WARRANT INDENTURE

BETWEEN

AMR TECHNOLOGIES INC.

– and –

COMPUTERSHARE TRUST COMPANY OF CANADA

Providing for the issue of Common Share
Purchase Warrants of AMR Technologies Inc.

July 19, 2005

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THIS WARRANT INDENTURE is made as of the 19th day of July, 2005

BETWEEN:

AMR TECHNOLOGIES INC., a corporation continued under the laws of Canada

(the "**Corporation**")

– and –

COMPUTERSHARE TRUST COMPANY OF CANADA, a trust company incorporated under the laws of Canada and duly authorized to carry on the business of a trust company in each of the provinces of Canada

(the "**Trustee**")

RECITALS

WHEREAS:

A. Subject to adjustment in the circumstances herein provided, the Corporation may issue up to 18,687,500 Warrants pursuant to this Indenture;

B. Each Warrant will be exercisable to acquire, subject to adjustment in stated circumstances, one Common Share upon payment of the Exercise Price at any time prior to the Warrant Expiry Time on the terms and conditions set forth herein;

C. The Corporation is duly authorized to create and issue the Warrants to be issued as herein provided;

D. The Trustee has agreed to enter into this Indenture and to hold all rights, interests and benefits contained herein for and on behalf of the persons who become Warrantholders; and

E. The foregoing recitals, other than recital D, are made as representations and statements of fact by the Corporation and not by the Trustee;

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the Corporation hereby appoints the trustee as Trustee, for the Warrantholders, to hold all rights, interests and benefits contained herein for and on behalf of those persons who become holders of Warrants from time to time issued pursuant to this Indenture and the parties hereto agree as follows:

ARTICLE 1.
INTERPRETATION

1.1 Definitions

Unless expressly provided otherwise, where used in this Indenture or in any recital hereto, the following terms shall have the following meanings, respectively:

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

"**Applicable Legislation**" means the provisions of the *Canada Business Corporations Act* (Ontario), as from time to time amended, and any statute of Canada or a province thereof, and the regulations and rules under any such named or other statute relating to trust indentures or the rights, duties or obligations of corporations and trustees under trust indentures as are from time to time in force and applicable to this Indenture;

"**auditor**" of the Corporation means the chartered accountant or firm of chartered accountants as may be duly appointed as auditor of the Corporation from time to time;

"**business day**" means any day that is not a Saturday, Sunday or civic or statutory holiday in the City of Toronto, Ontario or a day when the principal office of the Trustee in such city is not generally open to the public for the transaction of business;

"**Common Shares**" means the common shares in the capital of the Corporation as constituted on the date hereof, provided that in the event of any adjustment pursuant to Article 3 hereof, "**Common Shares**" will thereafter mean the shares or other securities or property resulting from such adjustment that a Warrantholder is entitled to acquire on exercise of a Warrant after the adjustment;

"**Convertible Securities**" means securities of the Corporation or any other issuer that are convertible into or exchangeable for or otherwise carry the right to acquire Common Shares, and "**Convertible Security**" means any one of them;

"**Corporation**" means AMR Technologies Inc., a company continued under the laws of Canada, and its lawful successors from time to time;

"**Counsel**" means a barrister or solicitor or a firm of barristers and solicitors retained by the Trustee or the Corporation;

"**Current Market Price**", at any date, means the weighted average trading price per Common Share at which the Common Shares have traded on the Exchange or such other stock exchange which constitutes the principal trading market (by volume) for the Common Shares during the 20 consecutive trading days (on each of which at least 500 Common Shares are traded in board lots) ending the fifth trading day before such date, and the weighted average trading price shall be determined by dividing the aggregate sale price of all Common Shares sold in board lots on the exchange or market, as the case may be, during the 20 consecutive trading days by the number of Common Shares sold;

"Date of Issue" means the date on which the Escrow Release Condition is satisfied;

"Debt Offering" means the offering by the Corporation by way of private placement of convertible second priority senior secured debentures;

"Directors" means the board of directors of the Corporation for the time being and reference without more to action by the Directors shall mean action by the Directors as a board or by any authorized committee thereof;

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

"Escrow Release Condition" means receipt by the Trustee in its capacity as trustee pursuant to the Subscription Receipt Agreement, of notice from the Corporation and the Lead Agent confirming that: (i) all conditions and all other matters relating to the closing of the MQI Acquisition have been fulfilled to their satisfaction; (ii) all conditions and all other matters relating to the Debt Offering have been fulfilled to their satisfaction; and (iii) all conditions and all other matters relating to the refinancing of the outstanding term debt of Magnequench International, Inc. have been fulfilled to their satisfaction;

"Exchange" means the Toronto Stock Exchange, or if the Common Shares are not listed on that exchange, such other stock exchange or quotation system on which the Common Shares may then be listed;

"Exercise Date" means, in respect of outstanding Warrants, the date on or before the Warrant Expiry Time on which the Warrant Certificate representing such Warrants is surrendered for exercise, together with full payment of the Exercise Price, in accordance with the provisions of this Indenture;

"Exercise Price" means the price at which a Common Share may be purchased by the exercise of one whole Warrant, as adjusted in accordance with the terms of this Indenture, in effect from time to time, currently Cdn$2.50 per Common Share, until the Warrant Expiry Time;

"Extraordinary Resolution" means an extraordinary resolution of Warrantholders as defined in Section 5.11 and includes a written instrument signed by Warrantholders pursuant to the provisions of Section 5.11;

"Lead Agent" means GMP Securities Ltd;

"MQI" means Magnequench, Inc.;

"MQI Acquisition" means the acquisition of all of the issued and outstanding shares of MQI by the Corporation pursuant to the Transaction Agreement;

"person" means an individual, a corporation, a partnership, a government or any department or agency thereof, a joint venture, a trust, an estate, an unincorporated organization and the heirs, executors, administrators or other legal representatives of an individual and pronouns and other words importing persons have a similarly extended meaning;

"Shareholder" means a registered holder of record of one or more Common Shares or shares of any other class or series of the Corporation;

"Subscription Receipt Agreement" means the subscription receipt agreement dated July July 19, 2005 among the Corporation, the Lead Agent and the Trustee;

"Subsidiary" shall have the meaning ascribed thereto in the *Canada Business Corporations Act*, as amended from time to time;

"this Indenture", **"hereto"**, **"herein"**, **"hereby"**, **"hereunder"**, **"hereof"** and similar expressions mean or refer to this instrument and any indenture, deed or instrument supplemental or ancillary hereto, and the expressions "Article", "Section", "subsection" or "paragraph" followed by a number mean the specified article, section, subsection or paragraph of this Indenture;

"trading day" means a day on which the Exchange is open for the transaction of business;

"Transaction Agreement" means the transaction agreement between MQI and the Corporation dated June 6, 2005;

"Trustee" means Computershare Trust Company of Canada or any lawful successor thereto from time to time, under this Indenture;

"Warrant Certificate" means a certificate evidencing Warrants substantially in the form appended hereto as Schedule "A" hereto;

"Warrant Expiry Date" means the third anniversary of the Date of Issue;

"Warrant Expiry Time" means 5:00 p.m. (Toronto time) on the Warrant Expiry Date;

"Warrantholder", **"holder"** or **"holder of Warrants"** means with respect to the Warrants, a person entered on the register to be maintained under Section 2.10 as the registered holder of a Warrant for the time being;

"Warrants" means the share purchase warrants of the Corporation issued and certified hereunder and for the time being outstanding entitling the holder thereof, upon payment of the Exercise Price therefor, and upon tendering one (1) whole Warrant, to purchase on or before the Warrant Expiry Time (before any adjustment pursuant to the provisions of this Indenture) one (1) Common Share; and

"written order of the Corporation", **"written request of the Corporation"**, **"written consent of the Corporation"**, **"written direction of the Corporation"** and **"certificate of the Corporation"** mean, respectively, a written order, request, consent, direction and certificate signed in the name of the Corporation by any director or officer of the Corporation, and may consist of one or more instruments so executed.

1.2 Meaning of "outstanding" for Certain Purposes

Every Warrant Certificate certified and delivered by the Trustee hereunder shall be deemed to be outstanding until the Warrant Expiry Time, or until it shall be surrendered to the Trustee upon the exercise thereof pursuant to Article 3, provided however that:

(a) a Warrant which has been partially exercised shall be deemed to be outstanding only to the extent of the unexercised part of the Warrant;

(b) where a Warrant Certificate has been issued in substitution for a Warrant Certificate which has been lost, stolen or destroyed, only one of them shall be counted for the purpose of determining the number of Warrants outstanding; and

(c) for the purpose of any provision of this Indenture entitling holders of outstanding Warrants to vote, sign consents, requests or other instruments or take any other action under this Indenture, Warrants owned legally or equitably by the Corporation or any Subsidiary thereof shall be disregarded, except that:

   (i) for the purpose of determining whether the Trustee shall be protected in relying on any such vote, consent, request or other instrument or other action, only the Warrants of which the Trustee has notice that they are so owned shall be so disregarded; and

   (ii) Warrants so owned which have been pledged in good faith other than to the Corporation or any Subsidiary thereof shall not be so disregarded if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote the Warrants in its discretion free from the control of the Corporation or any Subsidiary thereof, as the case may be, and the terms of the pledge thereof as to the right to vote shall govern.

1.3 Day not a business day

If the day on or before which any action would otherwise be required to be taken or is contemplated to commence hereunder is not a business day, that action will be required to be taken and such procedure will commence on or before the requisite time on the next succeeding day that is a business day.

1.4 Words Importing the Singular

Words importing the singular include the plural and *vice versa* and words importing a particular gender include all genders.

1.5 Time of the Essence

Time shall be of the essence in this Indenture and the Warrant Certificates.

1.6 Interpretation not Affected by Headings, etc.

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

1.7 Applicable Law

This Indenture and the Warrant Certificates shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and shall be treated in all respects as Ontario contracts.

1.8 Trust Indenture Legislation

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

(e) Each of the Corporation and the Trustee 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 benefits of Applicable Legislation.

1.9 Severability

In the event that any provision hereof shall be determined to be invalid or unenforceable in any respect, such determination shall not affect such provision in any other respect or any other provision hereof, all of which shall remain in full force and effect.

1.10 Entire Agreement

This Indenture constitutes the entire agreement between the parties hereto relating to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no general or specific warranties, representations or other agreements by or among the parties in connection with the entering into of this Indenture or the subject matter hereof except as specifically set forth herein.

1.11 Currency

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

ARTICLE 2.
ISSUE OF WARRANTS

2.1 Creation and Issue of Warrants

(a) A total of up to 18,687,500 Warrants, each entitling the holder thereof, upon payment of the Exercise Price therefor, to purchase one Common Share, as adjusted from time to time pursuant to the terms of this Indenture, are hereby authorized and created and the Warrant Certificates shall be executed by the Corporation and certified by or on behalf of the Trustee, and delivered by the Corporation in accordance with Section 2.4.

(b) Subject to adjustment as provided in this Indenture, each Warrant issued hereunder will entitle the holder thereof to purchase one Common Share at any time from and after the Date of Issue of the Warrant to and including the Warrant Expiry Time at the Exercise Price.

2.2 Form and Terms of Warrant Certificates

(a) Subject to Section 2.2(b), the Warrants shall be issued and the beneficial right, title and interest in and to, and ownership of, each Warrant will be represented by a Warrant Certificate substantially in the form set out in Schedule "A" hereto, with such additions, variations or omissions as may be permitted by the provisions of this Indenture or may from time to time be agreed upon between the Corporation and the Trustee and shall be numbered in the manner as the Corporation, with the approval of the Trustee, may prescribe.

