporation and the Trustee shall not be affected by any notice or knowledge to the contrary except where the Corporation or the Trustee is required to take notice by statute or by order of a court of competent jurisdiction. A Warrantholder shall be entitled to the rights evidenced by such Warrant free from all equities or rights of set-off or counterclaim between the Corporation and the original or any intermediate holder thereof and all persons may act accordingly and the receipt by any such Warrantholder of Subject Securities pursuant thereto shall be a good discharge to the Corporation and the Trustee for the same and neither the Corporation nor the Trustee shall be bound to inquire into the title of any such holder except where the Corporation or the Trustee is required to take notice by statute or by order of a court of competent jurisdiction.

ARTICLE 3
ADJUSTMENTS

3.1 Adjustment of Exercise Price

The Exercise Price in effect at any date will be subject to adjustment from time to time as follows:

(a) If and whenever, at any time during the Exercise Period, the Corporation shall (i) subdivide or redivide the outstanding Common Shares into a greater number of Common Shares,

(ii) consolidate, combine or reduce the outstanding Common Shares into a lesser number of Common Shares, or (iii) issue Common Shares to all or substantially all of the holders of Common Shares by way of a stock dividend or other distribution (other than the issue of Common Shares to holders of Common Shares as dividends by way of stock dividend in lieu of a cash Dividend Paid in the Ordinary Course or pursuant to any dividend reinvestment plan in force from time to time), then, in each such event, the Exercise Price will, on the effective date of or the record date for such event, be adjusted so that it will equal the rate determined by multiplying the Exercise Price in effect immediately prior to such date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such date before giving effect to such event, and of which the denominator shall be the total number of Common Shares outstanding on such date after giving effect to such event. Such adjustment will be made successively whenever any such event shall occur. Any such issue of Common Shares by way of a stock dividend shall be deemed to have been made on the record date for such stock dividend for the purpose of calculating the number of outstanding Common Shares under paragraphs (b) and (c) of this Section 3.1.

(b) If and whenever, at any time during the Exercise Period, the Corporation shall fix a record date for the issuance of rights, options or warrants to all or substantially all of the holders of the outstanding Common Shares entitling the holders thereof, within a period expiring not more than 45 days after the date of issue thereof, to subscribe for or purchase Common Shares (or securities convertible into or exchangeable for Common Shares) at a price per share (or having a conversion or exchange price per share) less than 95% of the Current Market Price on the earlier of such record date and the date on which the Corporation announces its intention to make such issuance, then, in each such case, the Exercise Price will be adjusted immediately after such record date so that it will equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date plus a number of Common Shares equal to the number arrived at by dividing the aggregate price of the total number of additional Common Shares so offered for subscription or purchase (or the aggregate conversion or exchange price of the convertible or exchangeable securities so offered) by such Current Market Price, and of which the denominator shall be the total number of Common Shares outstanding on such record date plus the total number of additional Common Shares so offered for subscription or purchase (or into or for which the convertible or exchangeable securities so offered are convertible or exchangeable). Any Common Shares owned by or held for the account of the Corporation any affiliate or subsidiary of the Corporation (as such terms are defined in the Securities Act (Ontario)) shall be deemed not to be outstanding for the purpose of any such computation. Such adjustment will be made successively whenever such a record date is fixed, provided that if two or more such record dates or record dates referred to in paragraph (c) are fixed within a period of 25 Trading Days, such adjustment will be made successively as if each of such record dates occurred on the earliest of such record dates. To the extent that any such rights, options or warrants are not so issued or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price will then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or to the Exercise Price which would then be in effect based upon the number of Common Shares (or securities convertible into or exchangeable for Common Shares) actually issued or distributed upon the exercise of such rights, options or warrants, as the case may be.

(c) If and whenever, at any time during the Exercise Period, the Corporation shall fix a record date for the making of a distribution to all or substantially all of the holders of Common Shares of (i) shares of any class other than Common Shares whether of the Corporation or any other corporation, (ii) rights, options or warrants (other than rights, options or warrants exercisable by the holders thereof, within a period expiring not more than 45 days after the date of issue thereof), (iii) evidences of indebtedness, or (iv) cash, securities, or other property or assets (other than cash Dividends Paid in the Ordinary Course) then, in each such case, the Exercise Price will be adjusted immediately after such record date so that it will equal the rate determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date multiplied by the Current Market Price on the earlier of such record date and the date on which the Corporation announces its intention to make such distribution, less the aggregate fair market value (as determined by the directors at the time such distribution is authorized, such determination to be subject to the prior written consent of the TSX) of such shares or rights, options or warrants or evidences of indebtedness or cash, securities or other property or assets so distributed, and of which the denominator shall be the total number of Common Shares outstanding on such record date multiplied by such Current Market Price. Any Common Shares owned by or held for the account of the Corporation or any affiliate or subsidiary of the Corporation (as such terms are defined in the Securities Act (Ontario)), shall be deemed not to be outstanding for the purpose of any such computation. Such adjustment will be made successively whenever such a record date is fixed, provided that if two or more such record dates or record dates referred to in paragraph (b) are fixed within a period of 25 Trading Days, such adjustment will be made successively as if each of such records dates occurred on the earliest of such record dates. To the extent that such distribution is not so made or to the extent that any such rights, options or warrants so distributed are not exercised prior to the expiration thereof, the Exercise Price will then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or to the Exercise Price which would then be in effect based upon such shares or rights, options or warrants or evidences of indebtedness or cash, securities or other property or assets actually issued or distributed or based upon the number or amount of securities or the property or assets actually issued or distributed upon the exercise of such rights, options or warrants, as the case may be.

3.2 <u>Adjustment of Subscription Rights</u>

(a) If and whenever, at any time during the Exercise Period, there is (i) any reclassification of the Common Shares at any time outstanding, any change of the Common Shares into other shares or any other capital reorganization of the Corporation (other than as described in Section 3.1), (ii) any consolidation, amalgamation, arrangement, merger or other form of business combination of the Corporation with or into any other corporation resulting in any reclassification of the outstanding Common Shares, any change of the Common Shares into other shares or any other capital reorganization of the Corporation, or (iii) any sale, lease, exchange or transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or entity, then, in each such event, each holder of any Warrant which is thereafter exercised will be entitled to receive, and shall accept, in lieu of the number of Common Shares to which such holder was theretofore entitled upon such exercise, the kind and number or amount of shares or other securities or property which such holder would have been entitled to receive as a result of such event if, on the effective date thereof, such holder had been the registered holder of the number of Common Shares to which such holder was theretofore entitled upon such exercise. If necessary as a result of any such event (as determined by the Trustee), appropriate adjustments will be made in the application of the provisions set forth in this section with respect to the rights and interests thereafter of the holders of Warrants to the end that the provisions set forth in this section will thereafter correspondingly be made applicable, as nearly as may reasonably be, in relation to any shares or other securities or property thereafter deliverable upon the exercise of any Warrant. Any such adjustments will be made by and set forth in an indenture supplemental hereto approved by the directors and by the Trustee and shall for all purposes be conclusively deemed to be an appropriate adjustment, subject to the prior written consent of the TSX.

(b) If and whenever, at any time during the Exercise Period, any adjustment in the Exercise Price shall occur as a result of:

(i) an event referred to in Section 3.1(a);

(ii) the fixing by the Corporation of a record date for an event referred to in Section 3.1(b); or

(iii) the fixing by the Corporation of a record date for an event referred to in Section 3.1(c), if such event constitutes the issue or distribution to the holders of all or substantially all of its outstanding Common Shares of (A) Common Shares, or (B) securities exchangeable for or convertible into Common Shares at an exchange or conversion price per Common Share less than the Current Market Price on such record date, or (C) rights, options or warrants to acquire Common Shares at an exercise, exchange or conversion price per Common Share less than the Current Market Price on such record date,

then the number of Common Shares purchasable upon the subsequent exercise of every Warrant shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Common Shares purchasable upon the exercise of such Warrant immediately prior to such adjustment by a fraction (i) the numerator of which shall be the Exercise Price immediately prior to the adjustment and (ii) the denominator of which shall be the Exercise Price following such adjustment. To the extent that any adjustment in subscription rights occurs pursuant to this Section 3.2(b) as a result of a distribution of securities exchangeable for or convertible into Common Shares referred to in Section 3.1(b) or as a result of the fixing by the Corporation of a record date for the issuance of rights, options or warrants referred to in Section 3.1(b), the number of Common Shares purchasable upon exercise of Warrants shall be readjusted immediately after the expiration of any relevant exchange, conversion or exercise right to the number of Common Shares which would be purchasable based upon the number of Common Shares actually issued and remaining issuable immediately after such expiration and shall be further readjusted in such manner upon expiration of any further such right. To the extent that any adjustment in subscription rights occurs pursuant to this Section 3.2(b) as a result of the fixing by the Corporation of a record date for the distribution of convertible or exchangeable securities or rights, options or warrants referred to in Section 3.1(c), the number of Common Shares purchasable upon exercise of Warrants shall be readjusted immediately after the expiration of any relevant exchange, conversion or exercise right to the number which would be purchasable pursuant to this Section 3.2(b) if the fair market value of such securities or such rights, options or warrants had been determined for purposes of the adjustment pursuant to this Section 3.2(b) on the basis of the number of Common Shares issued and remaining issuable immediately after such expiration and shall be further readjusted in such manner upon expiration of any further such right.