(b) Warrants issued to "U.S. Persons" (as such term is defined in Regulation S under the United States *Securities Act of 1933*, as amended (the "1933 Act")) or within the United States shall be represented by one or more Warrant Certificates issued and registered in accordance with the provisions of Section 3.7 hereof.

(c) Subject to Section 2.6, as soon as reasonably practicable after satisfaction of the Escrow Release Condition, the Warrant Certificates for all Warrants will be executed by the Corporation, certified by or on behalf of the Trustee and registered and delivered in accordance with the written request of the Corporation.

2.3 Purchase of Warrants for Cancellation

The Corporation may, at any time or from time to time, purchase all or any of the Warrants in the market, by private contract or otherwise (which shall include a purchase through or from an investment dealer or a firm holding membership on a recognized stock exchange) on such terms as the Corporation may determine. All Warrant Certificates evidencing Warrants purchased pursuant to the provisions of this section shall be forthwith delivered to, cancelled and 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 the destruction.

2.4 Issue of Warrant Certificates

Warrant Certificates to be issued and delivered from time to time under this Indenture shall be executed by the Corporation and certified by the Trustee pursuant to or upon the written order of the Corporation, without the Trustee receiving any consideration therefor.

2.5 Warrantholder not a Shareholder

Nothing in this Indenture or in the ownership of a Warrant evidenced by a Warrant Certificate, or otherwise, will be construed as conferring on a Warrantholder any right or interest whatsoever as a Shareholder, including, but not limited to, any right to vote at, to receive notice of, or to attend, any meeting of shareholders or any other proceeding of the Corporation or any right to receive any dividend or other distribution, except as herein expressly provided.

2.6 Execution of Warrant Certificates

Warrant Certificates shall be signed by any one director or officer of the Corporation and shall be dated the Date of Issue. The signature of such director or officer may be mechanically reproduced by facsimile or photocopy and Warrant Certificates bearing facsimile or photocopy signatures shall be binding upon the Corporation as if they had been manually signed by the director or officer. Notwithstanding that any of the persons whose manual or facsimile signature appears on any Warrant Certificate as one of such officers or directors may no longer, prior to the certification and delivery of the Warrant Certificate, hold the official capacity in which he signed, any Warrant Certificate signed as aforesaid shall be valid and binding upon the Corporation when the Warrant Certificate has been certified by the Trustee in accordance with Section 2.7 and the registered holder thereof shall be entitled to the benefits of this Indenture.

Warrant Certificates shall be signed by the Corporation as aforesaid and delivered to the Trustee from time to time. The Trustee shall countersign any Warrant Certificate delivered by the Corporation to the Trustee as aforesaid and shall forthwith deliver to the person or persons in whose name or names the Warrant Certificate is to be issued (as specified in any written order from time to time given by the Corporation to the Trustee) or mail to such person or persons at their respective addresses specified in the written order from the Corporation the Warrant Certificate for the appropriate number of Warrants.

2.7 Certification by Trustee

(a) No Warrant Certificate shall be issued, or if issued, shall be valid for any purpose or entitle the holder to the benefit hereof, until it has been certified by the Trustee by being countersigned by or on behalf of the Trustee and the countersignature upon any Warrant Certificate shall be conclusive evidence as against the Corporation that the Warrant Certificate so countersigned has been duly issued hereunder and is a valid obligation of the Corporation, and that the holder is entitled to the benefits hereof.

(b) The countersigning by or on behalf of the Trustee on any Warrant Certificate issued hereunder shall not be construed as a representation or warranty by the Trustee as to the validity of this Indenture or of the Warrants and the Trustee shall in no respect be liable or answerable for the use made of any Warrant Certificate or of the consideration therefor, except as otherwise specified herein. The countersignature of or on behalf of the Trustee shall, however, be a representation and warranty by the Trustee that the Warrant Certificate has been duly countersigned by or on behalf of the Trustee pursuant to the provisions of this Indenture.

2.8 Exchange of Warrant Certificates

The holder of a Warrant Certificate may at any time after the date of issue thereof and prior to the Warrant Expiry Time, upon surrender thereof to the Trustee at its principal transfer office in the City of Toronto or at any other place that is designated by the Corporation with the approval of the Trustee, exchange the same for Warrant Certificates entitling the holder to subscribe in the aggregate for the same number of Common Shares for which the holder may subscribe under the surrendered Warrant Certificate. On each exchange, the Trustee may levy a sufficient charge to reimburse it for any tax or other governmental charge required to be paid, if any, and, in addition, a reasonable charge for every Warrant Certificate issued upon the exchange and payment of the charges shall be made by the party requesting the exchange, as a condition precedent thereto. The Corporation shall execute and the Trustee shall certify in accordance with Sections 2.6 and 2.7 all Warrant Certificates necessary to carry out exchanges contemplated herein.

2.9 Issue in Substitution for Lost Certificates

(a) If a Warrant Certificate becomes mutilated or is lost, destroyed or stolen, the Corporation, subject to applicable law and subject to subsection 2.9(b), will issue and thereupon the Trustee will countersign or certify and deliver a new certificate of like denomination, date and tenor as the one mutilated, lost, destroyed or stolen in exchange for and in place of and on surrender and cancellation of the mutilated certificate or in lieu of and in substitution for the lost, destroyed or stolen certificate, and the substituted Warrant Certificate shall entitle the holder thereof to the same rights and benefits and will bear the same legends, if any, as the certificate being replaced 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 will bear the cost of the issue thereof and in case of loss, destruction or theft will, as a condition precedent to the issue thereof:

(i) furnish to the Corporation and the Trustee such evidence of ownership and of the loss, destruction or theft of the certificate to be replaced as is satisfactory to the Corporation and to the Trustee in their discretion;

(ii) if so required, furnish an indemnity and surety bond in amount and form satisfactory to the Corporation and to the Trustee, in their discretion; and

(iii) pay the reasonable charges of the Corporation and the Trustee in connection therewith.

2.10 Registration, Ownership and Transfer of Warrants

(a) The Corporation shall cause to be kept by and at the principal office of the Trustee in the City of Toronto by the Trustee or such other registrar as the Corporation, with the approval of the Trustee, may appoint, at such other place or places, if any, as the Corporation may designate with the approval of the Trustee, registers in which shall be entered the names and addresses (including street and number, if any) of the holders of Warrants and particulars of the Warrants held by them respectively, the numbers of all outstanding Warrant Certificates, including the date of issuance, the numbers of all Warrant Certificates exchanged or exercised, including the date of exchange or exercise and such other information as the Trustee, in its discretion, deems necessary or advisable.

(b) The Warrants may only be transferred on the register kept at the Toronto office of the Trustee by the registered holder or its legal representatives or its attorney duly appointed by an instrument in writing in form and execution satisfactory to the Trustee only upon surrendering to the Trustee, the Warrant Certificate or Warrant Certificates representing the Warrants to be transferred, with the transfer form substantially in the form set out in Appendix 2 to the Warrant Certificate thereon duly completed and executed, signed by the Warrantholder or by the duly appointed legal representative or attorney in form and execution satisfactory to the Trustee, and, if required by the transfer form, with such signature properly guaranteed, and upon compliance with:

(i) the conditions herein;

(ii) such reasonable requirements as the Trustee may prescribe; and

(iii) all applicable securities legislation and requirements of regulatory authorities;

and such transfer shall be duly noted in such register by the Trustee. Upon compliance with such requirements, the Trustee shall issue to the transferee a Warrant Certificate representing the Warrants transferred. Such new Warrant Certificate shall be sent by first class mail or held for pick up by the transferee in accordance with the instructions given on the transfer form and, if no such instructions are given, shall be sent by first class mail to the address of the transferee appearing on the form of transfer. If less than all the Warrants represented by a Warrant Certificate are transferred, the Trustee shall issue a new Warrant Certificate representing those Warrants not transferred in the same name as the name appearing on the Warrant Certificate surrendered for transfer. Such new Warrant Certificate shall be sent by first class mail or held for pick up in accordance with instructions given on the transfer form and, if no instructions are given, shall be sent by first class mail to the address of the holder of the Warrants surrendered for transfer appearing on the register.

Subject to the provisions of this Indenture and applicable law, the Warrantholder shall be entitled to the rights and privileges attaching to the Warrants and the issue of Common Shares by the Corporation upon the exercise of Warrants by any Warrantholder in accordance with the terms and conditions herein contained shall discharge all responsibilities of the Corporation and the Trustee with respect to such Warrants and neither the Corporation nor the Trustee shall be bound to inquire into the title of any such holder.

(c) Subject to applicable law, neither the Corporation nor the Trustee nor any registrar shall be bound to take notice of or see to the execution of any trust, whether express, implied or constructive, in respect of any Warrant, and may transfer the same on the direction of the person registered as the holder thereof, whether named as trustee or otherwise, as though that person were the beneficial owner thereof.

(d) The Corporation and the Trustee may deem and treat the registered holder of any Warrant Certificate as the absolute owner of the Warrants 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 registered Warrantholder shall be entitled to the rights evidenced by such Warrant Certificate 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 Common Shares upon the exercise thereof 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.

2.11 Enforcement of Rights of Warrantholders

(a) No Warrantholder shall have the right to institute any action or proceeding or to exercise any other remedy authorized by this Indenture for the purpose of enforcing any rights on behalf of all Warrantholders for the execution of any trust or power hereunder unless a requisition, in writing signed by holders of not less than twenty-five percent (25%) of the Warrants then outstanding, requesting the Trustee to so act, and the indemnities referred to in Section 7.1 have been tendered to the Trustee and the Trustee shall have failed to act within a reasonable time thereafter, in such case, but not otherwise, any Warrantholder acting on behalf of himself and all other Warrantholders shall be entitled to take such proceedings in any court of competent jurisdiction as the Trustee might have taken.

(b) No one or more Warrantholders shall have any right in any manner whatsoever to affect, disturb or prejudice the rights hereby created by his or their action, or to enforce any right hereunder or under any Warrant Certificate, except subject to the conditions and in the manner herein provided and all powers and trusts hereunder shall be exercised and all proceedings at law shall be instituted, had and maintained by the Trustee, except only as herein provided, and in any event for the equal benefit of all Warrantholders.

(c) No recourse under or upon any obligation, covenant or agreement contained in this Indenture or in the Warrant Certificates shall be had against any Shareholder, officer or director, past, present or future, of the Corporation or of any of its Subsidiaries or of any successor corporation, either directly or through the Corporation, or the Subsidiaries or otherwise, by any legal or equitable proceeding by virtue of any statute or otherwise.

(d) This Indenture and the Warrants issued hereunder are solely corporate obligations and no personal liability whatsoever shall attach to or be incurred by the Shareholders, officers or directors, past, present or future, of the Corporation, or of any of its Subsidiaries, or any successor corporations, under or by reason of the obligations, covenants or agreements contained in this Indenture or in the Warrant Certificates, and any personal liability of any nature whatsoever either at common law, in equity or by statute of, and any right or claim against any such Shareholder, officer or director are hereby expressly waived as a condition of and as consideration for the execution of this Indenture and the issue of the Warrants.

2.12 Warrants to Rank Pari Passu

Except as otherwise provided herein, all Warrants will rank *pari passu*, whatever may be the actual dates of issue thereof.

2.13 Notice to Warrantholders

(a) Unless herein otherwise expressly provided, a notice to be given hereunder to Warrantholders will be deemed to be validly given if the notice is sent by first class, registered or certified mail, postage prepaid, addressed to the Warrantholders or delivered by hand or telecopied, receipt confirmed (or so mailed to certain holders and so delivered or telecopied to the other holders), at their respective addresses appearing on any of the registers above mentioned, and if in the case of joint holders of any Warrant more than one address appears on the register in respect of the joint holding, the notice shall be addressed or delivered, as the case may be, only to the first address so appearing. Any notice so given by mail or so delivered by hand shall be deemed to have been given on the fifth business day in the jurisdiction of the recipient thereof after it has been mailed or on the day upon which it has been delivered, or if transmitted by telecopier on the first business day in the jurisdiction of the recipient thereof, following the transmission, as the case may be. In determining under any provision hereof the date when notice of any meeting or other event must be given, the date of giving the notice shall be included and the date of the meeting or other event shall be excluded.

(b) If, by reason of a strike, lockout or other work stoppage, actual or threatened, involving postal employees, any notice given by the Trustee or by the Corporation hereunder could reasonably be considered unlikely to reach its destination, each notice shall be valid and effective only if it is delivered personally to such Warrantholders or if delivered to the address of such Warrantholders contained in the register of Warrants maintained by the Trustee by cable, telegram, telex, facsimile or other means of prepaid, transmitted and recorded communication.

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

2.14 Notice to the Corporation or the Trustee

(a) Unless herein otherwise expressly provided, a notice to be given hereunder to the Corporation or the Trustee will be validly given if delivered or if sent by registered or certified mail, postage prepaid, or if transmitted by telecopier, receipt confirmed:

(i) if to the Corporation:

AMR Technologies Inc.
Standard Life Centre
Suite 1740, 121 King Street West
Toronto, Ontario Canada
M5H 3T9

Attention: President
Telecopier: (416) 367-2218

with a copy to:

Fogler, Rubinoff LLP
95 Wellington Street West
Suite 1200
Toronto-Dominion Centre
Toronto, Ontario
M5J 2Z9

Attention: Irwin Greenblatt
Telecopier: (416) 941-8852

(ii) if to the Trustee:

Computershare Trust Company of Canada
1500 University Street
Suite 700
Montreal, Quebec
H3A 3S8

Attention: Manager, Corporate Trust
Telecopier: (514) 982-7677

and any notice delivered in accordance with the foregoing will be deemed to have been received on the date of delivery or, if mailed, on the fifth business day following the day of the mailing of the notice, or if transmitted by telecopier, on the first business day following the transmission.

(b) The Corporation or the Trustee, as the case may be, may from time to time notify the other in the manner provided in subsection 2.14(a) of a change of address or telecopier number which, from the effective date of the notice and until changed by like notice, will be the address or telecopier number of the Corporation or the Trustee, as the case may be, for all purposes of this Indenture.

(c) If, by reason of a strike, lockout or other work stoppage, actual or threatened, involving postal employees, a notice to be given to the Trustee or to the Corporation hereunder by registered mail could reasonably be considered unlikely to reach or to be delayed in reaching its destination, the notice will be valid and effective only if it is delivered to an officer of the party to which it is addressed or if it is delivered to that party at the appropriate address provided in subsection 2.14(a) by cable, telecopier, telegram, or other means of prepaid transmitted, recorded communication, and any notice delivered in accordance with the foregoing will be deemed to have been received on the date of delivery to the officer or if delivered by cable, telecopier, telegram, telex or other means of prepaid, transmitted, recorded communication, on the first business day following the date of the sending of the notice.

2.15 Fractions

No fractional Warrants shall be issued or otherwise provided for and a holder of any Warrant shall not be entitled to any cash or other consideration in lieu of any fractional interest in a Warrant or claim thereto.

ARTICLE 3.
EXERCISE OF WARRANTS

3.1 Method of Exercise of Warrants

(a) Each Warrant may be exercised by the holder thereof at any time on or after the Date of Issue, but not after the Warrant Expiry Time, upon the terms and subject to the conditions set forth herein.

(b) Subject to and upon compliance with the provisions of this Article, the holder of any Warrant Certificate may exercise the right of purchase therein provided for by surrendering the Warrant Certificate to the Trustee at its principal transfer office in the City of Toronto or at such additional place or places as may be designated by the Corporation from time to time with the approval of the Trustee during normal business hours on a business day at that place prior to the Warrant Expiry Time, together with the exercise form substantially in the form contained in Appendix 1 to the Warrant Certificate duly completed and executed by the holder or his executors or administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and manner satisfactory to the Trustee for the number of Common Shares which the holder desires to purchase and the Exercise Price applicable at the time of the surrender calculated in accordance with the provisions of this Indenture. The Exercise Price for Common Shares subscribed for under Warrants shall be paid by wire transfer, certified cheque, bank draft or money order payable to or to the order of the Corporation at par at the city where the Warrant Certificate is surrendered. Surrender of a Warrant Certificate and the exercise form and payment of the Exercise Price will be deemed to have been effected, and Warrants shall be deemed to have been exercised, only on personal delivery thereof to, or if sent by mail or other means of transmission on actual receipt thereof by, the Trustee at one of the offices specified in this section.

(c) Every exercise form shall be signed by the holder of the Warrant Certificate who desires to exercise in whole or in part the right of purchase therein provided for, shall specify the number of Common Shares that the subscriber wishes to purchase (being not more than he is entitled to purchase pursuant to the Warrant Certificate(s) surrendered), the person or persons in whose name or names the Common Shares which the subscriber desires to purchase are to be issued and his or their address or addresses and the number of Common Shares to be issued to each such person, and shall be substantially in the form set out in the Warrant Certificate.

(d) If any Common Shares subscribed for are to be issued to a person or persons other than the Warrantholder, the Warrantholder must pay to the Corporation or to the

Trustee on his behalf an amount equal to all applicable transfer taxes or other government charges, if any, and the Corporation will not be required to issue or deliver any certificate evidencing any Common Shares unless or until that amount has been so paid or the Warrantholder has established to the satisfaction of the Corporation that the taxes and charges have been paid or that no taxes or charges are owing.

3.2 Effect of the Exercise of Warrants

(a) Subject to subsection 3.2(b) and Section 3.10, on exercise of a Warrant, the Corporation shall cause to be issued to the person or persons in whose name or names the Common Shares so subscribed for are to be issued as specified in the exercise form, the number of Common Shares to be issued to such person or persons and such person or persons shall become a Shareholder or Shareholders in respect of those Common Shares with effect from the date on which the Warrant is exercised and shall be entitled to delivery of a certificate or certificates evidencing the Common Shares and the Corporation shall cause the certificate or certificates to be mailed by first class, registered or certified mail to such person or persons at the address or addresses specified in the exercise form within five business days of the date on which the Warrant is exercised.

(b) Notwithstanding any provision herein contained to the contrary, the Corporation shall not be required to deliver certificates for Common Shares in any period while the share transfer books of the Corporation are closed and, in the event of the exercise of any Warrant during any such period, the Common Shares subscribed for shall be issued and such person shall be deemed to have become the holder of record of such Common Shares on the date on which such delivery of certificates for Common Shares may be postponed for a period not exceeding three (3) business days after the date of the reopening of the share transfer books.

3.3 Partial Exercise of Warrants

A Warrantholder may subscribe for and purchase any lesser number of Common Shares than the number of Common Shares to which such holder is entitled to purchase pursuant to the surrendered Warrant Certificate, in which case the Warrantholder shall be entitled to receive forthwith, without charge therefor, a new Warrant Certificate in respect of the Common Shares purchasable under the Warrant Certificate and not then subscribed for and purchased, and the Trustee shall issue a new Warrant Certificate upon surrender of the Warrant Certificate, if satisfied that the new Warrant Certificate is properly issuable.

3.4 Cancellation of Warrants

All Warrants exercised as provided in Section 3.1, partially exercised as provided in Section 3.3, or exchanged for other Warrants as provided in Section 2.8 or otherwise surrendered to the Trustee shall be cancelled and either held by the Trustee until termination of this Indenture or resignation of the Trustee for destruction or, after the expiry of any period of retention prescribed by law, destroyed by the Trustee at the direction of the Corporation and, if required by the Corporation, the Trustee shall furnish the Corporation with a certificate as to the destruction.

3.5 Expiration of Warrants

After the Warrant Expiry Time, all rights under this Indenture and under any Warrant in respect of which the right of subscription and purchase herein and therein provided for shall not theretofore have been exercised in accordance herewith and therewith shall wholly cease and terminate and such Warrant shall be wholly void and of no effect.

3.6 Accounting and Recording

(a) The Trustee shall promptly notify the Corporation when Warrants are exercised and forward to the Corporation at the times hereinafter set forth (or into an account or accounts of the Corporation with the bank or trust corporation designated by the Corporation for that purpose) all monies received from the exercise of Warrants. The Trustee shall hold monies received on the subscription of Common Shares through the exercise of Warrants and shall forward such monies to the Corporation (or into an account or accounts of the Corporation with the bank or trust corporation designated by the Corporation for that purpose) within five business days from the date of receipt thereof. All such monies, and any securities or other instruments, from time to time received by the Trustee shall be received in trust for, and shall be segregated and kept apart by the Trustee in trust for, the Corporation.

(b) The Trustee shall record particulars of each Warrant exercised which shall include the name and address of each person whom have subscribed for Common Shares, the number of shares subscribed for upon such exercise, the Exercise Date and Exercise Price. Upon request of the Corporation, the Trustee shall provide within five business days such particulars in writing to the Corporation.

3.7 Securities Restrictions

Each certificate representing Warrants and Common Shares originally issued in the United States or to a "U.S. person", as such term is defined in Regulation S under the 1933 Act, and all certificates representing Warrants and Common Shares issued in exchange therefor or in substitution thereof, shall bear the following legend:

> "THE SECURITIES REPRESENTED HEREBY **[FOR WARRANTS INCLUDE "AND THE COMMON SHARES ISSUABLE UPON EXERCISE THEROF"]** HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) TO THE COMPANY, OR (B) OUTSIDE THE UNITED STATES IN AN OFFSHORE

TRANSACTION MEETING THE REQUIREMENTS OF RULE 904 OF REGULATION S UNDER THE SECURITIES ACT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.";

provided, that if Warrants or Common Shares are being sold outside the United States in accordance with Rule 904 of Regulation S, and provided that the Corporation is a "Foreign Issuer" within the meaning of Regulation S at the time of sale, the legend may be removed by providing a declaration to the Trustee in form as set out in Schedule "B" hereto (or as the Corporation may prescribe from time to time); provided however that all certificates representing Warrants issued to a transferee pursuant to a sale described above, and all certificates issued in exchange therefor or in substitution thereof, shall bear the following legend:

"THE SECURITIES REPRESENTED HEREBY AND THE COMMON SHARES ISSUABLE UPON EXERCISE THEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE SECURITIES REPRESENTED HEREBY MAY NOT BE TRANSFERRED TO, OR EXERCISED BY, ANY U.S. PERSON, BY ANY PERSON IN THE UNITED STATES OR BY ANY PERSON FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON OR A PERSON IN THE UNITED STATES. AS USED HEREIN, THE TERMS "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS ASCRIBED TO THEM IN REGULATION S UNDER THE SECURITIES ACT.";

further, upon the original issuance thereof, and until such time as the same is no longer required under applicable requirements of the 1933 Act or applicable state securities laws, all certificates representing Common Shares originally issued to a U.S. person or a person in the United States or a person for the account or benefit of a U.S. person or a person in the United States, 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 "SECURITIES ACT"). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (I)(A) TO THE COMPANY, (B) TO AN INSTITUTIONAL INVESTOR THAT IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501 OF REGULATION D PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE), (C) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 904 OF REGULATION S, OR (D) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), (II) IN COMPLIANCE WITH ALL

APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. PROVIDED THAT THE COMPANY IS A "FOREIGN ISSUER" WITHIN THE MEANING OF REGULATION S AT THE TIME OF SALE, A NEW CERTIFICATE, BEARING NO LEGEND, DELIVERY OF WHICH WILL CONSTITUTE "GOOD DELIVERY", MAY BE OBTAINED FROM THE COMPUTERSHARE TRUST COMPANY OF CANADA, AS REGISTRAR AND TRANSFER AGENT OF THE COMPANY, UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE REGISTRAR AND TRANSFER AGENT AND THE COMPANY, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT.";

provided, that if Warrants and the Common Shares are being sold pursuant to an offshore transaction meeting the requirements of Rule 904 of Regulation S, and provided that the Company is a "Foreign Issuer" within the meaning of Regulation S at the time of sale, any such legend may be removed by providing a declaration to the Trustee, in the form set forth in Schedule "B" hereto (or as the Corporation may prescribe from time to time); and provided further, that, if any such securities are being sold pursuant to an exemption from registration under the 1933 Act provided by Rule 144 thereunder (if available), the legend may be removed by delivery to the Trustee, and the Corporation of an opinion of counsel of recognized standing, in form and substance reasonably satisfactory to the Corporation, to the effect that such legend is no longer required under applicable requirements of the 1933 Act or state securities laws.