3.3 Adjustment Rules

(a) In any case in which this Article 3 shall require that an adjustment shall become effective immediately after a record date for or effective date of an event referred to herein, the Corporation may defer, until the occurrence and consummation of such event, issuing to the holder of any Warrants exercised after such record date or effective date and before the occurrence and consummation of such event the additional Common Shares or other securities or property issuable upon such exercise by reason of the adjustment required by such event, provided, however, that the Corporation will deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional Common Shares or other securities or property upon the occurrence and consummation of such event and the right to receive any dividend or other distribution in respect of such additional Common Shares or other securities or property declared in favour of the holders of record of Common Shares or of such other securities or property on or after the Exercise Date or such later date as such holder would, but for the provisions of this section, have become the holder of record of such additional Common Shares or of such other securities or property.

(b) The adjustments provided for in this Article 3 are cumulative, shall, in the case of any adjustment to the Exercise Price, be computed to the nearest one-tenth of one cent and, in the case of any adjustment to the number of Common Shares or other securities issuable upon the exercise of Warrants (the "Exercise Rate") be computed to the nearest one one-hundredth of a Common Share and will apply (without duplication) to successive subdivisions, consolidations, distributions, issuances or other events resulting in any adjustment under the provisions of this Article 3, provided that, notwithstanding any other provision of this Article 3, (i) no adjustment of the Exercise Price will be required unless such adjustment would require an increase or decrease of at least 1% of the Exercise Price and no adjustment of the Exercise Rate will be required unless such adjustment would require an increase or decrease of at least one one-hundredth of a Common Share (provided, however, that any adjustment which by reason of this section is not required to be made will be carried forward and taken into account in any subsequent adjustment), (ii) no adjustment in the Exercise Price or in the Exercise Rate shall be made if, in respect of any event described in this Article 3 (other than the events referred to in sections (i) and (ii) of Section 3.1(a) and in Section 3.2(a)), the holders of Warrants are entitled to participate in such event, or are entitled to participate within 45 days in a comparable event, on the same terms, with the necessary changes, as if the Warrants had been exercised prior to or on the effective date of or record date of such event, such participation to be subject to the prior written consent of the TSX, (iii) no adjustment in the Exercise Price or in the Exercise Rate shall be made in respect of any Common Shares issuable or issued pursuant to the exercise of any stock option or stock purchase plan in force from time to time for directors, officers or employees of or consultants to the Corporation or of subsidiaries of the Corporation and (iv) no adjustment in the Exercise Price or in the Exercise Rate shall be made in respect of any Common Shares issuable or issued pursuant to the Warrants.

(c) If any question arises with respect to the adjustments provided in this Article 3, such question shall be conclusively determined by the Corporation's auditors or, if they are unable or unwilling to act, by such firm of chartered accountants as is appointed by the Corporation and acceptable to the Trustee, such determination to be subject to the prior written consent of the TSX. Such accountants shall have access to all necessary records of the Corporation and such determination shall be binding upon the Corporation, the Trustee and the Warrantholders.

(d) If and whenever, at any time during the Exercise Period, the Corporation shall take any action affecting or relating to the Common Shares, other than any action described in this Article 3, which in the opinion of the directors would prejudicially affect the rights of any holders of Warrants, the Exercise Price or the Exercise Rate will be adjusted by the directors in such manner, if any, and at such time, as the directors, may determine to be equitable in the circumstances to such holders; provided that any such action will be taken only with the prior consent of any stock exchanges on which the Common Shares are then listed and other necessary regulatory approvals.

(e) As a condition precedent to the taking of any action which would require an adjustment in any of the rights under the Warrants, the Corporation will take any action which may, in the opinion of counsel to the Corporation, be necessary in order that the Corporation, or any successor to the Corporation or successor to the undertaking or assets of the Corporation may validly and legally issue all the Common Shares or other securities or property which the holders of Warrants would be entitled to receive thereafter on the exercise thereof in accordance with the provisions hereof.

(f) As soon as practicable, but in any event at least 10 days before the earlier of the effective date of or record date for any event referred to in this Article 3 that requires or might require an adjustment in any of the rights under the Warrants, the Corporation will:

(i) file with the Trustee a certificate of the Corporation specifying the particulars of such event and, to the extent determinable, any adjustment required and the computation of such adjustment; and

(ii) give notice to the Warrantholders of the particulars of such event and, to the extent determinable, any adjustment required.

Such notice need only set forth such particulars as have been determined at the date such notice is given. If any adjustment for which such notice is given is not then determinable, promptly after such adjustment is determinable the Corporation will:

(iii) file with the Trustee a certificate of the Corporation showing the computation of such adjustment; and

(iv) give notice to the Warrantholders of such adjustment.

Where a notice pursuant to this section has been given, the Trustee shall be entitled to rely on any adjustment calculation of the Corporation or the Corporation's auditors.

(g) If the Corporation shall set a record date to determine the holders of the Common Shares for the purpose of entitling them to receive any issue or distribution or for the issue of any rights, options or warrants and shall thereafter and before such distribution or issue to such shareholders legally abandon its plan to make such distribution or issue, then no adjustments in the Exercise Price or Exercise Rate shall be required by reason of the setting of such record date.

3.4 <u>Certificates</u>

The Corporation shall not be required to deliver certificates for Common Shares while the share transfer books of the Corporation are properly closed, having regard to the provisions of Sections 3.1 and 3.2 hereof, prior to any meeting of shareholders or for the payment of dividends or for any other purpose and in the event of the surrender of any Warrant in accordance with the provisions hereof and the making of any subscription for the Common Shares called for thereby during any such period, delivery of certificates for Common Shares may be postponed for not more than five (5) days after the date of the re-opening of said share transfer books. Provided, however, that any such postponement of delivery of certificates shall be without prejudice to the right of the Warrantholder so surrendering the same during such period to receive after the share transfer books shall have been re-opened such certificates for the Common Shares called for, as the same may be adjusted hereunder as a result of the completion of the event in respect of which the transfer books were closed.

3.5 <u>Purchase of Warrants for Cancellation</u>

The Corporation may, at any time and from time to time, purchase Warrants by invitation for tender, in the market, by private contract or otherwise, (which shall include a purchase through an investment dealer or firm holding membership on a Canadian stock exchange), on such terms as the Corporation may determine and a holder of Warrants may accept. All Warrant Certificates purchased pursuant to the provisions of this Section 3.5 shall be forthwith delivered to, cancelled and, in due course, destroyed by the Trustee and shall not be reissued. If required by the Corporation, the Trustee shall furnish the Corporation with a certificate as to such destruction.

3.6 Protection of Trustee

Subject to Section 9.2, the Trustee shall not:

(a) at any time be under any duty or responsibility to any registered holder of Warrants to determine whether any facts exist which may require any adjustment contemplated by this Article 3, nor to verify the nature and extent of any such adjustment when made or the method employed in making the same;

(b) be accountable with respect to the validity or value or the kind or amount of any Common Shares which may at any time be issued or delivered upon the exercise of the Warrants;

(c) be responsible for any failure of the Corporation to make any cash payment or to issue, transfer or deliver the Common Shares or certificates evidencing the same upon surrender of the Warrants for the purpose of exercising the rights or to comply with the provisions or covenants contained in this Article 3; and

(d) incur any liability or responsibility whatsoever or be in any way responsible for the consequences of any breach on the part of the Corporation of any of the representations, warranties or covenants of the Corporation or any acts or deeds of the agents or servants of the Corporation.