3.8 Adjustment of the Exercise Price and Subscription Rights

(a) The Exercise Price and the number of Common Shares to be acquired by a Warrantholder on exercise of a Warrant will be adjusted from time to time in the events and in the manner provided, and in accordance with the provisions of, and rules set out in, this Section. In this Section, the terms "**record date**" and "**effective date**" where used herein, shall mean the close of business on the relevant date.

(b) If and whenever at any time from the date hereof until the Warrant Expiry Time, the Corporation:

(i) issues Common Shares or Convertible Securities to all or substantially all of the holders of Common Shares by way of stock dividend, other than: (i) the issue from time to time of Common Shares or Convertible Securities by way of stock dividend to shareholders who elect to receive Common Shares or Convertible Securities in lieu of cash dividends in the ordinary course or pursuant to a dividend reinvestment plan; or (ii) as dividends in the ordinary course;

(ii) subdivides the outstanding Common Shares into a greater number of Common Shares; or

(iii) combines, consolidates or reduces the outstanding Common Shares into a lesser number of Common Shares,

(each of such events being herein called a "**Share Reorganization**"), the Exercise Price will be adjusted effective immediately on the record date for the dividend or, in the case of a subdivision, combination, consolidation or reduction, effective immediately on the record date, or the effective date if no record date is fixed, to the number that is the product of:

(iv) the Exercise Price in effect immediately prior to such effective date or record date; and

(v) the fraction of which:

(A) the numerator is the total number of Common Shares outstanding on that effective date or record date before giving effect to the Share Reorganization; and

(B) the denominator is the total number of Common Shares that are or would be outstanding immediately after that effective date or record date after giving effect to the Share Reorganization and assuming all Convertible Securities issued as part of the Share Reorganization had then been converted into or exchanged for Common Shares or all rights to acquire Common Shares had then been exercised.

(c) If and whenever at any time from the date hereof to the Warrant Expiry Time, 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 them, for a period expiring not more than forty five (45) days after the record date, to subscribe for or purchase Common Shares or Convertible Securities at a price per share (or having a conversion price per share) less than 95% of the Current Market Price on the earlier of the record date and the date on which the Corporation announces its intention to make such issuance (any such issuance being herein called a "**Rights Offering**"), the Exercise Price shall be adjusted on such date to the number which is the product of the Exercise Price in effect immediately prior to the record date and the fraction:

(i) the numerator of which shall be the total of the number of Common Shares outstanding immediately prior to the record date plus a number of Common Shares equal to the number arrived at by multiplying the total number of additional Common Shares offered for subscription or purchase or into or for which the total number of Convertible Securities so offered are convertible or exchangeable by the quotient obtained by dividing the purchase or subscription price for each Common Share offered for subscription or purchase or the conversion price for each Convertible Security so offered by such Current Market Price for the Common Shares; and

(ii) the denominator of which shall be the total number of Common Shares outstanding immediately prior to such record date plus the total number of additional Common Shares offered for subscription or purchase or into or for which the total number of Convertible Securities so offered are convertible or exchangeable.

The adjustment shall be made successively whenever a record date is fixed, and shall become effective immediately after the record date for determination of shareholders entitled to receive such Common Shares or Convertible Securities, provided that if two or more such record dates or dates of announcement, as applicable, referred to in subsection 3.8(c) are fixed within a period of thirty five (35) trading days, the adjustment shall be made successively as if each of such record dates occurred on the earliest of such record dates. To the extent that any rights, options or warrants are not so issued or any of the rights, options or warrants so issued are not exercised prior to the expiration thereof, or any Convertible Securities are not so converted into or exchanged for Common Shares prior to the expiration of the right to do so, the Exercise Price will be readjusted to the Exercise Price in effect immediately prior to the record date, and the Exercise Price will be further adjusted based upon the number of additional Common Shares actually delivered upon the exercise of the rights, options or warrants, or issued upon the conversion or exchange of the Convertible Securities, as the case may be.

(d) If and whenever at any time from the date hereof to the Warrant Expiry Time, the Corporation shall fix a record date for the issue of rights, options or warrants to all or substantially all the holders of the outstanding Common Shares entitling them, for a period expiring not more than forty five (45) days after such record date, to subscribe for or purchase Common Shares or Convertible Securities at a price per share (or having a conversion price per share) not less than 95% of the Current Market Price on the earlier of the record date and the date on which the Corporation announces its intention to make such issuance, the Exercise Price shall not be adjusted.

(e) If and whenever at any time from the date hereof to the Warrant Expiry Time, the Corporation shall fix a record date for the making of an issue or distribution to all or substantially all the holders of its outstanding Common Shares of: (i) securities of the Company, excluding Common Shares or Convertible Securities referred to in paragraph 3.8(b)(i), whether of the Corporation or any other corporation; or (ii) rights, options or warrants, excluding those referred to in subsection 3.8(c) or (d); or (iii) evidences of its indebtedness; or (iv) property, cash or other assets, excluding dividends in the ordinary course or property distributed in lieu thereof at the option of the Shareholders (any of such events being herein called a "**Special Distribution**") then, in each such case, the Exercise Price shall be adjusted on the record date to the number that is the product of the Exercise Price in effect immediately prior to the record date and the fraction:

(i) the numerator of which shall be the total number of Common Shares outstanding immediately prior to the record date multiplied by the Current Market Price on the earlier of the day immediately prior to such record date and the date on which the Corporation announces its intention to make such issuance, less the aggregate fair market value (as determined by the Directors, with the approval of the Trustee, subject to prior written approval of the Exchange, which determination, absent manifest error, shall be conclusive) of the securities or rights, options or warrants or evidence of indebtedness or property, cash or assets so distributed; and

(ii) the denominator of which shall be the total number of Common Shares outstanding immediately prior to the record date multiplied by such Current Market Price.

The adjustment shall be made successively whenever a record date is fixed, and shall become effective immediately after the record date for the determination of Shareholders entitled to receive such distribution, provided that if two or more such record dates or dates of announcement, as applicable, referred to in subsection 3.8(e) are fixed within a period of thirty five (35) trading days, the adjustment shall be made successively as if each of such record dates occurred on the earliest of such record dates. To the extent that any distribution is not so made, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if the record date had not been fixed or to the Exercise Price which would then be in effect based upon the securities or rights, options or warrants or evidences of indebtedness or property, cash or assets actually distributed, as the case may be.

(f) On any adjustment of the Exercise Price pursuant to subsection 3.8(b), (c) or (e), including any readjustment, the number of Common Shares purchasable on exercise of a Warrant will be adjusted, effective at the same time as the adjustment of the Exercise Price, by multiplying the number of Common Shares so purchasable immediately before the adjustment by a fraction which is the reciprocal of the fraction used in the adjustment of the Exercise Price.

(g) Subject to the prior written approval of the Exchange, if and whenever at any time from the date hereof to the Warrant Expiry Time there is:

(i) a reclassification of the Common Shares outstanding, a change of Common Shares into other shares or securities, or any other capital reorganization of the Corporation except as described in subsections 3.8(b), (c), (d) and (e);

(ii) a consolidation, merger or amalgamation of the Corporation with or into another body corporate resulting in a reclassification of outstanding Common Shares or a change of Common Shares into other shares or securities; or

(iii) a transaction whereby all or substantially all the Corporation's undertaking and assets become the property of another corporation or entity,

(any of those events being herein called a "**Corporate Reorganization**"), a holder who thereafter exercises Warrants will be entitled to receive and will accept, for the Exercise Price then in effect, in lieu of the Common Shares (and any other securities to which Warrantholders are then entitled on the exercise of Warrants) to which he would otherwise have been entitled on exercise immediately prior to the Corporate Reorganization, the kind and amount of shares or other securities or property (including cash) that he would have been entitled to receive as a result of the Corporation Reorganization if, on the effective date thereof, he had been the holder of the number of Common Shares (and any other securities to which Warrantholders are then entitled on the exercise of Warrants) to which he would have been entitled on the exercise of the Warrant or Warrants immediately prior to the Corporation Reorganization.

(h) As a condition precedent to taking any action that would require an adjustment pursuant to subsection 3.8(g), the Corporation will take all action that, in the opinion of Counsel, is necessary in order that the Corporation, any successor or any successor to its assets and undertaking, shall be obligated to and may validly and legally issue as fully paid and non-assessable all the Common Shares or other shares or securities or property to which Warrantholders will be entitled on the exercise of Warrants thereafter.

(i) Subject to the prior written consent of the Exchange, if necessary, as a result of any Corporate Reorganization, appropriate adjustments will be made in the application of the provisions set forth in this Article 3 with respect to the rights and interests of Warrantholders to the end that the provisions set forth in this Article 3 will thereafter correspondingly be made applicable as nearly as may reasonably be possible to any shares or other securities or property thereafter deliverable on the exercise of a Warrant. Any such adjustment will be made by and set forth in an amendment hereto approved by the Directors and by the Trustee and will for all purposes, absent manifest error, be conclusively deemed to be an appropriate adjustment.

(j) Subject to the prior written consent of the Exchange, if the purchase price provided for in any right, warrant or option issued in connection with a Rights Offering is decreased, or the conversion price for Convertible Securities issued in connection with a Share Reorganization is increased, the Exercise Price shall forthwith be changed to whatever Exercise Price would have been obtained had the adjustment made in connection with the issuance of all such rights, warrants, options or Convertible Securities been made upon the basis of the purchase price as so decreased or the conversion price as so increased, provided that the provisions of this subparagraph shall not apply to any increase or decrease resulting from provisions in any rights, warrants, options or securities designed to prevent dilution if the increase or decrease shall not have been proportionately greater than the change, if any, in the Exercise Price to be made at the same time pursuant to the provisions of this Section.

(k) If and whenever at any time prior to the Warrant Expiry Time the Corporation shall take any action affecting or relating to the Warrants or Common Shares, other than any action described in this Section, which in the opinion of the Directors would materially affect the rights of Warrantholders, then the Exercise Price or the number of Common Shares purchasable upon exercise of a Warrant shall be adjusted in such manner, if any, and at such time, by action by the Directors, in their sole discretion as they may determine to be equitable in the circumstances, however, any such action by the Directors shall be taken only with the prior consent of the Exchange. Failure of the Directors to make an adjustment in accordance with this subsection 3.8(k) shall be conclusive evidence that the Directors have determined that it is equitable to make no adjustment in the circumstances. In the event that any such adjustment is made the Corporation shall deliver a certificate to the Trustee describing such adjustment.