ARTICLE 4
EXERCISE OF WARRANTS

4.1 Method of Exercise of Warrants

(a) The holder of any Warrant may during the Exercise Period exercise the right thereby conferred on such holder to purchase the Subject Securities to which such Warrant entitles the holder, by surrendering the certificate representing such Warrant to the Trustee at any time during the Exercise Period at the Warrant Agency, with (i) a duly completed and executed exercise form substantially in the form set out in the Warrant Certificate, and (ii) a certified cheque, bank draft or money order payable at par to the order of "Roman Corporation Limited" in the amount of the aggregate Exercise Price of the Subject Securities issuable on exercise of the holder's Warrants. A Warrant Certificate with the duly completed and executed exercise form shall be deemed to be surrendered only upon personal delivery thereof to, or if sent by mail or other means of transmission upon actual receipt thereof by, the Trustee at the Warrant Agency. If the holder subscribes for a lesser number of Subject Securities than the aggregate number of Subject Securities purchasable pursuant to such holder's Warrant, the holder shall be entitled to receive a further Warrant Certificate in respect of the Subject Securities purchasable pursuant to such Warrant but not subscribed for.

(b) Any exercise form referred to in Section 4.1(a) shall be signed by the Warrantholder. If any of the Subject Securities subscribed for are to be issued to a person or persons other than the Warrantholder, the signatures set out in the exercise form referred to in Section 4.1(a) shall be guaranteed by an Eligible Institution, and the Warrantholder shall pay to the Corporation or the Trustee all applicable transfer or similar taxes and the Corporation shall not be required to issue or deliver certificates evidencing Subject Securities unless or until such Warrantholder shall have paid to the Corporation or the Trustee on behalf of the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid or that no tax is due. The exercise form attached to the Warrant Certificate shall be completed to specify the person or persons in whose name or names the Subject Securities to be issued upon exercise are to be registered, such person or persons' address or addresses and the number of Subject Securities to be issued to each person if more than one is so specified.

4.2 Expiration of Warrants

If at the Expiry Time the holder of a Warrant Certificate has not exercised his right to purchase Subject Securities during the Exercise Period in accordance with the provisions of Section 4.1, the Warrants held by such Warrantholder shall be deemed to have expired. All rights under such expired Warrant in respect of which the right of exercise and purchase herein and therein provided for shall not theretofore have been exercised shall wholly cease and terminate and such Warrant shall be void and of no effect.

4.3 Effect of Exercise of Warrants

(a) Upon compliance by the Warrantholder with Section 4.1, the Subject Securities subscribed for shall be deemed to have been issued and the person to whom such Subject Securities are to be issued shall be deemed to have become the holder of record of such Subject Securities on the Exercise Date unless the transfer registers of the Corporation for the Subject Securities shall be closed on such date, in which case the Subject Securities subscribed for shall be deemed to have been issued and such person shall be deemed to have become the holder of record of such Subject Securities on the date on which such transfer registers are reopened.

(b) Forthwith following the due exercise by a Warrantholder of Warrants in accordance with Section 4.1, the Trustee shall deliver to the Corporation a notice setting out the particulars of the Warrants exercised, the person in whose name the Subject Securities are to be issued and the address of such person.

(c) Funds in an amount equal to the aggregate Exercise Price of the Warrants exercised shall be forwarded by the Trustee to the Corporation forthwith upon the exercise of the Warrants.

(d) Within three Business Days of receipt of the notice referred to in Section 4.3(b), the Corporation shall cause to be mailed to the person in whose name the Subject Securities so subscribed for are to be issued, as specified in the exercise form completed on the Warrant, at the address specified in such exercise form, or, if so specified in such exercise form, cause to be delivered to such person at the office of the Trustee where such Warrant was surrendered, a certificate or certificates for the Subject Securities to which the Warrantholder is entitled.

(e) If at the time of any exercise of the Warrants there remain trading restrictions on the Subject Securities pursuant to applicable securities laws, the Corporation may, upon the advice of counsel, endorse any certificates representing the Subject Securities to such effect. The Trustee is entitled to assume compliance with all applicable securities laws unless otherwise notified in writing by the Corporation.

4.4 <u>Cancellation of Warrant Certificates</u>

All Warrant Certificates surrendered to the Trustee pursuant to Section 2.6, 2.9, 2.11 or 4.1 shall be cancelled by the Trustee, and the Trustee shall record the cancellation of such Warrant Certificates on the register of holders maintained by the Trustee pursuant to Section 2.8. The Trustee shall, if required by the Corporation, furnish the Corporation with a certificate identifying the Warrant Certificates so cancelled and deemed to have been cancelled. All Warrants represented by Warrant Certificates that have been cancelled or have been deemed to have been cancelled pursuant to this Section 4.4 shall be without further force or effect whatsoever.

4.5 <u>Fractions</u>

Notwithstanding anything herein contained including any adjustment provided for in Article 3, the Corporation shall not be required, upon the exercise of any Warrants, to issue fractions of Common Shares or to distribute certificates which evidence fractional Common Shares. The Corporation shall not be required to pay cash or other consideration to any Warrantholder in lieu of fractional Common Shares.

4.6 <u>Prohibition Against Exercise by U.S. Persons; Exception</u>

(a) The Warrants and the Subject Securities to be issued upon the exercise of Warrants have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States. The exercise rights attached to the Warrants may not be exercised by or on behalf of any U.S. Person, by any person in the United States of America or by any person for the account or benefit of a U.S. Person or a person in the United States of America unless registered under the U.S. Securities Act and the securities laws of all applicable states of the United States or an exemption from such registration requirements is available. Accordingly, subject to Section 4.6(b), neither the Corporation nor the Trustee shall be obligated to or will accept subscriptions for Subject Securities pursuant to the exercise of Warrants from any Warrantholder who does not certify that it is not a U.S. Person, is not a person in the United States of America and is not exercising such Warrants for the account or benefit of a U.S. Person or a person in the United States of America.

(b) Notwithstanding Section 4.6(a), Warrants may be exercised in the United States or by or on behalf of a U.S. Person, a person in the United States of America or a person for the account or benefit of a U.S. Person or a person in the United States of America, and Subject Securities issued upon exercise of any such Warrants may be delivered to an address in the United States of America provided that the person exercising the Warrants signs and delivers to the Trustee a letter substantially in the form attached as Schedule B. In addition, the Company may require, if reasonable, that, as a condition of such exercise, such person also provide a written opinion of United States counsel reasonably acceptable to the Corporation to the effect that the issuance of Subject Securities upon exercise is exempt from registration under the U.S. Securities Act and any applicable securities laws of any state of the United States.

(c) In no event shall the Corporation or the Trustee accept or be obligated to accept subscriptions for Common Shares pursuant to the exercise of Warrants from any Warrantholder who does not provide the Corporation and the Trustee with such agreements and documentation as the Corporation or the Trustee may reasonably request.

4.7 U.S. Legend

All certificates representing Subject Securities delivered upon exercise of Warrants by any Person who is, or who the Corporation or the Trustee has reasonable grounds to believe is, a U.S. Person, a person in the United States of America or a person acting on behalf of or for the account of a U.S. Person or a person in the United States of America, will have endorsed thereon the legend set forth in paragraph (h) of Schedule B. In determining whether a Warrantholder is, or may reasonably be determined to be, a U.S. Person, a person in the United States of America or a person acting on behalf or for the account of a U.S. Person or a person in the United States of America, the Trustee will, in the absence of knowledge or information to the contrary, be entitled to rely on the address of the person provided to the Trustee.

ARTICLE 5
COVENANTS

5.1 General Covenants

The Corporation covenants with the Trustee that so long as any Warrants remain outstanding and able to be exercised:

(a) It will at all times maintain its corporate existence and carry on and conduct its business in accordance with good business practice.

(b) It will reserve and there will remain unissued out of its authorized capital a sufficient number of Subject Securities to satisfy the rights of Warrantholders provided for herein.

(c) It will cause the Subject Securities from time to time subscribed for pursuant to the Warrants in the manner herein provided and the certificates representing such Subject Securities to be duly issued and delivered in accordance with the Warrants and the terms hereof.

(d) All Subject Securities that shall be issued upon the exercise as provided for herein shall be issued as fully paid and non-assessable and the holders thereof shall not be liable to the Corporation or its creditors in respect thereof.

(e) It shall use its reasonable best efforts to maintain the listing of the Common Shares and Warrants on the TSX and to ensure that the Common Shares issuable upon the exercise of the Warrants will be listed and posted for trading on such exchange simultaneously with or as soon as practicable following their issue.

(f) It shall use its reasonable best efforts to maintain the Corporation's status as a "reporting issuer" under, and not be in default in any material respect of the applicable requirements of, the securities laws in the Province of Ontario.

(g) It will use its reasonable efforts to well and truly perform and carry out all the acts or things to be done by it as provided in this Indenture.

(h) It will advise the Trustee and Warrantholders of any defaults with respect to this Indenture.