3.9 Adjustment Rules

The following rules and procedures will be applicable to adjustments made pursuant to Section 3.8:

(a) the adjustments and readjustments provided for in Section 3.8 shall be cumulative and, subject to subsection 3.9(b), will apply (without duplication) to successive issues, subdivisions, combinations, consolidations, distributions and other events that require an adjustment;

(b) no adjustment in the Exercise Price, or resulting adjustment in the number of Common Shares issuable on exercise of Warrants, will be made unless the adjustment would result in a change of at least 1% in the prevailing Exercise Price and the number of Common Shares purchasable upon the exercise of the Warrants would change by at least one one-hundredth of a share, provided, that any adjustment that would have been required to be made except for the provisions of this subsection will be carried forward and taken into account in the next adjustment;

(c) no adjustment will be made in respect of an event described in subsection 3.8(b)(i) or subsections 3.8(c) or 3.8(e) if the Warrantholders are entitled to participate in the event on the same terms, *mutatis mutandis*, as if they had exercised their Warrants immediately before the effective date of or record date for the event, such participation being subject to the prior written consent of the Exchange, if necessary;

(d) no adjustment will be made if the issue of Common Shares, rights, options, warrants or securities exchangeable or convertible into Common Shares is being made pursuant to this Indenture or pursuant to the exercise of directors, officers, employees or consultants stock options granted under the Corporation's stock option plans, as amended from time to time, or being made to satisfy existing instruments outstanding as of the date hereof;

(e) for the purposes of subsections 3.8(b), (c), (d) and (e), there will be deemed not to be outstanding:

(i) any Common Share owned by or held for the account of the Corporation; or

(ii) any Common Share owned by or held for the account of any Subsidiary of the Corporation;

(f) subject to the prior written consent of the Exchange, any dispute that arises at any time with respect to any adjustment pursuant to this Indenture will be conclusively determined (as between the Corporation, the Warrantholders, the Trustee and all transfer agents and Shareholders) by the auditor of the Corporation or, if the auditor of the Corporation is unable or unwilling to act, by such firm of independent chartered accountants as is selected by the Directors and is acceptable to the Trustee (such auditor or accountants to have access to all necessary records of the Corporation) and any determination by them, absent manifest error, will be binding on the Corporation, the Warrantholders, the Trustee and all transfer agents and Shareholders. In the event that any such determination is made, the Corporation shall deliver a certificate to the Trustee describing such determination;

(g) in the absence of a resolution of the Directors fixing the record date for an event referred to in Section 3.8, the Corporation will be deemed to have fixed as the record date therefor the date on which the event is effected or such other date as may be required by law;

(h) 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, in the opinion of Counsel to the Corporation, may be necessary in order that the Corporation, or any successor to the Corporation or successor to the undertaking or assets of the Corporation will be obligated to and may validly and legally issue all the Common Shares and Warrants which the holders of the Warrants would be entitled to receive thereafter and to exercise such Warrants in accordance with the provisions hereof;

(i) 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 abandon its plan to make such distribution or issue, then no adjustment in the Exercise Price or the number of Common Shares purchasable upon exercise of any Warrants shall be required by reason of the setting of such record date.

(j) subject to Sections 7.2 and 7.3, the Trustee shall not at any time be under any duty or responsibility to any Warrantholder to determine whether any facts exist which may require any adjustment contemplated by Section 3.8, or with respect to the nature or extent of any such adjustment made, or with respect to the method employed in making same. The Trustee shall not be accountable for the validity or value of any Common Shares delivered upon the exercise of any Warrants and shall not be responsible for any failure of the Corporation to make any payment, or to issue or deliver any securities or certificates represented hereby upon the exercise of any Warrants.

3.10 Postponement of Issue of Common Shares, etc.

In any case in which Section 3.8 requires an adjustment to take effect immediately after the effective date of or record date for an event, and a Warrant is exercised after that date and before the consummation of the event (which in the case of rights, options and warrants will be the date the rights, options and warrants are issued), the Corporation may postpone until consummation issuing to the Warrantholder such of the Common Shares, securities or property to which he is entitled if the Warrant had been exercised immediately before that date, provided however, that the Corporation will deliver to the Warrantholder an appropriate instrument evidencing such holder's right to receive such additional Common Shares, securities or property upon the occurrence and such consummation of such event and the right to receive any dividend or other distribution in respect of such additional Common Shares, securities or property declared in favour of the holders of record of Common Shares or of such securities or property on or after that date or such later date as such holder would but for the provisions of this subsection have become the holder of record of such additional Common Shares or of such securities or property pursuant to Section 3.8.

3.11 Notice of Certain Events

(a) At least 14 days before the effective date of or record date for any event referred to in Section 3.8, other than a subdivision or consolidation of the Common Shares, that requires or might require an adjustment in the subscription rights pursuant to a Warrant, including the Exercise Price and the number of Common Shares purchasable on exercise of a Warrant, the Corporation will:

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

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

The notice need only set forth particulars as have been determined at the date that notice is given.

(b) If any adjustment for which a notice pursuant to subsection 3.11(a) is given is not then determinable, the Corporation will promptly after the adjustment is determinable:

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

(ii) give notice to the Warrantholders of the adjustment.

(c) In the event of a subdivision or consolidation of the Common Shares, the Corporation will, prior to giving effect thereto, file with the Trustee a certificate of the Corporation specifying the particulars of the subdivision or consolidation and specifying the number of Common Shares purchasable upon exercise of a Warrant after giving effect to such subdivision or consolidation.

3.12 No Fractional Common Shares

The Corporation will not, pursuant to Section 3.8 or under any other circumstances, be obligated to issue any fraction of a Common Share upon the exercise of a Warrant or Warrants. To the extent that the holder of one or more Warrants would otherwise have been entitled to receive on the exercise or partial exercise thereof a fraction of a Common Share, that holder may exercise such right in respect of the fraction only in combination with another Warrant or Warrants that in the aggregate entitle the holder to purchase a whole number of Common Shares. If not so exercised, the Corporation shall not pay any amounts to the holder in satisfaction of the right to otherwise have received a fraction of a Common Share.

3.13 Reclassification, Reorganizations, etc.

(a) In case of:

(i) any reclassifications or change of the Common Shares (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or consolidation);

(ii) any amalgamation, consolidation or merger of the Corporation with, or amalgamation, consolidation or merger of the Corporation into, any other corporation or entity (other than an amalgamation, consolidation or merger in which the Corporation is the continuing corporation and which does not result in any reclassification or change, other than as aforesaid, of the Common Shares);

(ii) a reorganization of the Corporation; or

(iv) any sale, transfer or other disposition of all or substantially all of the assets of the Corporation, the Corporation or the corporation formed by the amalgamation or the corporation or entity into which the Corporation shall have been merged or the reorganized Corporation, or the corporation or entity which shall have acquired such assets, as the case may be, shall execute and deliver to the Trustee a supplemental indenture providing that the holder of each Warrant then outstanding shall have the right thereafter (until the Warrant Expiry Time) to exercise Warrants only into the kind and amount of shares and other securities and property (including cash) receivable upon such reclassification, change, amalgamation, merger, reorganization, sale, transfer or other disposition by a holder of the number of Common Shares which were purchasable upon the exercise of the Warrants had the Warrants been exercised immediately prior to the reclassification, change, amalgamation, merger, reorganization, sale, transfer or other disposition.

(b) The supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article.

(c) The provisions of this Section shall apply to successive reclassifications, changes, amalgamations, mergers, reorganizations, sales, transfers or other dispositions.

3.14 Protection of the Trustee

The Trustee shall be entitled to act and rely on any adjustment calculation of the Corporation and the Trustee shall not:

(a) at any time be under any duty or responsibility to any holder to determine whether facts exist which may require any adjustment contemplated by this Article, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed in making same;

(b) be accountable with respect to the validity or value (or the kind or amount) of any Common Shares, shares or securities or other property which may at any time be issued or delivered upon the exercise or deemed exercise of any Warrant; or

(c) be responsible for any failure by the Corporation to make any cash payment or to issue, transfer or deliver Common Shares or share certificates upon the surrender of any Warrant for the purpose of exercise or deemed exercise, or to comply with any of the covenants contained in this Article.

ARTICLE 4.
COVENANTS OF THE CORPORATION

4.1 General Covenants

The Corporation represents, warrants and covenants with the Trustee for the benefit of the Warrantholders that:

(a) it will at all times use its commercial reasonable best efforts to maintain its existence, carry on and conduct its business in a proper, efficient and business-like manner and in accordance with good business practice, keep or cause to be kept proper books of account in accordance with generally accepted accounting practice and, if and whenever required in writing by the Trustee, file with the Trustee copies of all financial statements of the Corporation furnished to its Shareholders during the term of this Indenture;

(b) it is duly authorized to create and issue the Warrants to be issued hereunder and the Warrant Certificates when issued and certified as herein provided will be legal, valid and binding obligations of the Corporation;

(c) subject to the provisions of this Indenture, it will cause the Common Shares from time to time subscribed for and purchased pursuant to the exercise of Warrants and the certificates representing such Common Shares to be duly issued and delivered in accordance with the Warrant Certificates and the terms hereof;

(d) at all times while any Warrants are outstanding it shall reserve and there shall remain unissued and conditionally allotted out of its authorized capital a number of Common Shares sufficient to enable the Corporation to meet its obligations to issue Common Shares on the exercise of Warrants outstanding hereunder from time to time;

(e) upon the exercise by the holder of any Warrant of the right of purchase provided for therein and herein and upon payment of the Exercise Price applicable thereto for each Common Share in respect of which the right of purchase is so exercised, all Common Shares issuable upon the exercise shall be issued as fully paid and non-assessable;

(f) it will use its commercial reasonable efforts to ensure that the Common Shares issuable upon exercise of the Warrants will be listed for trading on the Exchange and any other stock exchange on which the Common Shares are then listed and posted for trading upon their issue;

(g) it will use its commercial reasonable best efforts to maintain its listing on the Exchange and its status as a "report issuer" (or the equivalent thereof) not in default of the requirements of applicable Canadian securities laws;

(h) the issue of the Warrants does not and will not result in a breach by the Corporation of, and does not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach by the Corporation of any applicable laws, and does not and will not conflict with any of the terms, conditions or provisions of the articles, by-laws or resolutions of the Corporation or any trust indenture, loan agreement or any other agreement or instrument to which the Corporation is a party or by which it is contractually bound on the date of this Indenture;

(i) it shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all other acts, deeds and assurances in law as the

Trustee may reasonably require for better accomplishing and effecting the intentions and provisions of this Indenture;

(j) generally, it will well and truly perform and carry out all acts and things done by it as provided in this Indenture; and

(k) it will cause the Trustee to keep open the register of holders and register of transfers referred to herein and will not take any action or omit to take any action which would have the effect of preventing the Warrantholders from exercising any of the Warrants or receiving any of the Common Shares upon exercise.

4.2 Securities Qualification Requirements

The Corporation will give written notice of the issue of Common Shares pursuant to the exercise of Warrants, in such detail as may be required, to each securities administrator in each jurisdiction in which there is legislation requiring the giving of any such notice.

4.3 Trustee's Remuneration and Expenses

The Corporation will pay to the Trustee (as per Schedule "C" hereto) from time to time such reasonable remuneration for its services hereunder as may be agreed upon between the Corporation and the Trustee and will pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances properly incurred or made by 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 advisors and assistants not regularly in its employ), both before any default hereunder and thereafter until all duties of the Trustee shall be finally and fully performed, except any such expense, disbursement or advance as may arise from the negligence, bad faith or wilful misconduct of the Trustee, its servants or its agents or other advisors or assistants aforesaid.

4.4 Performance of Covenants by Trustee

If the Corporation shall fail to perform any of its covenants contained in this Indenture, the Trustee may notify the Warrantholders of the 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 do so or to notify the Warrantholders. All sums expended or advanced by the Trustee in so doing shall be repayable as provided in Section 4.3. No performance, expenditure or advance by the Trustee shall be deemed to relieve the Corporation of any default hereunder.

ARTICLE 5.
MEETINGS OF WARRANTHOLDERS

5.1 Right to Convene Meeting

(a) The Trustee or the Corporation may, and the Trustee shall on receipt of a requisition in writing signed by the holders of Warrants sufficient to purchase not less than twenty five percent (25%) of the aggregate number of Common Shares which would be purchased under the Warrants then outstanding and upon being funded and indemnified to its reasonable satisfaction by the Corporation or by the Warrantholders signing the requisition against the costs which may be incurred in connection with the calling and holding of the meeting, at any time and from time to time convene a meeting of the Warrantholders.

(b) If the Trustee fails to convene a meeting within fifteen (15) days after receipt of the requisition and indemnity referred to in subsection 5.1(a), the Corporation or the Warrantholders, as the case may be, may convene the meeting.

(c) Every meeting of Warrantholders shall be held in the City of Toronto, Ontario or at such other place as the Trustee shall determine.

5.2 Notice

(a) At least twenty-one (21) days prior notice of any meeting of Warrantholders must be given to the Warrantholders specifying the place, day and hour of the meeting and the general nature of business to be transacted but it shall not be necessary to specify in the notice the terms of any resolution to be proposed.

(b) Notice of a meeting of Warrantholders shall be given to the Warrantholders in the manner provided in Section 2.13. Notice shall be given to the Corporation unless the meeting is convened by the Corporation and to the Trustee unless the meeting is convened by the Trustee. Any accidental omission in the notice of a meeting shall not invalidate any resolution passed at the meeting.

5.3 Chairman

An individual, who need not be a Warrantholder, nominated in writing by the Trustee shall be entitled to act as the chairman at any meeting of Warrantholders but if no such individual is nominated or if the individual nominated shall not be present within fifteen (15) minutes after the time appointed for the holding of the meeting, the Warrantholders present in person or by proxy shall choose an individual present to be chairman.

5.4 Quorum

(a) At any meeting of the Warrantholders a quorum shall consist of two or more Warrantholders present in person or by proxy holding not less than fifty-one percent (51%) of the total number of Warrants then outstanding.

(b) If a quorum of the Warrantholders is not present within thirty (30) minutes after the time fixed for holding any meeting, the meeting, if convened by Warrantholders or by a requisition of Warrantholders, shall be dissolved, but if otherwise convened, the meeting shall stand adjourned without notice to the same day in the next week following (unless that day is not a business day, in which case the meeting shall stand adjourned to the next business day thereafter) at the same time and place and no notice of adjournment need be given. At the adjourned meeting, the Warrantholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened notwithstanding that they may not hold twenty-five percent (25%) of the Warrants then outstanding.

5.5 Power to Adjourn

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

5.6 Show of Hands

Every question submitted to a meeting other than an Extraordinary Resolution will be decided in the first place by a majority of the votes given on a show of hands and unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority will be conclusive evidence of the fact.

5.7 Poll and Voting

(a) On every Extraordinary Resolution, and on every other question submitted to a meeting and, after every vote by a show of hands, when demanded by the chairman or by one or more Warrantholders acting in person or by proxy and entitled to purchase in the aggregate not less than 5% of the Common Shares which could be purchased pursuant to all the Warrants then outstanding, a poll shall be taken in such manner as the chairman shall direct. Questions other than those required to be determined by Extraordinary Resolution shall be decided by a majority of the votes cast on the poll.

(b) 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 Common Shares which he is entitled to purchase pursuant to the Warrant or Warrants then held or represented by him. A proxy need not be a Warrantholder. The chairman 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 but shall not be entitled to a casting vote in the case of an equality of votes.

5.8 Persons Entitled to be Present

The Corporation and the Trustee, by their respective employees, officers and directors, and the Counsel of the Corporation and the Trustee may attend any meeting of

Warrantholders but shall have no vote as such although, if not contrary to law, they may vote in their capacity as Warrantholders if they hold Warrants.

5.9 Regulations

The Trustee or the Corporation, with the approval of the Trustee, may from time to time make or vary such regulations as it shall think fit providing for and governing the following:

(a) the issue of voting certificates:

(i) by any bank, trust company or other depositary approved by the Trustee, certifying that specified Warrants have been deposited with it by a named holder and will remain on deposit until after the meeting; or

(ii) by any bank, trust company, insurance company, governmental department or agency approved by the Trustee, certifying that it is the holder of specified Warrants and will continue to hold the same until after the meeting;

which voting certificates shall entitle the holders named therein to be present and vote at any meeting and at any adjournment thereof or to appoint a proxy or proxies to represent them and vote for them at any meeting and at any adjournment thereof, in the same manner and with the same effect as though the holders named in the voting certificates were the actual holders of the specified Warrants;

(b) the form of the instrument appointing a proxy (which shall be in writing), the manner in which the same shall be executed and the form of any authority under which a person executes a proxy on behalf of a Warrantholder;

(c) the deposit certificates, instruments appointing proxies or authorities at such place or places as the Trustee (or the Corporation or Warrantholders in case the meeting is convened by the Corporation or the Warrantholders, as the case may be) may in the notice convening the meeting direct and the time (if any) before the holding of the meeting or adjourned meeting at which the same shall be deposited;

(d) the deposit of voting certificates or instruments appointing proxies at some place or places other than the place at which the meeting is to be held and for particulars of the voting certificates or instruments appointing proxies to be cabled or telegraphed or notified by other means of communication before the meeting to the Corporation or to the Trustee and for the voting of voting certificates and proxies so deposited as if the voting certificates or the instruments themselves were produced at the meeting or deposited at any other place required pursuant to subsection 5.9(c); and

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

Any regulations so made shall be binding and effective and votes given in accordance therewith shall be valid and shall be counted. Except as the regulations may provide, the only persons who shall be recognized at any meeting as the holders of any Warrants, or as entitled to vote or to be present (subject to Section 5.8) at the meeting in respect thereof, shall be registered Warrantholders and persons whom registered Warrantholders have by instrument in writing duly appointed as their proxies.

5.10 Certain Powers Exercisable by Extraordinary Resolution

In addition to all other powers conferred on them by the other provisions of this Indenture or by law but subject to obtaining the approval of the Exchange, if applicable, based on the advice of Counsel, the Warrantholders shall have the following powers, exercisable from time to time only by Extraordinary Resolution:

(a) to agree to any amendment, modification, abrogation, alteration, compromise or arrangement of any right of Warrantholders or the Trustee in its capacity as trustee (subject to the prior consent of the Trustee) hereunder or on behalf of the Warrantholders against the Corporation, whether such right arises under this Indenture or otherwise;

(b) to agree to any change in or omission from the provisions of the Warrant Certificate and this Indenture or any ancillary or supplemental instrument which may be agreed to by the Corporation and to authorize the Trustee to concur in and execute any ancillary or supplemental indenture embodying any change or omission;

(c) to require the Trustee, subject to compliance with Section 7.1, to enforce any of the obligations of the Corporation under this Indenture or any supplemental instrument or to enforce any of the rights of the Warrantholders in any manner specified in an Extraordinary Resolution or to refrain from enforcing any such covenant or right, upon the Trustee being furnished with such indemnity as it may in its discretion require;

(d) to remove the Trustee or its successor or successors in office and to appoint a new trustee or trustees to take the place of the trustee or trustees so removed;

(e) to waive, and to direct the Trustee to waive, any default on the part of the Corporation in complying with any provision of this Indenture or the Warrants either unconditionally or upon conditions specified in the Extraordinary Resolution;

(f) to restrain any Warrantholder from taking or instituting or continuing any suit, action or proceeding against the Corporation for the enforcement of any of the obligations of the Corporation under this Indenture or the Warrants or to enforce any right of the Warrantholders;

(g) to direct any Warrantholder who, on behalf of Warrantholders generally, has brought any suit, action or proceeding, to stay or discontinue or otherwise deal therewith on payment of the costs, charges and expenses reasonably and properly incurred by such Warrantholder in connection therewith; and

(h) to amend, alter or repeal any Extraordinary Resolution previously passed or consented to by Warrantholders.

5.11 Meaning of "Extraordinary Resolution"

The expression "**Extraordinary Resolution**" when used in this Indenture means: (a) a resolution passed at a meeting (including an adjourned meeting) of Warrantholders duly convened and held in accordance with the provisions of this Indenture at which a quorum is present and carried by the affirmative vote of Warrantholders entitled to purchase not less than 75% of the aggregate number of Common Shares which may be purchased pursuant to all the then outstanding Warrants represented at the meeting; or (b) by the consent in writing, which may be in one or more instruments, of the Warrantholders entitled to purchase not less than 75% of the aggregate number of Common Shares which may be purchased pursuant to all the then outstanding Warrants.

5.12 Resolutions Binding on all Warrantholders

Every resolution and every Extraordinary Resolution duly passed at a meeting of the Warrantholders duly convened and held or any consent in writing having the effect of an Extraordinary Resolution shall be binding upon all the Warrantholders (including their successors and assigns) whether or not present or represented or voting at the meting or signatories to the consent, as the case may be, and each of the Warrantholders and the Trustee, subject to the provisions for its indemnity contained in this Indenture, shall be bound to give effect thereto.

5.13 Holdings by Corporation Disregarded

In determining whether the requisite number of Warrantholders are present for the purpose of obtaining a quorum or have voted or consented to any resolution, Extraordinary Resolution, consent, waiver or other action under this Indenture, Warrants owned by the Corporation or any Subsidiary of the Corporation shall be deemed to be not outstanding.

5.14 Minutes

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

5.15 Powers Cumulative

Any one or more of the powers or combination of the powers in this Indenture 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 the powers or any combination of powers from time to time shall not be deemed to exhaust the rights of the Warrantholders to exercise the same or any other power or powers or combination of powers then or any power or powers or combinations of powers thereafter.

5.16 Instruments in Writing

All actions that may be taken and all powers that may be exercised by the Warrantholders at a meeting held as hereinbefore in this Article provided may also be taken and exercised by Warrantholders entitled to acquire two-thirds of the aggregate number of Common Shares that can be acquired pursuant to all the then outstanding Warrants by an instrument in writing signed in one or more counterparts by 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.