5.2 <u>Trustee's Remuneration and Expenses</u>

The Corporation covenants that it will pay to the Trustee the fees agreed to by the Corporation and the Trustee from time to time for its services hereunder and will pay or reimburse the Trustee upon its request for all reasonable expenses and disbursements of the Trustee in the administration or execution of the trusts hereby created (including the reasonable compensation and the disbursements of its counsel and all other advisers, experts, accountants and assistants not regularly in its employ) both before any default hereunder and thereafter until all duties of the Trustee hereunder shall be finally and fully performed, except any such expense or disbursement in connection with or related to or required to be made as a result of the negligence, wilful misconduct or bad faith of the Trustee. Any amount due under this section and unpaid 30 days after request for such payment will bear interest from the expiration of such period at a rate per annum equal to the then-current rate charged by the Trustee, payable on demand. This Section 5.2 shall survive the termination of this Indenture and the resignation or removal of the Trustee.

5.3 <u>Performance of Covenants by Trustee</u>

If the Corporation should fail to perform any of its covenants contained in this Indenture and the Corporation has not rectified such failure within 15 Business Days after receiving written notice from the Trustee of such failure, the Trustee may notify the Warrantholders of such failure on the part of the Corporation or may itself perform any of the said covenants capable of being performed by it, but shall be under no obligation to perform said covenants or to notify the Warrantholders of such performance by it. All reasonable sums expended or disbursed by the Trustee in so doing shall be repayable as provided in Section 5.3. No such performance, expenditure or disbursement by the Trustee shall be deemed to relieve the Corporation of any default hereunder or of its continuing obligations under the covenants herein contained.

ARTICLE 6
ENFORCEMENT

6.1 Suits by Warrantholders

All or any of the rights conferred upon a Warrantholder by the terms of the Warrants held by such Warrantholder and/or this Indenture may be enforced by such Warrantholder by appropriate legal proceedings, but subject to the rights that are hereby conferred upon the Trustee and subject to Section 7.10. No Warrantholder shall have any right to institute any action, suit or proceeding at law or in equity for the purpose of enforcing the execution of any trust or power hereunder unless: (i) the Warrantholders by extraordinary resolution shall have made a request to the Trustee and the Trustee shall have been afforded reasonable opportunity to proceed to complete any action or suit for any such purpose whether or not on its own; (ii) the Warrantholders or any of them shall have furnished to the Trustee, as requested by the Trustee, sufficient funds or security and indemnity satisfactory to it against costs, expenses and liabilities to be incurred therein or thereby; and (iii) the Trustee shall have failed to act within a reasonable time or the Trustee shall have failed to have actively pursued any such action, suit or proceeding.

6.2 Immunity of Shareholders, Etc.

The Trustee and, by the acceptance of the Warrant Certificates and as part of the consideration for the issue of the Warrants, the Warrantholders, hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any person in his capacity as an incorporator or any past, present or future Shareholder or other securityholder, director, officer, employee or agent of the Corporation for the creation and issue of the Subject Securities pursuant to any Warrant or on any covenant, agreement, representation or warranty by the Corporation herein or contained in the Warrant Certificates.

6.3 Limitation of Liability

The obligations of the Corporation hereunder are not personally binding upon, nor shall resort hereunder be had to, the directors or shareholders of the Corporation or any of the past, present or future directors or shareholders of the Corporation or any of the past, present or future officers, employees or agents of the Corporation, but only the Corporation and its property shall be bound in respect hereof.

ARTICLE 7
MEETINGS OF WARRANTHOLDERS

7.1 Right to Convene Meetings

The Trustee may at any time and from time to time, and shall on receipt of a written request of the Corporation or of a Warrantholders' Request, convene a meeting of the Warrantholders provided that the Trustee is indemnified and funded to its reasonable satisfaction by the Corporation or by the Warrantholders signing such Warrantholders' Request against the costs, charges, expenses and liabilities that may be incurred in connection with the calling and holding of such meeting. If within 15 Business Days after the receipt of a written request of the Corporation or a Warrantholders' Request and funding and indemnity given as aforesaid the Trustee fails to give the requisite notice specified in Section 7.2 to convene a meeting, the Corporation or such Warrantholders, as the case may be, may convene such meeting. Every such meeting shall be held in the City of Toronto or at such other place as may be approved by the Trustee.

7.2 Notice

At least 15 days' prior notice of any meeting of Warrantholders shall be given to the Warrantholders in the manner provided for in Section 10.1 and a copy of such notice shall be delivered to the Trustee unless the meeting has been called by it, and to the Corporation unless the meeting has been called by it. Such notice shall state the time and place of the meeting, the general nature of the business to be transacted and shall contain such information as is reasonably necessary to enable the Warrantholders to make a reasoned decision on the matter, but it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article 7. The notice convening any such meeting may be signed by an appropriate officer of the Trustee or of the Corporation or the person designated by such Warrantholders, as the case may be.

7.3 Chair

The Trustee may nominate in writing an individual to be chair of the meeting (the "Chair") and if no individual is so nominated, or if the individual so nominated is not present within 15 minutes after the time fixed for the holding of the meeting, the Warrantholders present in person or by proxy shall appoint an individual present to be Chair.

7.4 Quorum

Subject to the provisions of Section 7.11, at any meeting of the Warrantholders a quorum shall consist of Warrantholders present in person or represented by proxy and holding at least 10% of all Warrants then outstanding, provided that at least two persons entitled to vote thereat are personally present. If a quorum of the Warrantholders shall not be present within one half-hour from the time fixed for holding any meeting, the meeting, if summoned by the Warrantholders or on a Warrantholders' Request, shall be dissolved; but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day in which case it shall be adjourned to the next following Business Day) at the same time and place to the extent possible and, subject to the provisions of Section 7.11, no notice of the adjournment need be given. Any business may be brought before or dealt with at an adjourned meeting which might have been dealt with at the original meeting in accordance with the notice calling the same. At the adjourned meeting the Warrantholders present in person or represented by proxy shall form a quorum and may transact the business for which the meeting was originally convened, notwithstanding that they may not be holding at least 10% of all Warrants then unexercised and outstanding. No business shall be transacted at any meeting unless a quorum is present at the commencement of business.

7.5 <u>Power to Adjourn</u>

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

7.6 <u>Show of Hands</u>

Every question submitted to a meeting shall be decided in the first place by a majority of the votes given on a show of hands except that votes on an extraordinary resolution shall be given in the manner hereinafter provided. At any such meeting, unless a poll is duly demanded as herein provided, a declaration by the Chair that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

7.7 <u>Poll and Voting</u>

On every extraordinary resolution, and when demanded by the Chair or by one or more of the Warrantholders acting in person or by proxy on any other question submitted to a meeting and after a vote by show of hands, a poll shall be taken in such manner as the Chair shall direct. Questions other than those required to be determined by extraordinary resolution shall be decided by a majority of the votes cast on a poll. On a show of hands, every person who is present and entitled to vote, whether as a Warrantholder or as proxy for one or more absent Warrantholders, or both, shall have one vote. On a poll, each Warrantholder present in person or represented by a proxy duly appointed by instrument in writing shall be entitled to one vote in respect of each outstanding Warrant then held by him or her. A proxyholder need not be a Warrantholder. The Chair of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Warrants, if any, held or represented by him.

7.8 <u>Regulations</u>

Subject to the provisions of this Indenture, the Trustee or the Corporation with the approval of the Trustee may from time to time make and from time to time vary such regulations as it shall consider necessary or appropriate:

(a) for the deposit of instruments appointing proxies at such place and time as the Trustee, the Corporation or the Warrantholders convening the meeting, as the case may be, may in the notice convening the meeting direct;

(b) for the deposit of instruments appointing proxies at some approved place other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed or faxed before the meeting to the Corporation or to the Trustee at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting;

(c) for the form of the instrument of proxy; and

(d) generally for the calling of meetings of Warrantholders and the conduct of business thereat.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide, the only persons who shall be recognized at any meeting as a Warrantholder, or be entitled to vote or be present at the meeting in respect thereof (subject to Section 7.9), shall be Warrantholders or persons holding proxies of Warrantholders.

7.9 Corporation, Trustee and Counsel may be Represented

The Corporation and the Trustee, by their respective employees, directors and officers, and the counsel for each of the Corporation, the Warrantholders and the Trustee may attend any meeting of the Warrantholders and speak thereto but shall have no vote as such.