ARTICLE 6.
SUPPLEMENTAL INDENTURES AND SUCCESSOR COMPANIES

6.1 Provision for Supplemental Indenture for Certain Purposes

From time to time the Corporation and the Trustee may, subject to the provisions of these presents and the obtaining of the prior written consent of the Exchange shall, when so directed by these presents, execute and deliver by their proper officers or directors, as the case may be, indentures or instruments supplemental hereto, which thereafter shall form part hereof, for any one or more or all of the following purposes:

(a) adding hereto such additional covenants and enforcement provisions as in the opinion of Counsel are necessary or advisable and are not in the opinion of the Trustee, based on the advice of Counsel, prejudicial to the interest of the Warrantholders as a group;

(b) giving effect to any Extraordinary Resolution passed as provided in Article 5;

(c) making any modification in the form of Warrant Certificate which, in the opinion of the Trustee, based on the advice of Counsel, does not affect the substance thereof;

(d) making any additions to, deletions from or alterations of the provisions of this Indenture which, in the opinion of the Trustee, based on the advice of Counsel, do not materially and adversely affect the interests of the Warrantholders and are necessary or advisable in order to incorporate, reflect or comply with any Applicable Legislation;

(e) modifying any of the provisions of this Indenture or relieving the Corporation from any of the obligations, conditions or restrictions herein contained, provided that no such modification or relief shall be or become operative or effective if in the opinion of the Trustee, based on the advice of Counsel, the modification or relief impairs any of the rights of the Warrantholders, as a group, or of the Trustee, and provided that the Trustee may in its uncontrolled discretion decline to enter into any supplemental indenture which in its opinion may not afford adequate protection to the Trustee when the same shall become operative; and

(f) for any other purpose not inconsistent with the terms of this Indenture, including the correction or rectification of any ambiguities, defective provisions, errors or omissions herein, provided that in the opinion of the Trustee, based on the advice of Counsel, the rights of the Trustee or of the Warrantholders, as a group, are in no way prejudiced thereby.

6.2 Successor Companies

Subject to Section 3.11, nothing in this Indenture shall prevent any consolidation, reorganization, amalgamation, arrangement or merger of the Corporation with or into any other body corporate, bodies corporate, or person, or a conveyance or transfer of all or substantially all the property and assets of the Corporation as an entirety to any body corporate or person lawfully entitled to acquire and operate the same, provided, however, that the body corporate formed by such consolidation, amalgamation or arrangement or into which such merger shall have been made or the person which acquires by conveyance or transfer all or substantially all the property and assets of the Corporation as an entirety shall execute and deliver to the Trustee prior to or contemporaneously with such consolidation, reorganization, amalgamation, arrangement, merger, conveyance or transfer and as a condition precedent thereto, an agreement supplemental hereto wherein the due and punctual performance and observance of all the covenants and conditions of this Indenture to be performed or observed by the Corporation shall be assumed by such successor body corporate or person. The Trustee shall be entitled to receive and shall be fully protected in relying upon an opinion of Counsel that any such consolidation, reorganization, amalgamation, arrangement, merger, conveyance or transfer and any supplemental agreement executed in connection therewith, complies with the provisions of this Section.

6.3 Successor Body Corporate Substituted

Subject to Section 3.11, in case the Corporation, pursuant to Section 6.2 hereof, shall be consolidated, amalgamated, reorganized, arranged or merged with or into any other body corporate or bodies corporate or person or shall convey or transfer all or substantially all of the property and assets of the Corporation as an entirety to another body corporate or person, the successor body corporate or person formed by such consolidation, reorganization, arrangement or amalgamation or into which the Corporation shall have been merged or which shall have received a conveyance or transfer as aforesaid shall succeed to and be substituted for the Corporation hereunder with the same effect as nearly as may be possible as if it had been named herein as the party of the first part. Such changes may be made in the Warrants as may be appropriate in view of such consolidation, amalgamation, reorganization, merger, conveyance or transfer.

ARTICLE 7.
CONCERNING THE TRUSTEE

7.1 Rights and Duties of Trustee

(a) In the exercise of the rights, duties and obligations prescribed or conferred by the terms of this Indenture, the Trustee will act honestly and in good faith with a view to the best interests of the Warrantholders and will exercise that degree of care, diligence and skill that a reasonably prudent Trustee would exercise in comparable circumstances.

(b) No provision of this Indenture will be construed to relieve the Trustee from liability for its own negligent action, negligent failure to act, wilful misconduct or bad faith.

(c) 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 against the costs, charges and expenses and liabilities to be incurred thereto and any loss and damage it may suffer by reason thereof.

(d) No provision of 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.

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

(f) 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 and of Section 7.2.

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

(h) The Trustee shall not be liable for any error of judgement made in good faith by a responsible officer or employee, unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts or delegating to such officer or employee the ability to exercise such judgement.

(i) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with an Extraordinary Resolution relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture with respect to the Warrants.

7.2 Evidence, Experts and Advisors

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

(b) In the exercise of any right or duty hereunder, the Trustee, if it is acting in good faith, may rely, as to the truth of any statement or the accuracy of any opinion expressed therein, on any statutory declaration, opinion, report, certificate or other evidence furnished to the Trustee pursuant to a provision hereof or Applicable Legislation or pursuant to a request of the Trustee, provided that the Trustee examines such evidence and determines that it complies with the applicable requirements of this Indenture.

(c) Whenever Applicable Legislation requires that evidence referred to in subsection 7.2(a) be in the form of a statutory declaration, the Trustee may accept the statutory declaration in lieu of a certificate of the Corporation required by any provision hereof.

(d) Any statutory declaration may be made by one or more officers or Directors of the Corporation.

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

(f) Whenever it is provided in this Indenture or under Applicable Legislation that the

Corporation shall deposit with the Trustee resolutions, certificates, reports, opinions, requests, orders or other documents, it is intended that the truth, accuracy and good faith on the effective date thereof and the facts and opinions stated in all such documents so deposited shall, in each and every case, be conditions precedent to the right of the Corporation to have the Trustee take the action to be based thereon.

(g) The Trustee may employ or retain such counsel, accountants, engineers, appraisers or other experts or advisers as it reasonably requires for the purpose of discharging its duties hereunder and may pay reasonable remuneration for all services so performed by any of them, without taxation of costs of any counsel and will not be responsible for any misconduct or negligence on the part of any of them who has been selected with due care by the Trustee. The Trustee may act and rely and shall be protected in acting and relying in good faith upon the opinion or advice of or information obtained from any counsel, accountants, engineers, appraisers or other experts or advisors whether retained or employed by the Corporation or by the Trustee.

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

7.3 Documents, Moneys, Etc. Held by Trustee

(a) Any security, document of title or other instrument that may be at any time held by the Trustee subject to the terms hereof may be placed in the deposit vaults of the Trustee or of any Schedule I Canadian chartered bank or deposited for safekeeping with such bank.

(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 I Canadian chartered bank at the rate of interest (if any) 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 company 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 I Canadian chartered bank or loan or trust company.

(c) Unless the Corporation is in default hereunder, all interest or other income received by the Trustee in respect of deposits in investments will belong to the

Corporation.

7.4 Action by Trustee to Protect Interests

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

7.5 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 terms and powers of this Indenture or otherwise in respect of the premises.

7.6 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 that:

(a) the Trustee shall not be liable for or by reason of any representations, statements of fact or recitals in this Indenture (except the representation contained in Section 7.8 and by virtue of the countersignature of the Trustee on the Warrant Certificates) or required to verify the same, but all such representations, statements or recitals are and shall be deemed to be made by the Corporation;

(b) the Trustee shall not be obligated to see or to require evidence of registration (a 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 or persons of the execution hereof;

(d) the Trustee shall not incur any liability or responsibility whatever or be in any way responsible for the consequence of any breach on the part of the Corporation of any obligation herein contained or of any acts of the directors, officers, employees or agents of the Corporation;

(e) the Corporation shall indemnify and hold harmless the Trustee and its employees, directors and officers from and against any and all liabilities, losses, costs, claims, actions or demands whatsoever which may be brought against the Trustee or which it may suffer or incur as a result of or arising out of the performance of its duties and obligations under this Indenture, save only in the event of the negligent action, the negligent failure to act, the wilful misconduct or bad faith of the Trustee. It is understood and agreed that this indemnification shall survive the termination or discharge of this Indenture or the resignation of the Trustee; and

(f) 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 nor shall the Trustee 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 that 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.

7.7 **Replacement of Trustee**

(a) The Trustee may resign its trust and be discharged from all further duties and liabilities hereunder, except as provided in this subsection, by giving to the Corporation and the Warrantholders not less than ninety (90) days' notice in writing or, if a new Trustee has been appointed, such shorter notice as the Corporation accepts as sufficient.

(b) The Warrantholders by Extraordinary Resolution may at any time remove the Trustee upon not less than sixty (60) days' prior notice and appoint a new Trustee.

(c) If the Trustee so resigns or is so removed as aforesaid or is dissolved, becomes bankrupt, goes into liquidation or otherwise becomes incapable of acting hereunder, the Corporation will forthwith appoint a new Trustee unless a new Trustee has already been appointed by the Warrantholders.

(d) Failing such appointment by the Corporation, the retiring Trustee or any Warrantholder may apply to the Ontario Superior Court of Justice, on such notice as the Court directs, for the appointment of a new Trustee, but any new Trustee so appointed by the Corporation or by the Court will be subject to removal as aforesaid by the Warrantholders and by the Corporation.

(e) Any new Trustee appointed under any provision of this section must 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 another province, in such other province.

(f) On any appointment, the new Trustee will 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 will be immediately executed, at the expense of the Corporation, all such conveyances or other instruments as, in the opinion of counsel, are necessary or advisable for the purpose of assuring the powers, rights, duties and responsibilities to the new Trustee.

(g) On the appointment of a new Trustee, the Corporation will promptly give notice thereof to the Warrantholders.

(h) A corporation into or with which the Trustee is merged or consolidated or amalgamated, or a corporation succeeding to the trust business of the Trustee, will be the successor to the Trustee hereunder without any further act on its part or on the part of any party hereto if the corporation would be eligible for appointment as a new Trustee under subsection 7.7(e).

(i) A Warrant Certificate certified but not delivered by a predecessor Trustee may be delivered by the new or successor Trustee in the name of the predecessor Trustee or successor Trustee.

7.8 Conflict of Interest

(a) The Trustee represents to the Corporation that at the time of the execution and delivery hereof no material conflict of interest exists between its role as a fiduciary hereunder and its role in any other capacity and if a material conflict of interest arises hereafter it will, within 90 days after ascertaining that it has a material conflict of interest, either eliminate the conflict of interest or resign its trust hereunder.

(b) Subject to subsection 7.8(a), the Trustee in its personal or any other capacity may buy, lend on and deal in securities of the Corporation and generally may contract and enter into financial transactions with the Corporation or any Subsidiary without being liable to account for any profit made thereby.

7.9 Acceptance of Trust

The Trustee hereby accepts the trusts in this Indenture declared and provided for and agrees to perform them on the terms and conditions herein set forth and agrees to hold all rights, interests and benefits contained herein for and on behalf of those persons who became holders of Warrants from time to time issued pursuant to this Indenture.

7.10 Trustee Not to be Appointed Receiver

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

7.11 Not Bound to Act

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

7.12 Third Party Interests

The Corporation hereby represents to the Trustee that any account to be opened by, or interest to be held by, the Trustee in connection with this Indenture, for or to the credit of the Corporation, either: (a) is not intended to be used by or on behalf of any third party; or (b) is intended to be used by or on behalf of a third party, in which case the Corporation agrees to complete and execute forthwith a declaration in the Trustee's prescribed form as to the particulars of such third party.

ARTICLE 8.
GENERAL

8.1 Satisfaction and Discharge of Indenture

This Indenture shall expire and terminate on the earlier of:

(a) the date by which there has been delivered to the Trustee for exercise or destruction all Warrant Certificates theretofore certified hereunder, or

(b) the Warrant Expiry Time,

and if all Common Shares required to be issued in compliance with the provisions hereof have been issued and delivered hereunder, this Indenture will cease to be of further effect and the Trustee, on demand of and at the cost and expense of the Corporation and on 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 on payment to the Trustee of the fees and other remuneration payable to the Trustee, will execute proper instruments acknowledging satisfaction of and discharging this Indenture.

8.2 Sole Benefit of Parties and Warrantholders

Nothing in this Indenture expressed or implied will give or be construed to give to any person other than the parties hereto and the Warrantholders, as the case may be, any legal or equitable right, remedy or claim under this Indenture, or under any covenant or provision herein contained, all covenants and provisions being for the sole benefit of the parties hereto and the Warrantholders.