7.10 Powers Exercisable by Extraordinary Resolution

In addition to all other powers conferred upon them by any other provisions of this Indenture or by law, the Warrantholders at a meeting shall have the power, exercisable from time to time by extraordinary resolution:

(a) to agree with the Corporation to any modification, alteration, compromise or arrangement of the rights of Warrantholders and/or the Trustee in its capacity as trustee hereunder, or on behalf of the Warrantholders against the Corporation (including, without limitation, an amendment to any date or deadline herein), whether such rights arise under this Indenture or the Warrants or otherwise;

(b) to amend or repeal any extraordinary resolution previously passed or sanctioned by the Warrantholders;

(c) to direct or authorize the Trustee, subject to receipt of funding and indemnity acceptable to the Trustee, to enforce any of the covenants on the part of the Corporation contained in this Indenture or the Warrants or to enforce any of the rights of the Warrantholders in any manner specified in such extraordinary resolution or to refrain from enforcing any such covenant or right;

(d) to waive and direct the Trustee to waive any default on the part of the Corporation in complying with any provisions of this Indenture or the Warrants, either unconditionally or upon any conditions specified in such extraordinary resolution;

(e) to restrain any Warrantholder from taking or instituting any suit, action or proceeding against the Corporation for the enforcement of any of the covenants on the part of the Corporation contained in this Indenture or the Warrants or to enforce any of the rights of the Warrantholders; and

(f) to direct any Warrantholder who, as such, has brought any suit, action or proceeding to stay or discontinue or otherwise deal with any such suit, action or proceeding, upon payment of the costs, charges and expenses reasonably and properly incurred by such Warrantholder in connection therewith, provided, however, that the Trustee shall not be bound by any extraordinary resolution varying the rights or protections of the Trustee hereunder without its consent.

7.11 <u>Meaning of Extraordinary Resolution</u>

(a) The expression "extraordinary resolution" when used in this Indenture means, subject as hereinafter in this Section 7.11 and in Section 7.14 provided, a resolution proposed at a meeting of Warrantholders duly convened for that purpose and held in accordance with this Article 7 at which there are present in person or represented by proxy Warrantholders holding at least 25% of the then outstanding Warrants (at least 50% of the then outstanding Warrants for the approval of any amendment to this Indenture which would have the effect of increasing the Exercise Price, decreasing the number of Subject Securities issuable upon exercise of the Warrants or shortening the Exercise Period of the Warrants) and passed by the affirmative votes of Warrantholders holding not less than 66⅔% of the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution.

(b) If, at any meeting called for the purpose of passing an extraordinary resolution, Warrantholders holding at least 25% of the then outstanding Warrants are not present in person or by proxy within one half-hour after the time appointed for the meeting, then the meeting, if convened by Warrantholders or on a Warrantholders' Request, shall be dissolved; but in any other case it shall stand adjourned to such day, being not less than four or more than 20 Business Days later, and to such place and time as may be appointed by the Chair. Not less than three Business Days' prior notice shall be given of the time and place of such adjourned meeting in the manner provided in Article Ten. Such notice shall state that at the adjourned meeting the Warrantholders present in person or represented by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting the Warrantholders present in person or represented by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by the requisite vote as provided in Section 7.11(a) shall be an extraordinary resolution within the meaning of this Indenture notwithstanding that Warrantholders holding at least 25% of the then outstanding Warrants are not present in person or represented by proxy at such adjourned meeting.

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

7.12 <u>Powers Cumulative</u>

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

7.13 <u>Minutes</u>

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

7.14 <u>Instruments in Writing</u>

All actions that may be taken and all powers that may be exercised by the Warrantholders at a meeting held as provided in this Article 7 also may be taken and exercised by Warrantholders holding, in case of such actions and powers not requiring an extraordinary resolution, at least 51%, and, in the case of such actions and powers requiring an extraordinary resolution, at least 66 ⅔%, of the then outstanding Warrants by an instrument in writing signed in one or more counterparts by such Warrantholders in person or by attorney duly appointed in writing, and the expression "extraordinary resolution" when used in this Indenture shall include an instrument so signed.

7.15 <u>Binding Effect of Resolutions</u>

Every resolution and every extraordinary resolution passed in accordance with this Article 7 at a meeting of Warrantholders shall be binding upon all the Warrantholders, whether present at or absent from such meeting, and every instrument in writing signed by Warrantholders in accordance with Section 7.14 shall be binding upon all the Warrantholders, whether signatories thereto or not, and each and every Warrantholder and the Trustee (subject to the provisions for indemnity herein contained) shall be bound to give effect accordingly to every such resolution and instrument in writing. In the case of an instrument in writing, the Trustee shall give notice in the manner contemplated in Section 10.1 of the effect of the instrument in writing to all Warrantholders and the Corporation as soon as is reasonably practicable.

7.16 Holdings by the Corporation or Subsidiaries of the Corporation Disregarded

In determining whether the requisite number of Warrantholders are present at a meeting of Warrantholders for the purpose of determining a quorum or have concurred in any consent, waiver, extraordinary resolution, Warrantholders' Request or other action under this Indenture, Warrants owned legally or beneficially by the Corporation shall be disregarded. The Corporation shall provide to the Trustee, upon request, a certificate of the Corporation detailing the number of Warrants owned legally or beneficially by the Corporation, together with the registration particulars thereof.

ARTICLE 8
AMENDMENTS AND SUPPLEMENTAL INDENTURES

8.1 Amendments and Supplemental Indentures

From time to time the Corporation and the Trustee may, subject to the provisions of this Indenture, and they shall, when so directed by this Indenture, execute and deliver by their proper officers, amendments, indentures or instruments supplemental hereto, which thereafter shall form part hereof, for any one or more or all of the following purposes:

(a) setting forth adjustments in the application of Article 3;

(b) adding to the provisions hereof such additional covenants and enforcement provisions as in the opinion of counsel are necessary or advisable, provided that the same are not in the opinion of the Trustee, relying to the extent appropriate on the opinion of counsel, prejudicial to the interests of the Warrantholders as a group;

(c) giving effect to any extraordinary resolution passed as provided in Article 7;

(d) making such provisions not inconsistent with this Indenture as may be necessary or desirable with respect to matters or questions arising hereunder, provided that such provisions are not, in the opinion of the Trustee, relying to the extent appropriate on the opinion of counsel, prejudicial to the interests of the Warrantholders as a group;

(e) adding to or amending the provisions hereof in respect of the transfer of Warrants, making provision for the exchange of Warrants, and making any modification in the form of the Warrant Certificates that does not affect the substance thereof; and

(f) for any other purpose not inconsistent with the terms of this Indenture, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors or omissions herein, provided that, in the opinion of the Trustee, relying to the extent appropriate on the opinion of counsel, the rights of the Trustee and of the Warrantholders as a group are not prejudiced thereby and provided that the Trustee may in its sole discretion decline to enter into any such supplemental indenture which may in its opinion not afford adequate protection to the Trustee when the same shall become operative, provided, however, that no amendment may be made to this Indenture, by supplement or otherwise, without the prior written consent of the TSX (to the extent required by the rules thereof).

8.2 Amendments and Supplemental Indentures Requiring Extraordinary Resolution

If the Trustee, in its sole discretion, determines that a proposed amendment or supplemental indenture, as provided for in Section 8.1, is prejudicial to the interests of the Warrantholders as a group, then such amendment or supplemental indenture may only be effected by means of an extraordinary resolution, pursuant to Sections 7.11 and 7.14 hereof.

8.3 Successor Corporations

In the case of the consolidation, amalgamation, arrangement, merger or transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another person (a "successor"), forthwith following the occurrence of such event the successor resulting from such consolidation, amalgamation, arrangement, merger or transfer (if not the Corporation) shall expressly assume, by supplemental indenture satisfactory in form to the Trustee and executed and delivered to the Trustee, the due and punctual performance and observance of each and every covenant and condition of this Indenture to be performed and observed by the Corporation.

ARTICLE 9
CONCERNING THE TRUSTEE

9.1 Trust Indenture Legislation

(a) In this Article, the term "Applicable Legislation" means the provisions, if any, of the Business Corporations Act (Ontario) and any other statute of the Province of Ontario or of Canada applicable therein and of regulations under any such named or other statute relating to trust indentures and/or to the rights, duties and obligations of trustees and of corporations under trust indentures, to the extent that such provisions are at the time in force and applicable to this Indenture.

(b) If and to the extent that any provision of this Indenture limits, qualifies or conflicts with a mandatory requirement of Applicable Legislation, such mandatory requirement shall prevail.

(c) The Corporation and the Trustee agree that each will at all times in relation to this Indenture and any action to be taken hereunder observe and comply with and be entitled to the benefit of Applicable Legislation.