8.3 Discretion of Directors

Any matter provided herein to be determined by the Directors will be determined by the Directors in their sole discretion and a determination so made, absent manifest error, will be conclusive.

8.4 Counterparts and Formal Date

This Indenture may be executed in several counterparts, each of which when so executed will be deemed to be an original, and the counterparts together will constitute one and the same instrument and notwithstanding the date of their execution will be deemed to bear the date set out at the top of the first page of this Indenture.

IN WITNESS WHEREOF the parties hereto have executed these presents under their respective seals and the hands of their proper officers in that behalf.

AMR TECHNOLOGIES INC.

By: (signed) "*Peter V. Gundy*"
Authorized Signatory

COMPUTERSHARE TRUST COMPANY OF CANADA

By: (signed) "*Lulu Tao*"
Authorized Signatory

By: (signed) "*Ann Samuel*"
Authorized Signatory

Schedule A to a Warrant Indenture made as of the 19th day of July, 2005 between AMR Technologies Inc. and Computershare Trust Company of Canada, as trustee.

CUSIP: 001782119
ISIN: CA 0017821194

WARRANT CERTIFICATE

AMR TECHNOLOGIES INC.
(Incorporated under the *Canada Business Corporations Act*)

WARRANT
CERTIFICATE NO. _______ ____________ WARRANTS

THIS IS TO CERTIFY THAT

[Name of holder]

[Address of holder]

(the "**holder**") is the registered holder of the number of Warrants stated above and is entitled to purchase in the manner and subject to the restrictions and adjustments set forth herein, at any time and from time to time until 5:00 p.m. Toronto time (the "**Expiry Time**") on ●, 2008 (the "**Expiry Date**"), one fully paid and non-assessable common share ("**Common Share**") in the share capital of AMR Technologies Inc. (the "**Corporation**") at a subscription price of $2.50 per Common Share for each Warrant represented hereby.

The right to purchase Common Shares may only be exercised by the holder within the time set forth above by:

(a) duly completing and executing the exercise form (the "Exercise Form") attached hereto as Appendix 1; and

(b) surrendering this warrant certificate (the "Warrant Certificate"), with the Exercise Form to Computershare Trust Company of Canada (the "Trustee") at the principal office of the Trustee, 100 University Avenue, 11th Floor, Toronto, Ontario together with a certified cheque payable to or to the order of Computershare Trust Company of Canada in the amount of $2.50 per Common Share.

The Warrants represented by this Warrant Certificate shall be deemed to be surrendered only upon Personal delivery hereof or, if sent by mail or other means of transmission, upon actual receipt thereof by the Trustee at the office referred to above, unless the Corporation accepts another form of delivery.

Upon the exercise of Warrants, the Person or Persons in whose name or names the Common

Shares issuable upon subscription of the Warrants are to be issued shall be deemed for all purposes (except as provided in the Indenture referred to below) to be the holder or holders of record of such Common Shares and upon surrender of these Warrants, the Corporation covenants that it will (subject to the provisions of the Indenture) cause a certificate or certificates representing such Common Shares to be delivered or mailed to the Person or Persons at the address or addresses specified in the Subscription Form within five business days.

The registered holder of these Warrants may acquire any lesser number of Common Shares than the number of Common Shares which may be purchased for the Warrants represented by this Warrant Certificate. In such event, the holder shall be entitled to receive a new Warrant Certificate for the balance of the Common Shares which may be purchased. No fractional Common Shares will be issued.

The Warrants represented by this certificate are issued under and pursuant to a warrant indenture (the "Indenture") made as of July 19, 2005, between the Corporation and the Trustee. Reference is made to the Indenture and any instruments supplemental thereto for a full description of the rights of the holders of the Warrants and the terms and conditions upon which the Warrants are, or are to be, issued and held, with the same effect as if the provisions of the Indenture and all instruments supplemental thereto were herein set forth. By acceptance hereof, the holder assents to all provisions of the Indenture.

Capitalized terms used in this Warrant Certificate and the appended Exercise Form have the meaning herein and therein as ascribed thereto in the Indenture unless otherwise defined in this Warrant Certificate. In the event of any discrepancy between the terms of this Warrant Certificate and the Indenture, the terms of the Indenture shall prevail.

In the event of certain alterations to the Common Shares, including any subdivision, consolidation or reclassification, and in the event of certain forms of reorganization of the Corporation, including any amalgamation, merger or arrangement, the holders of Warrants shall, upon subscription of the Warrants following the occurrence of any of those events, be entitled to receive the same number and kind of securities that they would have been entitled to receive had they subscribed for their Warrants immediately prior to the occurrence of those events. The Indenture also provides that the Exercise Price per Common Share is subject to adjustment in certain events.

The registered holder of this Warrant Certificate may, at any time prior to the Expiry Date, upon surrender hereof to the Trustee at its principal office in Toronto, Ontario exchange this Warrant Certificate for other Warrant Certificates entitling the holder to purchase, in the aggregate, the same number of Common Shares as may be purchased under this Warrant Certificate.

The holding of the Warrants evidenced by this Warrant Certificate shall not constitute the holder hereof a shareholder of the Corporation or entitle the holder to any right or interest in respect thereof except as expressly provided in the Indenture and in this Warrant Certificate.

The Indenture provides that all holders of Warrant Certificates shall be bound by any resolution passed at a meeting of the holders held in accordance with the provisions of the Indenture and by any resolution signed by the holders of Warrants entitled to purchase a specified majority of the

Common Shares which may be purchased pursuant to all then outstanding Warrant Certificates.

The Warrants evidenced by this Warrant Certificate may be transferred on the register kept at the principal office of the Trustee in Toronto, Ontario by the registered holder hereof, or its legal representative or its attorney duly appointed by an instrument in writing in form attached as Appendix 2 hereto or in another form satisfactory to the Trustee, only upon compliance with the conditions prescribed in the Indenture and upon compliance with such reasonable requirements as the Trustee may prescribe.

Neither the Warrants represented by this Warrant Certificate nor the Common Shares issuable upon exercise of such Warrants have been registered under the United States Securities Act of 1933, as amended, (the "Act") and, therefore, neither may be offered, sold or otherwise transferred within the United States or to, or for the account or benefit of United States Persons. Terms used in this paragraph have the meanings given them by Regulation S under the Act.

This Warrant Certificate shall not be valid for any purpose whatever unless and until it has been certified by or on behalf of the Trustee.

Time shall be of the essence hereof.

IN WITNESS WHEREOF the Corporation has caused this Warrant Certificate to be signed by its duly authorized officer as of the ____________ day ____________2005.

AMR TECHNOLOGIES INC.

By: ________________________

Certified by:
COMPUTERSHARE TRUST COMPANY OF CANADA, as Trustee

By: ________________________________

APPENDIX 1 to a Warrant Certificate of AMR Technologies Inc. dated as of the____________ day of __________________ 200_.

EXERCISE FORM

TO: **AMR TECHNOLOGIES INC.**

The undersigned registered holder of the within Warrants hereby irrevocably subscribes for the number of Common Shares of AMR Technologies Inc. as indicated below at a price of $2.50 per share upon the terms applicable to these Warrants.

NUMBER OF COMMON SHARES SUBSCRIBED FOR: __________________

TOTAL PRICE: __________________

Further Warrant Certificate required for balance of Warrants evidenced hereby: ______________

The Common Shares (or other securities or property) are to be registered as follows:

Name: ____

Address in Full: ____

Telephone: ____

SIN: ____

The Common Shares (or other security or property) are to be delivered as follows (check one):

A. To the registered address above ☐

B. To be held for pick-up at the principal office of Computershare Trust Company where the Warrant was surrendered ☐

C. To the following address below: ☐

____

____

DATED this _______day of _____________ 200___..

____
Signature Guaranteed

____
Signature
(Signature of Warrantholder to be the same as appears on the face of the Warrant Certificate)

____
(Name in Full – Please Print)

____
(Address)

____

____

____

____
(Telephone Number)

(Note: Instructions for exercising Warrants are on the face page of the Warrant Certificate.)

APPENDIX 2 to a Warrant Certificate of AMR Technologies Inc.
dated as of the__________ day of _______________ 200_.

TRANSFER OF WARRANTS

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

Name: ____

Address in full: ____

____

_________________________ Warrants of AMR Technologies Inc. (the "**Corporation**") registered in the name of the undersigned on the records of the Corporation represented by the Warrant Certificate attached hereto and irrevocably appoints Computershare Trust Company of Canada (the "**Trustee**") the attorney of the undersigned to transfer the said securities on the books or register with full power of substitution.

DATED the _______________ day of _______________ 200___.

_________________________ _________________________

Signature Guaranteed

Signature

(Signature of Warrantholder to be the same as appears on the face of the Warrant Certificate)

Instructions:

(1) If this transfer form (the "Transfer Form") is signed by a trustee, executor, administrator, curator, guardian, attorney, officer of a corporation or any Person acting in a fiduciary or representative capacity, the certificate must be accompanied by evidence of authority to sign satisfactory to the Trustee and the Corporation.

(2) The signature on this Transfer Form must be guaranteed by a Schedule A major chartered bank, trust company or a member of an acceptable medallion guarantee program. The guarantor must affix a stamp bearing the actual words "signature guaranteed". Signature guarantees are NOT accepted from treasury branches or credit unions unless they are members of an acceptable stamp medallion program. In the United States, signature guarantees must be done by members of the "medallion signature guarantee program" only.

(3) Warrants shall only be transferable in accordance with applicable laws. The transfer of Warrants to a purchaser not resident in a Selling Jurisdiction may result in the Common Shares obtained upon the exercise of the Warrants (whether after or before obtaining receipts for a final prospectus relating to the distribution of Common Shares and Warrants upon exercise of Warrants) not being freely tradable in the jurisdiction of the purchaser.

Capitalized terms used in this Transfer Form have the meanings ascribed thereto in the Indenture unless otherwise defined in this Transfer Form.

Schedule B to a Warrant Indenture made as of the 19th day of July, 2005 between AMR Technologies Inc. and Computershare Trust Company of Canada, as trustee.

FORM OF DECLARATION FOR REMOVAL OF LEGEND

TO: Computershare Trust Company of Canada,
as registrar and transfer agent
for Warrants and Common Shares of
AMR Technologies Inc.
c/o Computershare Trust Company of Canada,
100 University Avenue, 9th floor,
Toronto, Ontario
M5J 2Y1
CANADA

The undersigned (a) acknowledges that the sale of the securities of AMR Technologies Inc. (the "Company") to which this declaration relates is being made pursuant to Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act") and (b) certifies that (1) the undersigned is not an affiliate of the Company (as that term is defined in Rule 405 under the 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 a "Designated Offshore Securities Market" as defined in Rule 902 of Regulation S under the 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, (3) neither the seller nor any affiliate of the seller nor any person acting on any of 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, (4) the sale is bona fide and not for the purpose of "washing off' the resale restrictions imposed because the securities are "restricted securities" (as such term is defined in Rule 144(a)(3) under the Securities Act), (5) the seller does not intend to replace such securities with fungible unrestricted securities, and (6) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S under the Securities Act, is part of a plan or scheme to evade the registration provisions of the Securities Act. Terms used herein have the meanings given to them by Regulation S under the Securities Act.

Dated: ______________________ ______________________________

Name of Seller

By: ______________________________

Name:

Title:

Schedule C to a Warrant Indenture made as of the 19th day of July, 2005 between AMR Technologies Inc. and Computershare Trust Company of Canada, as trustee.