9.2 Rights and Duties of Trustee

(a) In the exercise of the rights and duties prescribed or conferred by the terms of this Indenture, the Trustee shall act honestly and in good faith with a view to the best interests of the Warrantholders and shall exercise the degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances. No provision of this Indenture shall be construed to relieve the Trustee from, or require any other person to indemnify the Trustee against, liability for its own negligence, wilful misconduct or bad faith.

(b) Subject only to Section 9.2(a), the Trustee shall not be bound to do or take any act, action or proceeding for the enforcement of any of the obligations of the Corporation under this Indenture unless and until it shall have received a Warrantholders' Request specifying the act, action or proceeding that the Trustee is requested to take. The obligation of the Trustee to commence or continue any act, action or proceeding for the purpose of enforcing any rights of the Trustee or the Warrantholders hereunder shall be conditional upon the Warrantholders furnishing, when required by notice in writing by the Trustee, sufficient funds to commence or continue such act, action or proceeding and an indemnity reasonably satisfactory to the Trustee to protect and hold harmless the Trustee and its officers, directors and employees against the costs, charges, expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified as aforesaid.

(c) The Trustee may, before commencing or at any time during the continuance of any such act, action or proceeding, require the Warrantholders, at whose instance it is acting, to deposit with the Trustee the Warrants held by them, for which Warrants the Trustee shall issue receipts.

(d) Every provision of this Indenture that by its terms relieves the Trustee of liability or entitles it to rely upon any evidence submitted to it is subject to the provisions of Applicable Legislation, of this Section 9.2 and of Section 9.3.

9.3 Evidence, Experts and Advisers

(a) In addition to the reports, certificates, opinions and other evidence required by this Indenture, the Corporation shall furnish to the Trustee such additional evidence of compliance with any provision hereof in such form as may be prescribed by Applicable Legislation, or as the Trustee may reasonably require by written notice to the Corporation.

(b) In the exercise of its rights and duties hereunder, the Trustee may, if it is acting in good faith, rely as to the truth of the statements and the accuracy of the opinions expressed therein, upon statutory declarations, opinions, reports, written requests, consents or orders of the Corporation, certificates of the Corporation or other evidence furnished to the Trustee, provided that such evidence complies with Applicable Legislation and the Trustee examines the same and determines that such evidence complies with the applicable requirements of this Indenture.

(c) Whenever Applicable Legislation requires that evidence referred to in Section 9.3(a) be in the form of a statutory declaration, the Trustee may accept such statutory declaration in lieu of a certificate of the Corporation required by any provision hereof. Any such statutory declaration may be made by one or more officer of the Corporation. The Trustee may act and rely and shall be protected in acting and relying upon any resolution, certificate, direction, instruction, statement, instrument, opinion, report, notice, request, consent, order, letter, telegram, cablegram or other paper or document believed by it to be genuine and to have been signed, sent or presented by or on behalf of the proper party or parties.

(d) Proof of the execution of an instrument in writing, including a Warrantholders' Request, by any Warrantholder may be made by the certificate of a notary public, or other officer with similar powers, that the person signing such instrument acknowledged to him or her the execution thereof, or by an affidavit of a witness to such execution or in any other manner that the Trustee may consider adequate.

(e) The Trustee may employ or retain such counsel, accountants or other experts or advisers as it may reasonably require for the purpose of determining and discharging its duties hereunder, may act or not act on and rely upon the advice or opinions so obtained and may pay reasonable remuneration for all services so performed by any of them (any such remuneration paid by the Trustee to be repaid by the Corporation to the Trustee in accordance with Section 5.3), without taxation of costs of any counsel, and the Trustee shall not be responsible for any misconduct on the part of any of them.

9.4 <u>Documents Held by Trustee</u>

(a) Any securities, documents of title or other instruments that may at any time be held by the Trustee subject to the trusts hereof may be placed in the deposit vaults of the Trustee or of any Canadian chartered bank or trust company or deposited for safekeeping with any such bank or trust company.

(b) Unless herein otherwise expressly provided, any money held pending the application or withdrawal thereof under any provision of this Indenture may be deposited in the name of the Trustee in any Schedule A Canadian chartered bank at the rate of interest then current on similar deposits or, with the consent of the Corporation, may be:

(i) deposited in the deposit department of the Trustee or of any other loan or trust Corporation authorized to accept deposits under the laws of Canada or a province thereof; or

(ii) invested in securities issued or guaranteed by the Government of Canada or a province thereof or in obligations, maturing not more than one year from the date of investment, of any Schedule A Canadian chartered bank.

(c) All interest or other income received by the Trustee in respect of deposits and investments will belong to the Corporation.

9.5 Actions by Trustee to Protect Interests

The Trustee shall have the power to institute and to maintain such actions and proceedings as it may consider necessary or expedient to preserve, protect or enforce its interests and the interests of the Warrantholders.

9.6 Trustee Not Required to Give Security

The Trustee shall not be required to give any bond or security in respect of the execution of the trusts and powers of this Indenture or otherwise.

9.7 Protection of Trustee

By way of supplement to the provisions of any law for the time being relating to trustees, it is expressly declared and agreed as follows:

(a) The Trustee shall not be liable for or by reason of any statements of fact or recitals in this Indenture or in the Warrants (except the representation contained in Section 9.9 or in the certificate of the Trustee on the Warrants) or be required to verify the same, but all those statements and recitals are and shall be deemed to be made by the Corporation.

(b) Nothing herein contained shall impose any obligation on the Trustee to see to or to require evidence of the registration or filing (or renewal thereof) of this Indenture or any instrument ancillary or supplemental hereto.

(c) The Trustee shall not be bound to give notice to any person of the execution hereof.

(d) The Trustee shall not incur any liability or responsibility whatsoever or be in any way responsible for the consequence of any breach on the part of the Corporation of any of the covenants herein contained or of any acts of any directors, officers, employees, agents or servants of the Corporation.

(e) The Trustee shall incur no liability with respect to the delivery or non-delivery of any certificate or certificates whether delivered by hand, mail or any other means.

9.8 Replacement of Trustee

(a) The Trustee may resign its trust and be discharged from all further duties and liabilities hereunder by giving to the Corporation not less than 45 days' prior notice in writing or such shorter prior notice as the Corporation may accept as sufficient. The Warrantholders by extraordinary resolution shall have the power at any time to remove the existing Trustee and to appoint a new trustee. In the event of the Trustee resigning or being removed as aforesaid or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, the Corporation shall forthwith appoint a new trustee unless a new trustee has already been appointed by the Warrantholders; failing such appointment by the Corporation, within 10 days the retiring Trustee or any Warrantholder may apply to a justice of the Ontario Court (General Division) at the Corporation's expense, on such notice as such justice may direct, for the appointment of a new trustee; but any new trustee so appointed by the Corporation or by the Court shall be subject to removal as aforesaid by the Warrantholders. Any new trustee appointed under this Section 9.8 shall be a corporation authorized to carry on the business of a trust company in the Province of Ontario and, if required by Applicable Legislation of any other province, in such other province. On any such appointment, the new trustee shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Trustee without any further assurance, conveyance, act or deed; but there shall be immediately executed, at the expense of the Corporation, all such conveyances or other instruments as may, in the opinion of counsel, be necessary or advisable for the purpose of assuring the same to the new trustee, provided that any resignation or removal of the Trustee and appointment of a successor trustee shall not become effective until the successor trustee shall have executed an appropriate instrument accepting such appointment and, at the request of the Corporation, the predecessor Trustee, upon payment of its outstanding remuneration and expenses, shall execute and deliver to the successor trustee an appropriate instrument transferring to such successor trustee all rights and powers of the Trustee hereunder.

(b) Upon the appointment of a successor trustee, the Corporation shall promptly notify the Warrantholders thereof.

(c) Any corporation into or with which the Trustee may be merged or consolidated or amalgamated, or any corporation succeeding to the corporate trust business of the Trustee, shall be the successor to the Trustee hereunder without any further act on its part or of any of the parties hereto, provided that such corporation would be eligible for appointment as a new trustee under Section 9.8(a).

(d) Any Warrants certified but not delivered by a predecessor trustee may be certified by the successor trustee in the name of the predecessor or successor trustee.

9.9 Conflict of Interest

(a) The Trustee represents to the Corporation that at the time of execution and delivery hereof no material conflict of interest exists which it is aware of in the Trustee's role as a fiduciary hereunder and agrees that in the event of a material conflict of interest arising hereafter which it becomes aware of it will, within 90 days after ascertaining that it has such a material conflict of interest, either eliminate the same or resign its trust hereunder subject to Section 9.8. If any such material conflict of interest exists or hereafter shall exist, the validity and enforceability of this Indenture and the Warrants shall not be affected in any manner whatsoever by reason thereof.

(b) Subject to Section 9.9(a), the Trustee, in its personal or any other capacity, may buy, lend upon and deal in securities of the Corporation and generally may contract and enter into financial transactions with the Corporation or any subsidiary of the Corporation without being liable to account for any profit made thereby.

9.10 Acceptance of Trusts

The Trustee hereby accepts the trusts in this Indenture declared and provided for and agrees to perform the same upon the terms and conditions herein set forth.

9.11 Trustee Not to be Appointed Receiver

The Trustee and any person related to the Trustee shall not be appointed a receiver or receiver and manager or liquidator of all or any part of the assets or undertaking of the Corporation.

9.12 Indemnity of Trustee

The Corporation hereby indemnifies and holds harmless the Trustee and its officers, directors, employees and agents from and against all claims, demands, losses, actions, causes of action, costs, charges, expenses, damages and liabilities whatsoever arising in connection with this Indenture, including, without limitation, those arising out of or related to actions taken or omitted to be taken by the Trustee contemplated hereby, legal fees and disbursements on a solicitor and client basis and costs and expenses incurred in connection with the enforcement of this indemnity, which the Trustee may suffer or incur, whether at law or in equity, in any way caused by or arising, directly or indirectly, in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of its duties as Trustee and including any deed, matter or thing in relation to the registration, perfection, release or discharge of security. The foregoing provisions of this Section do not apply to the extent that in any circumstances there has been a failure by the Trustee or its employees to act honestly and in good faith or to discharge the Trustee's obligations under Section 9.2(a) or if such claims, demands, losses, actions, causes of action, costs, charges, expenses, damages and liabilities arise out of the negligence or wilful misconduct of the Trustee or the failure of the Trustee to fulfil its obligations hereunder. This indemnity will survive the termination or discharge of this Indenture and the resignation or removal of the Trustee.

9.13 Notice

(a) The Trustee shall not be bound to give any notice or to do or take any act, action, or proceeding by virtue of the powers conferred on it hereby unless and until it shall have been required so to do under the terms hereof, and the Trustee shall not be required to take notice of any default of the Corporation hereunder unless and until notified in writing of the default (which notice must specify the nature of the default) and, in the absence of such notice, the Trustee may for all purposes hereunder conclusively assume that no default by the Corporation hereunder has occurred. The giving of any notice shall in no way limit the discretion of the Trustee hereunder as to whether any action is required to be taken in respect of any default hereunder.

(b) Whenever any confirmation or instruction is required to be given to the Trustee pursuant to this Indenture, such confirmation or instruction must be in writing to be valid and effectively given.

ARTICLE 10
GENERAL

10.1 Notice to the Corporation

Any notice to the Corporation under the provisions of this Indenture shall be valid and effective if delivered on a Business Day by hand or courier delivery, addressed to Roman Corporation Limited to the attention of the Vice President and Chief Financial Officer at Suite 1315, 200 King Street West, Toronto, Ontario M5H 3T4 or by facsimile at (416) 971-9181, and shall be deemed to have been effectively given on the date of delivery or the date of sending a facsimile transmission (provided, however, that if such facsimile transmission is sent after 4:00 p.m. notice shall be deemed to have been effectively given on the following Business Day). The Corporation may from time to time notify the Trustee in writing of a change of address which thereafter, until changed by like notice, shall be the address of the Corporation for all purposes of this Indenture.

10.2 Notice to Trustee

Any notice to the Trustee under the provisions of this Indenture shall be valid and effective if delivered on a Business Day by hand or courier delivery, addressed to Computershare Trust Company of Canada to the attention of the Manager, Corporate Trust, 100 University Avenue, Toronto, Ontario M5J 2Y1 or by facsimile at (416) 981-9777 and shall be deemed to have been effectively given on the date of delivery or the date of sending a facsimile transmission (provided, however, that if such facsimile transmission is sent after 4:00 p.m. notice shall be deemed to have been effectively given on the following Business Day). The Trustee may from time to time notify the Corporation in writing of a change of address which thereafter, until changed by a like notice, shall be the address of the Trustee for all purposes of this Indenture.

10.3 Notice to Warrantholders

Any notice to the Warrantholders under the provisions of this Indenture shall be valid and effective if delivered on a Business Day by hand or sent by mail, postage prepaid (provided that any notice to be so given is not unlikely to reach its destination as a result of any actual or threatened interruption of mail services), by letter or circular addressed to such holders at their post office addresses appearing in the register of holders referred to in Section 2.8(a)(i) and shall be deemed to have been effectively given on the date of delivery or on the date that is five Business Days after the date of mailing. Any Warrantholder may from time to time by notice in writing delivered in accordance with this Article Ten change his, hers or its address for purposes hereof. Any notice given to Warrantholders shall be sent concurrently to Sprott Securities Inc., 200 Bay Street, Royal Bank Plaza, South Tower, P.O. Box 63, Toronto, Ontario M5J 2J2, Attention: W. Jeffrey Kennedy or by facsimile at (416) 943-6496.

If the Corporation or the Trustee determines that mail service is or is threatened to be interrupted at the time when a notice is required or permitted to be provided to Warrantholders hereunder, the Trustee or the Corporation shall, notwithstanding the provisions hereof, give such notice by means of publication once in the national edition of The Globe and Mail and notice so published shall be deemed to have been given on the date on which publication occurs.

10.4 Accidental Failure to Give Notice to Warrantholders

Accidental error or omission in giving notice or accidental failure to give notice to any Warrantholder shall not invalidate any action or proceeding founded thereon.

10.5 Counterparts and Formal Date

This Indenture may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution shall be deemed to be dated as of the date hereof.

10.6 Satisfaction and Discharge of Indenture

Upon the date by which all Warrants theretofore certified hereunder have been cancelled or deemed to be cancelled in accordance with Section 4.4, this Indenture, except to the extent that Subject Securities and certificates therefor have not been issued and delivered hereunder or the Corporation has not performed any of its obligations hereunder, shall cease to be of further effect in respect of the Corporation, and the Trustee, on written demand of and at the cost and expense of the Corporation, and upon delivery to the Trustee of a certificate of the Corporation stating that all conditions precedent to the satisfaction and discharge of this Indenture have been complied with and upon payment to the Trustee of the expenses, fees and other remuneration payable to the Trustee, shall execute proper instruments acknowledging satisfaction of and discharging this Indenture; provided that if the Trustee has not then performed any of its obligations hereunder, any such satisfaction and discharge of the Corporation's obligations hereunder shall not affect or diminish the rights of any Warrantholder or the Corporation against the Trustee.

10.7 Provisions of Indenture and Warrants for the Sole Benefit of Parties and Warrantholders

Except as provided in Article 6, nothing in this Indenture or the Warrants, expressed or implied, shall give or be construed to give to any person other than the parties hereto and the holders from time to time of the Warrants any legal or equitable right, remedy or claim under this Indenture, or under any covenant or provision therein contained, all such covenants and provisions being for the sole benefit of the parties hereto and the Warrantholders.

10.8 Assignment

This Indenture may not be assigned by either party hereto without the consent in writing of the other party. This Indenture shall enure to and bind the parties and their lawful successors and permitted assigns.

10.9 <u>No Waiver, etc.</u>

No act, omission, delay, acquiescence of course of conduct on the part of either party hereto, other than a specific written instrument, shall constitute a waiver of or consent to any breach or default by the other party hereto, or affect or limit the right of the party to insist on strict or timely performance of the obligation of the other party.

10.10 <u>Further Assurances</u>

Each of the parties hereto shall do or cause to be done all such acts and things as the other party hereto reasonably requests in order to better evidence or effectuate the provisions and intent of this Indenture.

10.11 <u>Amendments</u>

Any amendment to this Indenture by supplement or otherwise shall be subject to the prior written consent of the TSX.

10.12 <u>Language</u>

The parties hereto confirm their express wish that this Indenture and all documents and agreements directly or indirectly relating thereto be drawn up in the English language. Notwithstanding such express wish, the parties agree that any such document or agreement, or any part thereof or of this Indenture, may be drawn up in the French language.

Les parties aux présentes confirment leur volonté expresse que la présente convention ainsi que tous les documents et conventions s'y rattachant directement ou indirectement soient rédigés en anglais. Nonobstant cette volonté expresse, les parties aux présentes conviennent que la présente convention ainsi que tous les documents et conventions s'y rattachant directement ou indirectement, ou toute partie de ceux-ci, puissent être rédigés en français.

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

ROMAN CORPORATION LIMITED

By (signed) *P. Gael Mourant*
Name: P. Gael Mourant
Title: Vice President, Chief Financial Officer and Secretary

By (signed) *Josée Bertrand*
Name: Josée Bertrand
Title: Vice President, Finance and Administration

COMPUTERSHARE TRUST COMPANY OF CANADA

By (signed) *Rina Kim*
Name: Rina Kim
Title: Professional, Corporate Trust

(signed) *Jeff Shanta*
Name: Jeff Shanta
Title: Professional, Corporate Trust

SCHEDULE A

FORM OF WARRANT CERTIFICATE

SCHEDULE B

REPRESENTATION LETTER

TO: Roman Corporation Limited
200 King Street
Suite 1315, P.O. Box 82
Toronto, Ontario M5H 3T4

Ladies and Gentlemen:

In connection with its acquisition of common shares (the "Common Shares") of Roman Corporation Limited (the "Corporation") pursuant to the exercise of warrants to purchase Common Shares issued pursuant to the warrant indenture dated June 14, 2004 between the Corporation and Computershare Trust Company of Canada, as trustee, the undersigned represents, warrants and covenants to you as follows:

(a) it is authorized to consummate the purchase of the Common Shares;

(b) it understands that the Common Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any applicable state securities laws and that the contemplated sale is being made in reliance on a private placement exemption to "Accredited Investors" (as such term is defined in Annex A hereto, "Accredited Investors") and in reliance on exemptions under applicable state securities laws;

(c) it is an Accredited Investor and is acquiring the Common Shares for its own account or for the account of an Accredited Investor as to which it exercises sole investment discretion (please check the applicable category in Annex A), and not with a view to any resale, distribution or other disposition of the Common Shares in violation of United States securities laws or applicable state securities laws;

(d) the issuance of the Common Shares will be conditioned upon delivery to the Corporation of this letter and, if reasonably required by the Corporation, a written opinion of United States counsel reasonably acceptable to the Corporation to the effect that the issuance of the Common Shares is exempt from registration under the U.S. Securities Act and any applicable securities laws in any state of the United States;

(e) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Common Shares and is able to bear the economic risks of such investment;

(f) it acknowledges that it has not purchased the Common Shares as a result of any general solicitation or general advertising, including, without limitation, advertisements, articles, notices or other communications published on the Internet or in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;

(g) it understands that if it decides to offer, sell, pledge or otherwise transfer the Common Shares, such securities may be offered, sold, pledged or otherwise transferred only, (i) to the Corporation; (ii) outside the United States in accordance with Rule 904 of Regulation S under the U.S. Securities Act; (iii) within the United States in accordance with an exemption from registration under the U.S. Securities Act, provided that it provides an opinion of counsel, of recognized standing reasonably satisfactory to the Corporation, regarding the applicability of such exemption; or (iv) under an effective registration statement under the U.S. Securities Act, and in each case in accordance with any applicable state securities laws in the United States or securities laws of any other applicable jurisdiction;

(h) it understands and acknowledges that upon the original issuance thereof, and until such time as the same is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities laws, certificates representing Common Shares, and all certificates issued in exchange therefor or in substitution thereof, shall bear the following legend:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, (THE "U.S. SECURITIES ACT") OR UNDER ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF ROMAN CORPORATION LIMITED (THE "CORPORATION") THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY: (A) TO THE CORPORATION; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT; (C) INSIDE THE UNITED STATES IN ACCORDANCE WITH AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, PROVIDED THAT IT PROVIDES AN OPINION OF COUNSEL, OF RECOGNIZED STANDING REASONABLY SATISFACTORY TO THE COMPANY, REGARDING THE APPLICABILITY OF SUCH EXEMPTION; OR (D) UNDER AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT, AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OR SECURITIES LAWS OF ANY OTHER APPLICABLE JURISDICTION.

DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. A NEW CERTIFICATE BEARING NO LEGEND, DELIVERY OF WHICH WILL CONSTITUTE "GOOD DELIVERY," MAY BE OBTAINED FROM COMPUTERSHARE TRUST COMPANY OF CANADA UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO

COMPUTERSHARE TRUST COMPANY OF CANADA AND THE CORPORATION, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT";

provided that, if the Common Shares are being sold in compliance with the requirements of Rule 904 of Regulation S under the U.S. Securities Act and applicable Canadian laws and regulations, the legend may be removed by providing a declaration to Computershare Trust Corporation of Canada, as registrar and transfer agent, to the effect set forth in Annex B hereto, or in such other form as Computershare Trust Corporation of Canada or the Corporation may from time to time prescribe;

and provided further that, if any such securities are being sold pursuant to Rule 144 of the U.S. Securities Act or a transaction that does not require registration under the U.S. Securities Act or applicable state securities laws, the legend may be removed by delivery to the registrar and transfer agent of the Corporation of an opinion of counsel, of recognized standing reasonably satisfactory to the Corporation, to the effect that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws;

(i) it consents to the Corporation making a notation on its records or giving instructions to any transfer agent of the Common Shares in order to implement the restrictions on transfer set forth and described herein;

(j) if required by applicable securities legislation, regulatory policy or order by any securities commission, stock exchange or other regulatory authority, it will execute, deliver and file and otherwise assist the Corporation in filing reports, questionnaires, undertakings and other documents with respect to the issue of the Common Shares;

(k) it understands and acknowledges that the Corporation is not obligated to file and has no present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator any registration statement in respect of resales of the Common Shares in the United States;

(l) it understands and acknowledges that the Corporation (i) is not obligated to remain a "foreign issuer" within the meaning of Regulation S under the U.S. Securities Act; (ii) may not, at the time the Common Shares are resold by it or at any other time, be a foreign issuer; and (iii) may engage in one or more transactions which could cause the Corporation not to be a foreign issuer; and

(m) it understands that the Corporation and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and it agrees that, if any of the acknowledgements, representations and agreements made by it, or deemed to have been made by it by its purchase of the Common Shares, for its own account or for one or more accounts as to which it exercises sole investment discretion, is no longer accurate, it shall promptly notify the Corporation.

The undersigned acknowledges that the representations and warranties and agreements contained herein are made by it with the intent that they may be relied upon by you in determining its eligibility to purchase the Common Shares. By this letter the undersigned represents and warrants that the foregoing representations and warranties are true and that they shall survive the purchase by it of the Common Shares and shall continue in full force and effect notwithstanding any subsequent disposition by the undersigned of the Common Shares.

You are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Dated:	Name of Purchaser
	By:
	Name:
	Title:

ANNEX A

DEFINITION OF ACCREDITED INVESTOR

(Please check the applicable category.)

"Accredited Investor" means any entity that comes within any of the following categories at the time of the sale of the Common Shares to such entity:

- ❑ Any *bank* as defined in section 3(a)(2) of the U.S. Securities Act, or any *savings and loan association* or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity;

- ❑ any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934;

- ❑ Any *insurance* company as defined in section 2(a)(13) of the U.S. Securities Act;

- ❑ Any *investment company* registered under the Investment Company Act of 1940 or any *business development company* as defined in section 2(a)(48) of that Act;

- ❑ Any *Small Business Investment* Corporation licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958;

- ❑ Any *plan* established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees if such plan has total assets in excess of $5,000,000;

- ❑ Any *employee benefit plan* within the meaning of title I of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a *plan fiduciary,* as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment advisor, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

- ❑ Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

- ❑ Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000;

- ❑ Any director, executive director, or general partner of the Corporation, or any director, executive officer, or general partner of a general partner of the Corporation;

- ❑ Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds $1,000,000;

- ☐ Any natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

- ☐ Any trust, with total assets in excess of $5,000,000 not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); or

- ☐ Any entity in which all of the equity owners are accredited investors.

ANNEX B

Form of Declaration for Removal of Legend

To: Computershare Trust Corporation of Canada,
as registrar and transfer agent for the securities of
Roman Corporation Limited
100 University Avenue
Toronto, ON M5J 2Y1

The undersigned (A) represents that the sale of the securities of Roman Corporation Limited (the "Corporation") to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended, (the "1933"Act") and (B) certifies that (1) it is not an "affiliate" (as defined in Rule 405 under the U.S. Securities Act) of the Corporation; (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of the applicable Canadian stock exchanges designated in Regulation S under the U.S. Securities Act or any other Designated Offshore Securities Market (as that term is defined in Regulation S under the U.S. Securities Act) and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; and (3) neither the seller nor any affiliate of the seller nor any person acting on its or their behalf has engaged or will engage in any "directed selling efforts" (as such term is defined in Regulation S under the U.S. Securities Act) in the United States in connection with the offer and sale of such securities.

Dated:

____
Name of Seller

By: ______________________________
Name:
Title: