AGENCY AGREEMENT

April 20, 2011

Eacom Timber Corporation
1100 Rene-Levesque Boulevard West, Suite 2110
Montreal, Quebec H3B 4N4

Attention: Mr. Rick Doman, President and Chief Executive Officer

Dear Sirs/Mesdames:

Re: **Private Placement of Common Shares**

Canaccord Genuity Corp. ("**Canaccord**") and Dundee Securities Ltd. ("**Dundee**") (collectively the "**Agents**" and individually an "**Agent**") acknowledge and agree that:

(a) Eacom Timber Corporation, a corporation incorporated under the laws of British Columbia (the "**Corporation**"), is authorized to issue, among other things, an unlimited number of common shares (the "**Common Shares**");

(b) as at April 15, 2011, 409,680,056 Common Shares were outstanding as fully paid and non-assessable shares and an aggregate of 37,959,000 Common Shares were reserved for issue pursuant to outstanding options, warrants, convertible and exchangeable securities and other rights to acquire Common Shares;

(c) the Corporation proposes to issue and sell up to 60,000,000 Common Shares at a price of $0.50 per Common Share (the "**Purchase Price**") for aggregate gross proceeds of $30,000,000, on the terms and subject to the conditions contained hereinafter (the "**Offering**");

(d) the closing of the Offering (the "**Closing**") is expected to take place on April 20, 2011 or such other date as the Agents and the Corporation agree;

(e) it will be a condition of Closing of the Offering that the TSX Venture Exchange (the "**Stock Exchange**") will have approved the Offering, which approval will include approval of the listing of the Offered Securities and the Broker Shares (as hereinafter defined) by the Stock Exchange; and

(f) the Corporation has agreed to grant to the Agents an option (the "**Over-Allotment Option**") to sell up to an additional 10,000,000 Common Shares at the Purchase Price, exercisable in whole or in part at any time no later than 48 hours before Closing.

The Agents hereby agree to act as the agents of the Corporation in connection with the Offering and to use their commercially reasonable efforts to offer for sale and obtain subscriptions for the Common Shares from Purchasers (as hereinafter defined), upon and subject to the terms and conditions contained herein, and by its acceptance hereof the Corporation agrees to the appointment of the Agents as the Corporation's exclusive agents in respect of the Offering, provided that the Agents will be under no obligation to purchase any of the Common Shares.

The Corporation agrees that the Agents will be permitted to appoint other registered dealers (or other dealers duly qualified in their respective jurisdictions) as their agents to assist in the Offering and that the Agents may determine the remuneration payable to such other dealers appointed by them, however in no case shall such remuneration in the aggregate exceed the Agents' Fee (as hereinafter defined). Canaccord will have an economic interest of not less than 80% in the Offering and Dundee will have an economic interest of not less than 20% in the Offering.

The terms and conditions of this Agreement are as follows:

1. **Definitions, Interpretation and Schedules**

(a) Definitions: Whenever used in this Agreement:

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

(ii) "**1934 Act**" means the United States *Securities Exchange Act of 1934*, as amended;

(iii) "**1940 Act**" means the United States *Investment Company Act of 1940*, as amended;

(iv) "**Agents**" means Canaccord Genuity Corp. and Dundee Securities Ltd. and "**Agent**" means either of the Agents;

(v) "**Agents' Fee**" means the cash commission payable and the Compensation Warrants issuable in accordance with Sections 7(a) and 7(c) of this Agreement, respectively;

(vi) "**Agreement**" means the agency agreement resulting from the acceptance by the Corporation of the offer made by the Agents herein, including the schedules attached hereto, as amended or supplemented from time to time;

(vii) "**Ancillary Documents**" means all agreements, indentures, certificates and documents executed and delivered, or to be executed and delivered, by the Corporation in connection with the transactions contemplated by this Agreement or the Subscription Agreements and includes the Subscription Agreements;

(viii) "**Auditor**" means PricewaterhouseCoopers LLP, Chartered Accountants, the auditor of the Corporation;

(ix) "**Broker Shares**" means the Common Shares which may be issued on the exercise of the Compensation Warrants;

(x) "**Business Day**" means a day which is not a Saturday, Sunday or a statutory or civic holiday in the City of Toronto, Province of Ontario, and the City of Vancouver, Province of British Columbia;

(xi) "**Canaccord**" means Canaccord Genuity Corp., an Agent hereunder;

(xii) "**Closing**" means the purchase and sale of the Offered Securities subscribed for by the Purchasers pursuant to the Subscription Agreements;

(xiii) "**Closing Date**" means April 20, 2011, or such other date as may be agreed upon by the Corporation and the Agents;

(xiv) "**Closing Time**" means 5:30 a.m. (Vancouver time) on the Closing Date or such other time on the Closing Date as the Corporation and the Agents may mutually agree upon in writing;

(xv) "**Common Shares**" means the common shares which the Corporation is authorized to issue as constituted on the date hereof;

(xvi) "**Compensation Warrant Certificates**" means the certificates representing the Compensation Warrants;

(xvii) "**Compensation Warrants**" means the non-transferable Compensation Warrants which will entitle the Agents to acquire the aggregate number of Common Shares equal to 6% of the number of Offered Securities sold pursuant to the Offering, exercisable at any time between the Closing Time and before 5:00 p.m. (Toronto time) on the date which is 24 months after the Closing Date at the Purchase Price;

(xviii) "**Contaminant**" has the meaning ascribed thereto in subsection 8(kk);

(xix) "**Corporation**" has the meaning ascribed thereto on the first page hereof;

(xx) "**Directed Selling Efforts**" means "directed selling efforts" as defined in Regulation S;

(xxi) "**Disclosure Record**" means all information contained in any filing statement, press release, material change report (excluding any confidential material change report), financial statements, prospectuses, annual and quarterly reports and management discussion and analysis or any other document of the Corporation which has been publicly filed by, or on behalf of, the Corporation pursuant to Securities Law applicable to the Corporation;

(xxii) "**Dundee**" means Dundee Securities Ltd., an Agent hereunder;

(xxiii) "**Environmental Activity**" has the meaning ascribed thereto in subsection 8(kk);

(xxiv) "**Environmental Laws**" has the meaning ascribed thereto in subsection 8(kk);

(xxv) "**General Solicitation or General Advertising**" means "general solicitation or general advertising" as used in Rule 502(c) of Regulation D;

(xxvi) "**Governmental Authority**" has the meaning ascribed thereto in subsection 8(kk);

(xxvii) "**Offered Securities**" means the Common Shares to be issued and sold at the Purchase Price under the Offering and includes any Common Shares issued and sold pursuant to the Over-Allotment Option;

(xxviii) "**Offering**" means the offering for sale by the Corporation on a private placement basis of the Offered Securities;

(xxix) "**Offering Jurisdictions**" means the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec, the United States and the states and territories thereof and such other territories of Canada and other jurisdictions as may be mutually agreed upon by the Agents and the Corporation where the Offered Securities are offered to prospective Purchasers, as the context permits or requires, collectively;

(xxx) "**Over-Allotment Option**" means the option granted to the Agents by the Corporation to sell up to 10,000,000 Common Shares, at the Purchase Price, exercisable by the Agents in whole or in part until 48 hours before Closing;

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

(xxxii) "**Purchase Price**" means the price to be paid by the Purchasers for each Offered Security under the Offering, being $0.50 per Offered Security;

(xxxiii) "**Purchasers**" means the purchasers of the Offered Securities collectively;

(xxxiv) "**Regulation D**" means Regulation D under the 1933 Act;

(xxxv) "**Regulation S**" means Regulation S under the 1933 Act;

(xxxvi) "**Reporting Provinces**" means the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland;

(xxxvii) "**Securities**" means the Offered Securities and the Broker Shares;

(xxxviii) "**Securities Commissions**" means the securities regulatory authorities of the Offering Jurisdictions collectively, as the case may be;

(xxxix) "**Securities Laws**" means the securities legislation and regulations of, and the instruments, policies, rules, orders, codes, notices and interpretation notes of the securities regulatory authorities (including the Stock Exchange) of, the applicable jurisdiction or jurisdictions collectively;

(xl) "**Stock Exchange**" means the TSX Venture Exchange;

(xli) "**Subscription Agreements**" means the subscription agreement to be entered into between the Corporation and each of the Purchasers with respect to the purchase of the Offered Securities collectively;

(xlii) "**Subsidiaries**" means Elk Lake Planning Mill Limited, Gogama Forest Products Inc. and Isidore Roy Limited, collectively;

(xliii) "**Transfer Agent**" means Computershare Investor Services Inc., the registrar and transfer agent for the Common Shares;

(xliv) "**United States**" means the "United States" as defined in Regulation S;

(xlv) "**U.S. Accredited Investor**" means an "accredited investor" as defined in Rule 501(a) of Regulation D; and

(xlvi) "**U.S. Placement Agent**" means Canaccord Genuity Inc.

(b) Other Defined Terms: Whenever used in this Agreement, the words and terms "affiliate", "associate", "material fact", "material change", "misrepresentation", "senior officer", "subsidiary" and "agent" will have the meaning given to such word or term under applicable Securities Laws in the Province of British Columbia unless specifically provided otherwise herein.

(c) Plural and Gender: Whenever used in this Agreement, words importing the singular number only will include the plural and *vice versa* and words importing the masculine gender will include the feminine gender and neuter.

(d) Currency: All references to monetary amounts in this Agreement are to lawful money of Canada.

(e) Schedules: The following schedules are attached to this Agreement and are deemed to be a part of and incorporated in this Agreement:

Schedule	**Title**
A:	Officers' Certificate; and
B:	Agents' Certificate.

2. **The Offered Securities:**

The Offered Securities are collectively, (i) up to 60,000,000 Common Shares at the Purchase Price for aggregate gross proceeds of $30,000,000, and (ii) up to 10,000,000 Common Shares at the Purchase Price pursuant to the Over-Allotment Option granted to the Agents by the Corporation, exercisable in whole or in part at any time no later than 48 hours before Closing, in each case, on the terms and subject to the conditions contained hereinafter.

3. **The Offering**

(a) Sale on Exempt Basis: The Agents will offer for sale, on a best efforts basis, in the Offering Jurisdictions, the Offered Securities in compliance with the Securities Laws of the Offering Jurisdictions and only to such Persons and in such manner so that, pursuant to the provisions of the Securities Laws of the Offering Jurisdictions, no prospectus, registration statement or offering memorandum or other similar document need be filed with, or delivered to, any Securities Commission in any Offering Jurisdiction in connection therewith. The Agents will offer the Offered Securities for sale on behalf of the Corporation in the United States only through the U.S. Placement Agent, and to U.S. Accredited Investors pursuant to applicable exemptions from the registration requirements provided under the 1933 Act and in compliance with applicable state Securities Laws and in accordance with section 10 hereof.

(b) Selling Group: The Corporation agrees that, subject to the prior written consent of the Corporation, the Agents will be permitted to appoint other registered dealers (or other dealers duly qualified in their respective jurisdictions) as their agents to assist in the Offering and that the Agents may determine the remuneration payable to such other dealers appointed by it, however in no case shall such remuneration in the aggregate exceed the Agents' Fee. The Agents will have the exclusive right to control all compensation arrangements between the members of the selling group. The Corporation grants all of the rights and benefits of this Agreement to any investment dealer who is a member of any selling group formed by the Agents and appoints the Agents as trustee of such rights and benefits for all such investment dealers, and the Agents hereby accept such trust and agree to hold such rights and benefits for and on behalf of all such investment dealers. The Agents will ensure that any investment dealer who is a member of any selling group formed by the Agents pursuant to the provisions of this subsection 3(b) or with whom the Agents have a contractual relationship with respect to the Offering, if any, agrees with the Agents to comply with the covenants and obligations given by the Agents herein.

(c) Covenants of the Agents: Each of the Agents covenants with the Corporation that (i) it will comply with the Securities Laws of the Offering Jurisdictions in which it solicits or procures subscriptions for Offered Securities in connection with the Offering, (ii) it will not solicit or procure subscriptions for Offered Securities in any manner which may require the registration thereof or the filing of a prospectus with respect thereto under the laws of any jurisdiction, and (iii) it will obtain from each Purchaser an executed Subscription Agreement in a form acceptable to the Corporation and the Agents, acting reasonably. Each of the Agents represents and warrants as of the date hereof and as of the Closing Time, that it is, and, to the best of its knowledge after due inquiry, each member of any agency group formed by the Agents is, duly qualified and authorized to act in such capacity in the Offering Jurisdictions in which such member solicits or procures subscriptions for the Offered Securities.

(d) Filings: The Corporation undertakes to file or cause to be filed all forms and undertakings required to be filed by the Corporation in connection with the Offering so that the distribution of the Offered Securities may lawfully occur in the Offering Jurisdictions without the necessity of filing a prospectus or an offering memorandum in Canada or prospectus or registration statement in the United States or any document in any other jurisdiction, and the Agents undertake to use their commercially reasonable efforts to cause the Purchasers of the Offered Securities to complete (and it is an express condition of Closing in favour of the Corporation that the Purchasers complete and deliver to the Corporation) any forms and undertakings required by the Securities Laws of the Offering Jurisdictions. All fees payable in connection with such filings will be at the expense of the Corporation.

(e) No Offering Memorandum: Neither the Corporation nor the Agents will (i) provide to prospective purchasers of Offered Securities any document or other material that would constitute an offering memorandum within the meaning of the Securities Laws of any of the Offering Jurisdictions or (ii) engage in any form of Directed Selling Efforts or General Solicitation or General Advertising in the United States in connection with the offer and sale of the Offered Securities, including but not limited to, causing the sale of the Offered Securities to be advertised in any newspaper, magazine, printed public media, printed media or similar medium of general and regular paid circulation, broadcast over radio, television or telecommunications, including electronic display or the Internet, or otherwise, or conduct any seminar or meeting relating to any offer and sale of the Offered Securities whose attendees have been invited by a General Solicitation or General Advertising.

4. **Due Diligence**

The Corporation will allow the Agents to conduct all due diligence investigations, including meeting with senior management of the Corporation and the Auditor, as the Agents will reasonably consider necessary in connection with the Offering.

5. **Deliveries By Closing Time**

By the Closing Time:

(a) all necessary corporate actions required to be taken by or on behalf of the Corporation including, without limitation, the passing of all required resolutions of the directors of the Corporation, will have occurred in order to complete the transactions contemplated by this Agreement and the Subscription Agreements including, without limitation, to create and issue the Offered Securities, to create and issue the Compensation Warrants and to reserve for issue and conditionally issue the Broker Shares (the "**Authorizing Resolutions**"), and a certified copy of such Authorizing Resolutions will have been delivered by the Corporation to the Agents;

(b) the Corporation will have delivered or caused to be delivered to the Agents:

(i) a favourable legal opinion of counsel to the Corporation, Heenan Blaikie LLP, who may engage other legal counsel acceptable to the Agents to provide such local counsel opinions as may be necessary, addressed to, among others, the Agents, their legal counsel and the Purchasers;

(ii) a legal opinion of the Corporation's special U.S. legal counsel, addressed to the Agents and their counsel, in form and substance acceptable to the Agents and their counsel, acting reasonably, to the effect that registration will not be required under the 1933 Act in connection with the Offering and sale of the Offered Securities in the United States provided that such offers are made in accordance with the terms and conditions of this Agreement and including, without limitation, the provisions of Section 10 of this Agreement;

(iii) a certificate dated the Closing Date signed by an appropriate officer of the Corporation and addressed to, among others, the Agents and the Purchasers, with respect to the notice of articles and articles of the Corporation, the Authorizing Resolutions of the directors of the Corporation and any other corporate action taken relating to this Agreement and the Ancillary Documents and with respect to such other matters as the Agents may reasonably request and including specimen signatures of the signing officers of the Corporation;

(iv) a certificate dated the Closing Date addressed to, among others, the Agents and the Purchasers signed by the chief executive officer and the chief financial officer of the Corporation, or any two other senior officers of the Corporation acceptable to the Agents, substantially in the form of the certificate attached hereto as Schedule A,

(v) a Subscription Agreement from each Purchaser accepted by the Corporation;

(vi) definitive certificates representing the Offered Securities registered in the names of the U.S. Purchasers or in such other name or names as the U.S. Purchasers or the Agents may direct in writing;

(vii) a written acknowledgment issued by the Transfer Agent in customary form evidencing the Offered Securities registered in book entry form in the name of the non-U.S. Purchasers or in such other name or names as the non-U.S. Purchasers or the Agents may direct in writing;

(viii) definitive certificates representing the Compensation Warrants registered in the name of the Agents or in such other name or names as the Agents may direct in writing no less than 24 hours prior to the Closing Time; and

(ix) such further documents as may be contemplated by this Agreement or as the Agents may reasonably require to consummate the Offering as contemplated hereunder;

and all in form and substance satisfactory to the Agents, acting reasonably;

(c) the Agents will have delivered or cause to be delivered to the Corporation such further documents as may be contemplated by this Agreement or as the Corporation may reasonably require, all in form and substance satisfactory to the Corporation; and

(d) the Agents will have delivered or cause to be delivered to the Corporation:

(i) the net proceeds of the Offering in immediately payable funds by way of wire transfer or bank draft payable to the Corporation or as the Corporation may otherwise direct in writing against delivery from the Corporation to the Agents of a receipt for the net proceeds; and

(ii) such further documents as may be contemplated by this Agreement or as the Corporation may reasonably require to consummate the Offering as contemplated hereunder;

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

6. **Closing**

(a) Closing: The Closing will be completed at the offices of counsel for the Corporation at the Closing Time on the Closing Date or such other date as may agreed upon by the Agents and the Corporation.

(b) Conditions of Closing: The following will be conditions precedent to the obligation of the Purchasers to purchase the Offered Securities pursuant to the Subscription Agreements, which conditions the Corporation hereby covenants and agrees to use its commercially reasonable efforts to fulfill within the time set out herein, and which conditions may be waived in writing in whole or in part by the Agents:

(i) the Corporation will have received all necessary approvals and consents, including all necessary regulatory approvals and consents (including those of the Stock Exchange) required for the completion of the transaction contemplated by this Agreement, all in a form reasonably satisfactory to the Agents, and the Stock Exchange will have conditionally approved the listing thereon of the Offered Securities and Broker Shares, subject to the fulfillment of the customary conditions provided by the Stock Exchange;

(ii) the representations and warranties of the Corporation contained herein being true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing; and

(iii) the Corporation having complied, in all material respects, with all covenants, and satisfied all terms and conditions, contained herein to be complied with and satisfied by the Corporation at or before the Closing Time.

7. **Fee**

(a) Commission: In consideration of the agreement of the Agents to act as agents in respect of the Offering, and in consideration of the services performed and to be performed by the Agents in connection therewith, including, without limitation:

(i) finding purchasers to purchase the Offered Securities;

(ii) participating in the preparation of the form of the Subscription Agreements and certain of the Ancillary Documents; and

(iii) advising the Corporation with respect to the private placement of the Offered Securities;

the Agents will receive a cash commission equal to 6.0% of the gross proceeds raised under the Offering.

(b) Taxes: The Corporation and the Agents acknowledge and agree that if a separate fee would have been charged to the Corporation for the services described in clause 7(a)(i) above, such separate fee would represent more than 50% of the fee payable to the Agents, and the Corporation hereby further acknowledges and agrees that the Agents will rely on the foregoing statement in not charging federal goods and services tax on such fee and that the Corporation will forthwith pay to the Agents any such tax and any applicable interest and penalties to the extent determined to be exigible.

(c) Compensation Warrants: In addition to the commission payable to the Agents pursuant to subsection 7(a) hereof, as additional consideration for the services performed and to be performed by the Agents hereunder, the Corporation will on Closing of the Offering issue to the Agents the Compensation Warrants.

(d) Division of Commission and Compensation Warrants: Notwithstanding which of the Agents has actually sold the Offered Securities, and unless otherwise directed by the Agents in writing before Closing, the Agents' Fee payable to the Agents pursuant to subsection 7(a) hereof and the Compensation Warrants to be issued to the Agents pursuant to subsection 7(c) hereof will be divided between the Agents as to 80% thereof to Canaccord and as to 20% thereof to Dundee.

8. **Representations and Warranties**

The Corporation hereby represents and warrants to the Agents and the Purchasers, and acknowledges that the Agents and the Purchasers are relying upon each of such representations and warranties in completing the Closing, as follows:

(a) Incorporation and Organization: The Corporation and each of the Subsidiaries has been incorporated and organized and is a valid and subsisting corporation under the laws of its jurisdiction of incorporation, and has all requisite corporate power and authority to carry on its business as now conducted or proposed to be conducted and to own or lease and operate the property and assets thereof, and the Corporation has all requisite corporate power and authority to enter into, execute and deliver this Agreement and the Ancillary Documents and to carry out its obligations hereunder and thereunder.

(b) Extra-provincial Registration: The Corporation and each of the Subsidiaries is licensed, registered or qualified as an extra-provincial or foreign corporation in all jurisdictions where the character of the property or assets thereof owned or leased or the nature of the activities conducted by it make licensing, registration or qualification necessary and is carrying on the business thereof in compliance with all applicable laws, rules and regulations of each such jurisdiction.

(c) Directors and Officers: To the knowledge of the Corporation and except as disclosed in the Disclosure Record, none of its directors or officers are currently, or have been, within the past 10 years, subject to any order or ruling of any securities regulatory authority or stock exchange that currently prohibits, or has prohibited, such individual from acting as a director or officer of a public company or any company listed on a stock exchange.

(d) Authorized Capital: The Corporation is authorized to issue, among other things, an unlimited number of Common Shares, of which, as of April 15, 2011, 409,680,056 Common Shares were issued and outstanding as fully paid and non-assessable shares.

(e) Listing: The Common Shares are, and at the time of issue of the Offered Securities will be, listed on the Stock Exchange and the Offered Securities and Broker Shares will, at the time of issue of the Offered Securities, have been conditionally listed on the Stock Exchange. Except as disclosed to the Agents, the Corporation has not issued, or agreed to issue, any Common Shares or any securities exchangeable or exercisable for, or convertible into, Common Shares at an effective price per Common Share which is less than the Purchase Price during the 60 day period immediately preceding the date hereof.

(f) Certain Securities Law Matters: The Common Shares are listed only on the Stock Exchange, the Corporation is a reporting issuer or the equivalent only in the Reporting Provinces and is not in default in any material respect of any requirement of the Securities Laws of any of such Reporting Provinces.

(g) Resale of Securities: The Offered Securities will not be subject to a restricted period or statutory hold period under the Securities Laws of the Canadian Offering Jurisdictions (other than those applicable to control persons (as defined under applicable Securities Laws)) or to any resale restriction under the policies of the Stock Exchange which extends beyond four months and one day after the Closing Date.

(h) Rights to Acquire Securities: No Person has any agreement, option, right or privilege (whether pre-emptive, contractual or otherwise) capable of becoming an agreement for the purchase, acquisition, subscription for or issue of any of the unissued shares or other securities of the Corporation, except for, as at April 15, 2011, an aggregate of 37,959,000 Common Shares reserved for issue pursuant to outstanding options, warrants, convertible, exercisable and exchangeable securities and other rights to acquire Common Shares.

(i) Rights Plan: The directors of the Corporation have not adopted a shareholder rights plan or a similar plan and the Corporation is not party to what is commonly referred to as a shareholder rights plan agreement.

(j) No Pre-emptive Rights: The issue of the Offered Securities will not be subject to any pre-emptive right or other contractual right to purchase securities granted by the Corporation or to which the Corporation is subject.

(k) Offered Securities: The execution of this Agreement and the Subscription Agreements and the issue by the Corporation to the Purchasers of the Offered Securities will be exempt from the registration and prospectus requirements of the Securities Laws of the Offering Jurisdictions provided the Agents have complied with their obligations under this Agreement, including subsection 3(a) hereunder.

(l) Subsidiaries: The only subsidiaries of the Corporation are the Subsidiaries.

(m) Issue of Offered Securities: All necessary corporate action has been taken to authorize the issue and sale of, and the delivery of certificates representing the Offered Securities and, upon the issue thereof and receipt of the subscription price in full therefor, the Offered Securities will be validly issued as fully paid and non-assessable shares of the Corporation.

(n) Consents, Approvals and Conflicts: Neither the execution and delivery of this Agreement or the Ancillary Documents, the compliance by the Corporation with the provisions of this Agreement and the Ancillary Documents nor the consummation of the transactions contemplated herein and therein including, without limitation, the issue of the Offered Securities to the Purchasers for the consideration and upon the terms and conditions as set forth herein and the issue of the Offered Securities upon the terms and conditions set forth in the Subscription Agreement, do or will (i) require the consent, approval, or authorization, order or agreement of, or registration or qualification with, any governmental agency, body or authority, court, stock exchange, securities regulatory authority or other Person, except (A) such as have been obtained, or (B) such as may be required under the Securities Laws of the Offering Jurisdictions and the policies of the Stock Exchange and will be obtained by the Closing Date, or (ii) conflict with or result in any breach or violation of any of the provisions of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Corporation is a party or by which the Corporation or any of its properties or assets thereof is bound, or the articles or by-laws or any other constating document of the Corporation or any resolution passed by the directors (or any committee thereof) or shareholders of the Corporation, or any statute or any judgment, decree, order, rule, policy or regulation of any court, governmental authority, arbitrator, stock exchange or securities regulatory authority applicable to the Corporation or any of the properties or assets thereof which would have a material adverse effect on the condition (financial or otherwise), business, properties or results of operations of the Corporation.

(o) Authority and Authorization: The Corporation has full corporate power and capacity to enter into this Agreement and the Ancillary Documents and to do all acts and things and execute and deliver all documents as are required hereunder and thereunder to be done, observed, performed or executed and delivered by it in accordance with the terms hereof and thereof and the Corporation has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement and the Ancillary Documents and to observe and perform the provisions of this Agreement and the Ancillary Documents in accordance with the provisions hereof and thereof and including, without limitation, the issue of the Offered Securities to the Purchasers for the consideration and upon the terms and conditions set forth herein.

(p) Validity and Enforceability: Each of this Agreement and the Subscription Agreements has been or will be, by Closing, authorized, executed and delivered by the Corporation and constitute a valid and legally binding obligation of the Corporation enforceable against the Corporation in accordance with its terms.

(q) Compensation Warrants:

(i) The Corporation has all requisite corporate power and capacity to issue the Compensation Warrants and to enter into, execute and deliver and to carry out its obligations under the Compensation Warrants. All necessary corporate action has been taken by the Corporation to authorize the issue of the Compensation Warrants in accordance with the terms and conditions hereof and, when issued, the Compensation Warrants will be validly issued, and to authorize the creation, execution, delivery and performance of the Compensation Warrant Certificates and to observe and perform the provisions of the Compensation Warrant Certificates in accordance with the provisions thereof and including, without limitation, the issue of the Broker Shares for the consideration and upon the terms and conditions set forth in the Compensation Warrant Certificates.

(ii) Upon issue, the Compensation Warrant Certificates will constitute valid and legally binding obligations of the Corporation enforceable against the Corporation in accordance with the terms thereof. None of the issue of the Compensation Warrants, the execution and delivery of the Compensation Warrant Certificates, the compliance by the Corporation with the provisions of the Compensation Warrant Certificates or the consummation of the transactions contemplated therein and including, without limitation, the issue of the Broker Shares for the consideration and upon the terms and conditions set forth in the Compensation Warrant Certificates, do or will (i) require the consent, approval, or authorization, order or agreement of, or registration or qualification with, any governmental agency, body or authority, court, stock exchange, securities regulatory authority or other Person, except (A) such as have been obtained, or (B) such as may be required under the Securities Laws of the Offering Jurisdictions and the policies of the Stock Exchange and will be obtained by the Closing Date, or (ii) conflict with or result in any breach or violation of any of the provisions of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Corporation is a party or by which it or any of the properties or assets thereof is bound, or the notice of articles or articles of the Corporation or any resolution passed by the directors (or any committee thereof) or shareholders of the Corporation, or any statute or any judgment, decree, order, rule, policy or regulation of any court, governmental authority, any arbitrator, stock exchange or securities regulatory authority applicable to the Corporation or any of the properties or assets thereof which would have a material adverse effect on the condition (financial or otherwise), business, properties or results of operations of the Corporation.

(iii) None of the issue of the Compensation Warrants or the Broker Shares will be subject to any pre-emptive right or other contractual right to purchase securities granted by the Corporation or to which the Corporation is subject.

(iv) The issue by the Corporation to the Agents of the Compensation Warrants will be exempt from the registration and prospectus requirements of the Securities Laws of the Reporting Provinces. The Broker Shares will not be subject to a restricted period or statutory hold period under the Securities Laws of the Reporting

Provinces or to any resale restrictions under the policies of the Stock Exchange which extends beyond four months and one day after the date of issue of the Compensation Warrants.

(r) Due Diligence: The responses of the Corporation to the questions posed at the due diligence session held on April 18, 2011 remain true and correct in all material respects as at the date hereof and, to the knowledge of the Corporation, such responses, taken as a whole, did not omit any material facts or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given. In addition, where the responses reflected the opinion or view of the Corporation or its directors or officers, such opinions or views were honestly held at the time they were given.

(s) Public Disclosure: The Disclosure Record of the Corporation is, as of the date thereof, in compliance in all material respects with the Securities Laws of the Reporting Provinces and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and such documents collectively constitute full, true and plain disclosure of all material facts relating to the Corporation and, to the best of the knowledge of the Corporation, do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, as of the date hereof, provided that the Agents acknowledge that facts relating to this Agreement and the Offering have not been publicly disclosed as of the time of execution of this Agreement. There is no fact known to the Corporation which the Corporation has not publicly disclosed which materially adversely affects, or so far as the Corporation can reasonably foresee, will materially adversely affect, the assets, liabilities (contingent or otherwise), capital, affairs, business, prospects, operations or condition (financial or otherwise) of the Corporation or the ability of the Corporation to perform its obligations under this Agreement or the Ancillary Documents or which would otherwise be material to any Person intending to make an equity investment in the Corporation. No circumstances exist under which the Corporation has incurred liability under secondary market disclosure provisions of applicable Securities Laws.

(t) Timely Disclosure: The Corporation is in compliance with all timely disclosure obligations under the Securities Laws of the Reporting Provinces, including the payment of all applicable fees owing by the Corporation under the Securities Laws of the Reporting Provinces and, without limiting the generality of the foregoing, there has not occurred any material adverse change in the assets, liabilities (contingent or otherwise), capital, affairs, business, prospects, operations or condition (financial or otherwise) of the Corporation which has not been publicly disclosed, provided that the Agents acknowledge that facts relating to this Agreement and the Offering have not been publicly disclosed as of the time of execution of this Agreement.

(u) No Cease Trade Order: No order preventing, ceasing or suspending trading in any securities of the Corporation or prohibiting the issue and sale of securities by the Corporation has been issued and no proceedings for either of such purposes have been instituted or, to the best of the knowledge of the Corporation, are pending, contemplated or threatened.

(v) Financial Statements: The audited financial statements of the Corporation for the year ended December 31, 2010, together with the auditors' report thereon and the notes thereto, have been prepared in accordance with Canadian generally accepted accounting principles, are substantially correct in every particular and present fairly the financial condition and position of the Corporation as at the date thereof and such financial statements contain no direct or implied statement of a material fact which is untrue on the date of such financial statements and do not omit to state any material fact which is required by Canadian generally accepted accounting principles or by applicable law to be stated or reflected therein or which is necessary to make the statements contained therein not misleading.

(w) Changes in Financial Position: Since December 31, 2010, and other than as contemplated in connection with this Agreement and the Offering:

(i) the Corporation has not paid or declared any dividend or incurred any material capital expenditure or made any commitment therefor;

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

(iii) the Corporation has not entered into any material transaction;

except in each case as disclosed in the Disclosure Record.

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

(y) No Contemplated Changes: Except for the Offering and as disclosed in the Disclosure Record, the Corporation has not approved, nor has it entered into, any agreement in respect of, or has any knowledge of:

(i) the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by the Corporation whether by asset sale, transfer of shares or otherwise;

(ii) the change of control (by sale or transfer of shares or sale of all or substantially all of the property and assets of the Corporation or otherwise) of the Corporation; or

(iii) a proposed or planned disposition of shares by any shareholder who owns, directly or indirectly, 10% or more of the outstanding shares of the Corporation.

(z) Insurance: The material assets of the Corporation and the business and operations thereof are insured against loss or damage with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in a comparable business in comparable circumstances, such coverage is in full force and effect and the Corporation has not failed to promptly give any notice or present any material claim thereunder.

(aa) Taxes and Tax Returns: The Corporation has filed in a timely manner all necessary tax returns and notices and has paid all applicable taxes of whatsoever nature for all tax years before the date hereof to the extent that such taxes have become due or have been alleged to be due and the Corporation is not aware of any tax deficiencies or interest or penalties accrued or accruing, or alleged to be accrued or accruing, thereon where, in any of the above cases, it might reasonably be expected to result in any material adverse change in the condition (financial or otherwise), or in the earnings, business, affairs or prospects of the Corporation and there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by any of them or the payment of any material tax, governmental charge, penalty, interest or fine against any of them. There are no material actions, suits, proceedings, investigations or claims now threatened or pending against the Corporation which could result in a material liability in respect of taxes, charges or levies of any governmental authority, penalties, interest, fines, assessments or reassessments or any matters under discussion with any governmental authority relating to taxes, governmental charges, penalties, interest, fines, assessments or reassessments asserted by any such authority and the Corporation has withheld (where applicable) from each payment to each of the present and former officers, directors, employees and consultants thereof the amount of all taxes and other amounts, including, but not limited to, income tax and other deductions, required to be withheld therefrom, and has paid the same or will pay the same when due to the proper tax or other receiving authority within the time required under applicable tax legislation.

(bb) Compliance with Laws, Licenses and Permits: The Corporation and each of the Subsidiaries has conducted and is conducting the business thereof in compliance in all material respects with all applicable laws, rules, regulations, tariffs, orders and directives of each jurisdiction in which it carries on business and possesses all material approvals, consents, certificates, registrations, authorizations, permits and licenses issued by the appropriate provincial, state, municipal, federal or other regulatory agency or body necessary to carry on the business currently carried on, or contemplated to be carried on, by it, is in compliance in all material respects with the terms and conditions of all such approvals, consents, certificates, authorizations, permits and licenses and with all laws, regulations, tariffs, rules, orders and directives material to the operations thereof, and the neither the Corporation nor any of the Subsidiaries has received any notice of the modification, revocation or cancellation of, or any intention to modify, revoke or cancel or any proceeding relating to the modification, revocation or cancellation of any such approval, consent, certificate, authorization, permit or license which, singly or in the aggregate, if the subject of an unfavourable decision, order, ruling or finding, would materially adversely affect the conduct of the business or operations of, or the assets, liabilities (contingent or otherwise), condition (financial or otherwise) or prospects of, the Corporation or the Subsidiaries.

(cc) Agreements and Actions: Neither the Corporation nor any of the Subsidiaries is in violation of any term of the notice of articles or articles. Neither the Corporation nor any of the Subsidiaries is in violation of any term or provision of any agreement, indenture or other instrument applicable to it which would, or could reasonably be expected to, result in any material adverse effect on the business, condition (financial or otherwise), capital, affairs or operations of the Corporation or the Subsidiaries, neither the Corporation nor any of the Subsidiaries is in default in the payment of any obligation owed which is now due and there is no action, suit, proceeding or investigation commenced, pending or, to the knowledge of the Corporation after due inquiry, threatened which, either in any case or in the aggregate, might result in any material adverse effect on the business, condition (financial or otherwise), capital, affairs, prospects or operations of the Corporation or the Subsidiaries or in any of the material properties or assets thereof or in any material liability on the part of the Corporation or which places, or could place, in question the validity or enforceability of this Agreement, the Ancillary Documents or any document or instrument delivered, or to be delivered, by the Corporation pursuant hereto or thereto.

(dd) Owner of Property: The Corporation is the absolute legal and beneficial owner of, and have good and marketable title to, all of the material property or assets thereof as described in the Disclosure Record, free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, other than those described in the Disclosure Record, and no other property rights are necessary for the conduct of the business of the Corporation as currently conducted or contemplated to be conducted, the Corporation does not know of any claim or the basis for any claim that might or could adversely affect the right thereof to use, transfer or otherwise exploit such property rights and, except as disclosed in the Disclosure Record the Corporation has no responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any Person with respect to the property rights thereof.

(ee) Big River Sawmill and Timber Rights: The Corporation owns an idled sawmill located at Big River, Saskatchewan, free and clear of any pledge, lien, security interest, charge, claim or encumbrance, other than those described in the Disclosure Record, and the Corporation currently has no timber supply allocation for such sawmill.

(ff) No Defaults: Neither the Corporation nor any of the Subsidiaries is in default of any material term, covenant or condition under or in respect of any judgment, order, agreement or instrument to which it is a party or to which it or any of the property or assets thereof are or may be subject, and no event has occurred and is continuing, and no circumstance exists which has not been waived, which constitutes a default in respect of any commitment, agreement, document or other instrument to which the Corporation or any of the Subsidiaries is a party or by which it is otherwise bound entitling any other party thereto to accelerate the maturity of any amount owing thereunder or which would have a material adverse effect upon the condition (financial or otherwise), capital, property, assets, operations or business of the Corporation or the Subsidiaries.

(gg) Compliance with Employment Laws: Except as disclosed in the Disclosure Record, the Corporation is in compliance with all laws and regulations respecting employment and employment practices, terms and conditions of employment, pay equity and wages, except where such non-compliance would not constitute an adverse material fact concerning the Corporation or result in an adverse material change to the Corporation, and has not and is not engaged in any unfair labour practice, there is no labour strike, dispute, slowdown or stoppage pending or, to the best of the knowledge of the Corporation after due inquiry, threatened against the Corporation, no union representation question exists respecting the employees of the Corporation and no collective bargaining agreement is in place or currently being negotiated by the Corporation and the Corporation has not received any notice of any unresolved matter and there are no outstanding orders under any employment or human rights legislation in any jurisdiction in which the Corporation carries on business or has employees, no employee has any agreement as to the length of notice required to terminate his or her employment with the Corporation in excess of eighteen months or equivalent compensation and all benefit and pension plans of the Corporation are funded in accordance with applicable laws and no past service funding liability exist thereunder.

(hh) Employee Plans: Each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, pension, incentive or otherwise contributed to, or required to be contributed to, by the Corporation for the benefit of any current or former officer, director, employee or consultant of the Corporation has been maintained in material compliance with the terms thereof and with the requirements prescribed by any and all statutes, orders, rules, policies and regulations that are applicable to any such plan.

(ii) Accruals: All material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or provincial pension plan premiums, accrued wages, salaries and commissions and payments for any plan for any officer, director, employee or consultant of the Corporation have been accurately reflected in the books and records of the Corporation.

(jj) Work Stoppage: Since July 1, 2010, there has not been, and there is not currently, any labour trouble which is adversely effecting or could reasonably be expected to adversely affect, in a material manner, the conduct of the business of the Corporation.

(kk) Environmental Compliance: The Corporation:

(i) and the property, assets and operations of the Corporation comply, to the knowledge of the Corporation, in all material respects with all applicable Environmental Laws (which term means and includes, without limitation, any and all applicable international, federal, provincial, state, municipal or local laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, or any Environmental Activity (which term means and includes, without limitation, any past, present or future activity, event or circumstance in respect of a Contaminant (which term means and includes, without limitation, any pollutants, dangerous substances, liquid wastes, hazardous wastes, hazardous materials, hazardous substances or contaminants or any other matter including any of the foregoing, as defined or described as such pursuant to any Environmental Law), including, without limitation, the storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation thereof, or the release, escape, leaching, dispersal or migration thereof into the natural environment, including the movement through or in the air, soil, surface water or groundwater));

(ii) does not have any knowledge of, and has not received any notice of, any material claim, judicial or administrative proceeding, pending or threatened against, or which may affect, the Corporation or any of the property, assets or operations of the Corporation, relating to, or alleging any violation of any Environmental Laws, and the Corporation is not aware of any facts which could give rise to any such claim or judicial or administrative proceeding and neither the Corporation nor any of the property, assets or operations of the Corporation is the subject of any investigation, evaluation, audit or review by any Governmental Authority (which term means and includes, without limitation, any national, federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing) to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is needed in connection with a release of any Contaminant into the environment, except for compliance investigations conducted in the normal course by any Governmental Authority;

(iii) has not given or filed any notice under any federal, state, provincial or local law with respect to any Environmental Activity and, to the knowledge of the Corporation, the Corporation does not have any liability (whether contingent or otherwise) in connection with any Environmental Activity and the Corporation is not aware of any notice being given under any federal, state, provincial or local law or of any liability (whether contingent or otherwise) with respect to any Environmental Activity relating to or affecting the Corporation or the property, assets, business or operations of the Corporation;

(iv) to the knowledge of the Corporation, does not store any hazardous or toxic waste or substance on the property of the Corporation and has not disposed of any hazardous or toxic waste, in each case in a manner contrary in any material respects to any Environmental Laws, and there are no Contaminants on any of the premises at which the Corporation carries on business, in each case other than in compliance with Environmental Laws in all material respects; and

(v) to the knowledge of the Corporation, is not subject to any contingent or other liability relating to the restoration or rehabilitation of land, water or any other part of the environment or non-compliance with Environmental Law except with respect to any permanent closure of a facility.

(ll) <u>No Litigation</u>: There are no actions, suits, proceedings, inquiries or investigations existing, pending or, to the knowledge of the Corporation after due inquiry, threatened against or which adversely affect the Corporation or any of the Subsidiaries or to which any of the property or assets thereof is subject, at law or equity, or before or by any court, federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which may in any way materially adversely affect the condition (financial or otherwise), capital, property, assets, operations or business of the Corporation or any of the Subsidiaries, or the ability of it to perform the obligations thereof and neither the Corporation nor any of the Subsidiaries is subject to any judgment, order, writ, injunction, decree, award, rule, policy or regulation of any Governmental Authority, which, either separately or in the aggregate, may result in a material adverse effect on the condition (financial or otherwise), capital, property, assets, operations or business of the Corporation or the Subsidiaries or the ability of the Corporation to perform its obligations under this Agreement or the Ancillary Documents.

(mm) <u>Intellectual Property</u>: The Corporation and each of the Subsidiaries owns or possesses adequate enforceable rights to use all trademarks, copyrights and trade secrets used or proposed to be used in the conduct of the business thereof and, to the knowledge of the Corporation, after due inquiry, neither the Corporation nor any the Subsidiaries is infringing upon the rights of any other Person with respect to any such trademarks, copyrights or trade secrets and no other Person has infringed any such trademarks, copyrights or trade secrets.

(nn) <u>Non-Arm's Length Transactions</u>: The Corporation does not owe any amount to, nor has the Corporation any present loans to, or borrowed any amount from or is otherwise indebted to, any officer, director, employee or securityholder or any Person not dealing at "arm's length" (as such term is defined in the *Income Tax Act* (Canada)) with any of them except for usual employee reimbursements and compensation paid in the ordinary and normal course of the business of the Corporation. Except usual employee or consulting arrangements made in the ordinary and normal course of business, the Corporation is not a party to any contract, agreement or understanding with any officer, director, employee and securityholder or any other Person not dealing at arm's length with the Corporation. No officer, director or employee of the Corporation and no Person which is an affiliate or associate of any of the foregoing Persons, owns, directly or indirectly, any interest (except for shares representing less than 10% of the outstanding shares of any class or series of any publicly traded company) in, or is an officer, director, employee or consultant of, any Person which is, or is engaged in, a business competitive with the business of the Corporation which could materially adversely impact on the ability to properly perform the services to be performed by such Person for the Corporation. No officer, director, employee or securityholder of the Corporation has any cause of action or other claim whatsoever against, or owes any amount to the Corporation except for claims in the ordinary and normal course of the business of the Corporation such as for accrued vacation pay or other amounts or matters which would not be material to the Corporation.

(oo) Material Contracts: The only material contracts to which the Corporation is a party or by which it is bound are those contracts which have been filed on the Disclosure Record and, where requested by the Agents or their counsel, provided by the Corporation to the Agents, and all such contracts are valid and subsisting agreements in full force and effect unamended and there exists no material default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any event or condition, would become a material default thereunder by any party thereto.

(pp) Minute Books: The minute books of the Corporation are complete and accurate in all material respects.

(qq) No Withholding of Public Information: The Corporation has not withheld from the Agents any fact or information known to the Corporation and relating to the Corporation or to the Offering that would be reasonably anticipated to be material to the Agents or to a prospective Purchaser of Offered Securities.

9. **Covenants of the Corporation**

(a) Consents and Approvals: Immediately following the acceptance by the Corporation hereof, the Corporation covenants and agrees with the Agents and the Purchasers that the Corporation will use its commercially reasonable efforts to:

(i) obtain, to the extent not already obtained, the necessary regulatory consents from the Stock Exchange and, to the extent necessary, from the Securities Commissions of the Offering Jurisdictions, for the Offering on such terms as are mutually acceptable to the Agents and the Corporation, acting reasonably;

(ii) arrange for the listing of the Offered Securities and Broker Shares on the Stock Exchange as soon as possible; and

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

(b) General: The Corporation hereby covenants and agrees with the Agents and the Purchasers that the Corporation will use its commercially reasonable efforts to:

(i) fulfill all legal requirements to permit the issue, offering and sale of the Offered Securities, the creation and issue of the Compensation Warrants and the issue of the Broker Shares as contemplated in this Agreement including, without limitation, compliance with the Securities Laws of the Offering Jurisdictions to enable the Offered Securities to be offered for sale and sold to the Purchasers and the Compensation Warrants to be issued to the Agents without the necessity of providing an offering memorandum or filing a prospectus in the Offering Jurisdictions;

(ii) to maintain the listing of the Common Shares on the Stock Exchange and the status of the Corporation as a reporting issuer not in default under the securities legislation of each of the Reporting Provinces for a period of 18 months after the Closing Date; and

(iii) forthwith after the Closing Date, file such documents as may be required under the Securities Laws of the Offering Jurisdictions relating to the Offering of the Offered Securities which, without limiting the generality of the foregoing, will include (A) the filing of a Form 45-106F1 as prescribed under National Instrument 45-106, *Prospectus and Registration Exemptions* of the Canadian Securities Administrators, and (B) the filing of a Form D *Notice of Exempt Offering of Securities* with the United States Securities and Exchange Commission through the Electronic Data Gathering, Analysis, and Retrieval System and with each state of the United States that requires such a filing.

(c) Issues of Further Securities: Until the date that is 90 days after the Closing of the Offering, and except in conjunction with any of the following:

(i) the grant or exercise of options and other similar issuances pursuant to the stock option plan of the Corporation and other existing compensation arrangements;

(ii) outstanding warrants;

(iii) in connection with any bona fide merger, acquisition, business combination or similar transaction with an arm's length party; or

(iv) the Offering;

the Corporation will not, without the prior written consent of Canaccord, such consent not to be unreasonably withheld or delayed, issue any additional equity, quasi-equity, or convertible securities, or publicly announce before 90 days after the Closing Date any intention to undertake any such issuances during such period.

(d) Use of Proceeds: The Corporation will use the net proceeds from the sale of the Offered Securities to finance capital projects and for general corporate working capital purposes, including for potential acquisitions.

10. **U.S. Provisions**

(a) Acknowledgements and Representation of the Agents: Each Agent acknowledges that the Securities have not been and will not be registered under the 1933 Act or any state securities laws and may not be offered or sold except pursuant to an exemption from the registration requirements of the 1933 Act and all applicable state securities laws.

(b) Representations and Warranties of Agents: Each Agent represents, warrants and covenants to the Corporation, severally and not jointly, that:

(i) it has only offered and sold and will only offer and sell the Offered Securities (A) outside the United States in an offshore transaction in accordance with all applicable Securities Laws including Rule 903 of Regulation S or (B) in the United States as provided in this Section 10. Accordingly, neither it nor its affiliates (including its U.S. affiliates), nor any persons acting on its or their behalf, have engaged or will engage in (1) any Directed Selling Efforts in the United States with respect to the Offered Securities, (2) except as permitted by this Section 10, any offer to sell or any solicitation of an offer to buy any Offered Securities to any person in the United States, or (3) any sale of Offered Securities to any Purchaser unless, at the time the buy order was or will have been originated, the Purchaser was outside the United States or acting for the account or benefit of a person in the United States or the Agent, its affiliates (including its U.S. affiliates) or any other person acting on any of their behalf reasonably believed that such Purchaser was outside the United States and not acting for the account or benefit of a Person in the United States;

(ii) it has not entered and will not enter into any contractual arrangement or other commitment with respect to the distribution of the Offered Securities in the United States, except as provided herein or with the prior written consent of the Corporation;

(iii) all offers and sales of the Offered Securities in the United States to, or for the account or benefit of, a Person in the United States (each a "**U.S. Placee**") have been and will be effected by the U.S. Placement Agent in accordance with all applicable U.S. federal and state broker-dealer requirements. Such U.S. Placement Agent is duly registered as a broker-dealer pursuant to Section 15(b) of the 1934 Act, is duly registered as a broker-dealer under the laws of each U.S. state in which it has offered or sold or will offer or sell the Offered Securities (except where an exemption from such state's broker-dealer registration requirements has been obtained), and is a member in good standing with the Financial Industry Regulatory Authority;

(iv) any offer, sale or solicitation of an offer to buy Offered Securities that has been made or will be made in the United States to, or for the account or benefit of a Person in the United States, was or will be made only by it through the U.S. Placement Agent, acting as agent, for sale by the Corporation to Persons that it reasonably believes to be U.S. Accredited Investors acquiring the Offered Securities for their own account or for the account of U.S. Accredited Investors with respect to which they exercise sole investment discretion in transactions that are exempt from registration under the 1933 Act pursuant to Rule 506 of Regulation D and exempt from registration under all applicable U.S. state securities laws;

(v) no written material has been or will be used in connection with the offer or sale of the Offered Securities in the United States other than the Subscription Agreement. Before any sale of Offered Securities to, or for the account or benefit of, a Person in the United States, it will cause each purchaser that is a

U.S. Placee to execute and deliver a Subscription Agreement. Neither the Agents nor their respective affiliates (including their U.S. Affiliates), nor any Person acting on behalf of any of them, has used any form of Directed Selling Efforts or form of General Solicitation or General Advertising, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, or acted in any manner involving a public offering within the meaning of Section 4(2) of the 1933 Act, in connection with the offer or sale of the Offered Securities in the United States;

(vi) at least one business day before the Closing Date, it will provide the Corporation with a list of all purchasers of the Offered Securities that are U.S. Placees and the registration instructions for each such Purchaser;

(vii) at the Closing the Agents and the U.S. Placement Agent will (a) provide a certificate, substantially in the form of Schedule B hereto, relating to the manner of the offer and sale of the Offered Securities in the United States to, or for the account or benefit of, a Person in the United States, or (b) be deemed to represent and warrant to the Corporation that none of it, any of its affiliates (including its U.S. affiliates) or any Person acting on its or their behalf has offered or sold any of the Offered Securities in the United States; and

(viii) none of the Agents, their affiliates (including their U.S. affiliates) or any Person acting on behalf of any of them has violated or will violate Regulation M under the 1934 Act in connection with offers and sales of the Offered Securities.

(c) Representations and Warranties of the Corporation: The Corporation hereby represents and warrants to the Agents that:

(i) neither the Corporation nor any of the affiliates thereof, nor any Person acting on behalf of any of them (excluding the Agents or their affiliates as to whom no representation is made) (A) has made any Directed Selling Efforts or (B) has engaged in any form of General Solicitation or General Advertising (within the meaning of Rule 502(c) of Regulation D) with respect to the Offered Securities;

(ii) except with respect to Offered Securities offered and sold in the United States, neither the Corporation nor any of the affiliates thereof, nor any Person acting on behalf of any of them (other than the Agents or their affiliates as to whom no representation is made), has made any offer to sell, or has solicited any offer to buy, any Offered Securities in the United States;

(iii) during the period in which the Offered Securities are offered for sale, neither the Corporation nor any of the affiliates thereof, nor any Person acting on behalf of any of them (excluding the Agents or their affiliates as to whom no representation is made), has taken any action that would cause the exemptions afforded by Rule 506 of Regulation D to be unavailable for offers and sales of Offered Securities;

(iv) neither the Corporation nor any of the predecessors or affiliates thereof has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such Person for failure to comply with Rule 503 of Regulation D concerning the filing of a notice of sales on Form D;

(v) the Corporation is not an "investment company" within the meaning of the 1940 Act;

(vi) the Corporation is a "foreign issuer" with no "substantial U.S. market interest" (as such terms are defined in Regulation S); and

(vii) except with respect to the offer and sale of Offered Securities, the Corporation has not, during the six month period before the date hereof, sold, offered for sale or solicited any offer to buy any securities thereof in the United States in a manner that would be integrated with this Offering and that would cause such sales of Offered Securities to be ineligible for exemption from registration under the 1933 Act.

(d) Covenants of the Corporation: The Corporation hereby covenants with the Agents that:

(i) neither the Corporation nor any of the affiliates thereof, nor any Person acting on behalf of any of them (excluding the Agents or their affiliates as to whom no representation is made), will engage in (i) any Directed Selling Efforts or (ii) any form of General Solicitation or General Advertising (within the meaning of Rule 502(c) of Regulation D) with respect to the Offered Securities;

(ii) except with respect to Offered Securities offered and sold in the United States in reliance upon an exemption from registration under the 1933 Act, neither the Corporation nor any of the affiliates thereof, nor any Person acting on behalf of any of them (other than the Agents or their affiliates as to whom no representation is made), will make any offer to sell, or solicit any offer to buy, any Offered Securities in the United States; and

(iii) during the period in which the Offered Securities are offered for sale, neither the Corporation nor any of the affiliates thereof, nor any Person acting on behalf of any of them (excluding the Agents or their affiliates as to whom no representation is made), will take any action that would cause the exemptions afforded by Rule 506 of Regulation D to be unavailable for offers and sales of Offered Securities.

11. **Termination**

(a) Right of Termination: The Agents will be entitled, at the sole option thereof, to terminate and cancel, without any liability on the part of the Agents, all of the obligations thereof under this Agreement and the obligations of any Person who has executed a Subscription Agreement, by notice in writing to that effect delivered to the Corporation before or at the Closing Time if:

(i) there has occurred any change in relation to the Corporation that could reasonably be expected to result in an material adverse change in relation to the Corporation and have a material adverse effect on the market price or value of the Common Shares of the Corporation;

(ii) any inquiry, investigation or other proceeding is made or any order is issued under or pursuant to any statute of Canada or any Province thereof or any statute of the United States or any state thereof or any stock exchange in relation to the Corporation or any of the Corporation's securities (except for any inquiry, investigation or other proceeding based upon activities of the Agents and not upon activities of the Corporation), which, in the opinion of the Agents, acting reasonably, prevents or restricts trading in or the distribution of the Common Shares or materially and adversely affects or might reasonably be expected to materially and adversely affect the market price or value of the Common Shares of the Corporation;

(iii) if there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence or any law or regulation which, in the opinion of the Agents, acting reasonably, materially adversely affects or involves, or will materially adversely affect or involve, the financial markets or the business, operations or affairs of the Corporation;

(iv) the Agents will not have received subscriptions for Common Shares equal to or in excess of the minimum amount required, as determined by the Agents in their discretion, acting reasonably; or

(v) the Agents become aware of, as a result of their due diligence review or otherwise, of any material adverse change, or a change in any material fact, in each case with respect to the Corporation (in the sole opinion of Agents, acting reasonably).

(b) Rights on Termination: Any termination by the Agents pursuant to subsection 11(a) hereof will be effected by notice in writing delivered by the Agents to the Corporation at the address thereof as set out in section 15 hereof. The right of the Agents to so terminate the obligations thereof under this Agreement is in addition to such other remedies as the Agents may have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement.

12. **Indemnity and Contribution**

(a) Indemnity: The Corporation hereby covenants and agrees to protect, indemnify and save harmless the Agents and each investment dealer which is a member of any agency group formed by the Agents in connection with the Offering, each of the associates and affiliates of each of them and the respective directors, officers, employees, shareholders, partners, advisors and agents of each of the Agents and each investment dealer which is a member of any agency group formed by the Agents in connection with the Offering and of each of the associates and affiliates of each of them (in this section 12 each an "**Indemnified Person**" and collectively the "**Indemnified Persons**") from and against all losses (other than a loss of profits), claims, damages, payments, liabilities, costs, fines, penalties and expenses (including the amount paid in settlement of any claim, action, suit, proceeding or investigation and the fees and reasonable expenses incurred obtaining advice in respect of, or in defending or settling, any such claim, action, suit, proceeding or investigation), joint or several, of whatsoever nature or kind to which an Indemnified Person may become subject or otherwise involved in any capacity under statute or common law or otherwise caused or incurred by reason of or in any way arising, directly or indirectly, from, by virtue of, or related to, enforcing the provisions of this Agreement or any Subscription Agreement, or:

(i) the Agents having acted as agents in respect of the Offering (other than by reason of the gross negligence or willful misconduct of the Agents);

(ii) any order made or inquiry, investigation or proceeding commenced or threatened by any officer or official of the Stock Exchange, any securities commission or authority or any other competent authority, not based upon the activities or the alleged activities of any of the Agents, in connection with the Offering;

(iii) the non-compliance or alleged non-compliance by the Corporation with any of the Securities Laws of the Offering Jurisdictions or any other applicable law in connection with the transactions contemplated herein;

(iv) any negligence or willful misconduct by the Corporation relating to or connected with the sale by the Corporation of the Offered Securities;

(v) any misrepresentation or alleged misrepresentation (except any made by the Agents and for which the Agents did not rely on any information provided by the Corporation or anyone acting on its behalf) relating to the Offering or the Offered Securities, whether oral or written and whether made during and in connection with the Offering or in respect of the trading of the Offered Securities in the secondary market after completion of the Offering, where such misrepresentation or alleged misrepresentation may give or gives rise to any other liability under any statute in any jurisdiction which is in force on the date of this Agreement or which comes into force after that date;

(vi) any failure or alleged failure to make timely disclosure of material change by the Corporation, whether such failure or alleged failure occurs during the Offering or after completion of the Offering, where such failure relates to the Offering or the Offered Securities and may give or gives rise to any liability under any statute in any jurisdiction which is in force on the date of this Agreement or which comes into force after that date; or

(vii) the breach of, or default under, any term, condition, covenant or agreement of the Corporation made or contained herein or in any other document of the Corporation delivered pursuant hereto or made by the Corporation in connection with the sale of the Offered Securities or any representation or warranty of the Corporation made or contained herein or in any other document of the Corporation delivered pursuant hereto or the sale of the Offered Securities being or being alleged to be untrue, false or misleading.

If any matter or thing contemplated by this section 12 will be asserted against any Indemnified Person in respect of which indemnification is or might reasonably be considered to be provided hereunder, such Indemnified Person will notify the Corporation in writing as soon as possible of the nature and details of such claim and the Corporation will undertake the investigation and assume the defence of any action, suit or proceeding brought to enforce such claim; provided, however, that the defence will be through legal counsel reasonably acceptable to the Indemnified Person and that no settlement may be made by the Corporation or the Indemnified Person without the prior written consent of the other of them and the Corporation will not be liable for any settlement of any such claim unless it has consented in writing to such settlement.

(b) Counsel: In any claim referred to in section 12 hereof, the Indemnified Person will have the right to retain separate legal counsel to act on behalf of such Indemnified Person provided that the fees and disbursements of such separate legal counsel will be paid by the Indemnified Person unless:

(i) the Corporation fails to assume the defence of such claim on behalf of the Indemnified Person within ten days of receiving notice of such claim;

(ii) the Corporation and the Indemnified Person will have mutually agreed to the retention of such separate legal counsel;

(iii) the named parties to such claim (including any added, third or impleaded parties) include both the Corporation and the Indemnified Person and the Indemnified Person has been advised by legal counsel that representation of both the Corporation and the Indemnified Person by the same legal counsel would be inappropriate due to actual or potential differing interests between them; or

(iv) there are one or more defences available to the Indemnified Parties which are different from or in addition to those available to the Corporation;

in which event or events the fees and disbursements of such separate legal counsel will be paid by the Corporation, subject as hereinafter provided. Where more than one Indemnified Person is entitled to retain separate counsel in the circumstances described in this subsection 12(b), all Indemnified Persons will be represented by one separate legal counsel and the fees and disbursements of only one separate legal counsel for all Indemnified Persons will be paid by the Corporation, unless:

(i) the Corporation and the Indemnified Persons have mutually agreed to the retention of more than one legal counsel for the Indemnified Persons; or

(ii) the Indemnified Persons have or any of them has been advised in writing by legal counsel that representation of all of the Indemnified Persons by the same legal counsel would be inappropriate due to actual or potential differing interests between them.

(c) Waiver of Right: The Corporation hereby waives its right to recover contribution from the Agents and the other Indemnified Persons with respect to any liability of the Corporation by reason of or arising out of the indemnity provided by the Corporation in this section 12, provided, however, that such waiver will not apply in respect of an Agent for any liability directly caused or incurred by reason or arising out of:

(i) any information or statements relating solely to, and provided by, such Agent or any failure by such Agent in connection with the Offering to provide to Purchasers any document which the Corporation is required to provide to the Purchasers and which the Corporation has provided or made available to the Agents to forward to the Purchasers, or

(ii) any gross negligence, fraudulent act or willful misconduct of the Agents.

(d) Contribution:

(i) In order to provide for just and equitable contribution in circumstances in which the indemnity contained in this section 12 is, for any reason of policy or otherwise, held to be unavailable to or unenforceable by, in whole or in part, an Indemnified Person other than in accordance with the provisions of this section

12, the Corporation will contribute to the aggregate losses (other than a loss of profit), claims, damages, payments, liabilities, costs, fines, penalties and expenses (including the amount paid in settlement of any claim, action, suit, proceeding or investigation and the fees and expenses of counsel on a solicitor and his own client basis incurred obtaining advice in respect of, or in defending or settling, any such claim, action, suit, proceeding or investigation) of the nature contemplated by such indemnity incurred or paid by the Indemnified Person in such proportion as is appropriate to reflect not only the relative benefits received by the Corporation on the one hand and the Indemnified Person on the other hand in connection with the Offering but also the relative fault of the Corporation on the one hand and the Indemnified Person on the other hand in connection with the matters, things and actions which resulted in such losses, claims, damages, payments, liabilities, costs, fines, penalties or expenses as well as any other relevant equitable considerations or, if such allocation is not permitted by applicable law, in such proportion so that the Indemnified Person will be responsible for the proportion represented by the percentage that the Agents' fee per Offered Security bears to the Purchase Price and the Corporation will be responsible for the balance, whether or not they are a party to the same or separate claims; provided, however, that no Person who has engaged in any dishonesty, fraud, fraudulent misrepresentation, negligence or willful default will be entitled to contribution from any Person who has not engaged in any dishonesty, fraud, fraudulent misrepresentation, negligence or willful default and further provided that in no event will any Agent be responsible for any amount in excess of the fee actually received from the Corporation under this Agreement and retained by such Agent. For purposes of this subsection 12(d), relative fault will be determined by reference to, among other things, whether any untrue or alleged untrue statement of a material fact or any omission or alleged omission to state a material fact relates to information supplied by the Corporation on the one hand or the Agents on the other hand and the relevant intent, knowledge, access to information and opportunity to correct or prevent any such untrue statement or omission of the Corporation and the Indemnified Person.

(ii) In the event that the Corporation is held to be entitled to contribution from the Agents under the provisions of any statute or law, the Corporation will be limited to such contribution in an amount not exceeding the lesser of:

A. the portion of the amount of the loss or liability giving rise to such contribution for which the particular Agent is responsible as determined in accordance with subsection 12(d) above; and

B. the amount of the cash fee actually received from the Corporation under this Agreement and retained by such Agent.

(iii) For purposes of this subsection 12(d), each party hereto will give prompt notice to the other parties hereto of any claim, action, suit or proceeding threatened or commenced in respect of which a claim for contribution may be made under this subsection 12(d).

(e) Held in Trust: To the extent that the indemnity contained in subsection 12(a) hereof is given in favour of a Person who is not a party to this Agreement, the Corporation hereby constitutes the Agents as trustee for such Person for such indemnity and the covenants given by Corporation to such Person in this Agreement. The Agents hereby accept such trust and hold such indemnity and covenants for the benefit of such Persons. The benefit of such indemnity and covenants will be held by the Agents in trust for the Persons in favour of whom such indemnities and covenants are given and may be enforced directly by such Persons.

(f) Exclusions: If and to the extent that a court of competent jurisdiction, in a final non-appealable judgment in a proceeding in which the Agents are named as a party, determines that a claim was caused by or resulted from an Indemnified Person's gross negligence, fraudulent act or willful misconduct, the indemnity hereunder will cease to apply to such Indemnified Person in respect of such claim and such Indemnified Person will reimburse any funds advanced by the Corporation in respect of such claim.

13. **Expenses**

Whether or not the purchase and sale of the Offered Securities will be completed as contemplated by this Agreement, all expenses of or incidental to the issue, sale and delivery of the Offered Securities and of or incidental to all matters in connection with the transaction herein set out will be borne by the Corporation including, without limitation, the reasonable fees and disbursements (including applicable taxes) of legal counsel for the Agents, such fees of the Agents' legal counsel not to exceed $50,000 (plus applicable taxes and disbursements) without the consent of the Corporation, such consent not be unreasonably withheld (the "Agents' Expenses"). The Corporation will pay to the Agents on closing of the Offering the Agents' Expenses.

14. **Conditions**

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

15. **Notices**

Any notice or other communication required or permitted to be given hereunder will be in writing and will be personally delivered or sent by telecopier on a Business Day to the following addresses:

(a) in the case of the Corporation, to:

Eacom Timber Corporation
1100 Rene-Levesque Boulevard West, Suite 2110
Montreal, Quebec H3B 4N4
Attention: Mr. Marc Girard, Executive Vice President and Chief Financial Officer
Facsimile: (514) 848-6885;

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

Heenan Blaikie LLP
Suite 2200, 1055 West Hastings Street
Vancouver, British Columbia V6E 2E9

Attention: Ms. Catherine Wade
Facsimile: 1-866-698-6911;

(b) in the case of the Agents, to:

Canaccord Genuity Corp.
Pacific Centre, Suite 2200, 609 Granville Street, P.O. Box 10337
Vancouver, British Columbia, V7Y 1H2
Attention: Mr. Ali Pejman, Managing Director, Investment Banking
Facsimile: (604) 643-7300;

and to:

Dundee Securities Ltd.
1 Adelaide St. East, Suite 2700
Toronto, Ontario, M5C 2V9
Attention: David G. Anderson, Vice Chairman, Investment Banking
Facsimile: (416) 350-3312;

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

McMillan LLP
Suite 1500, 1055 West Georgia Street
Vancouver, British Columbia V6E 4N7
Attention: Mr. Thomas J. Deutsch
Facsimile: (604) 893-2679.

Either the Corporation or either of the Agents may change its address for notice by notice given in the manner aforesaid. Any such notice or other communication will be in writing, and unless delivered to a responsible officer of the addressee, will be given by telecopier, and will be deemed to have been given on the day on which it was delivered or sent by telecopier.

16. **Miscellaneous**

(a) Governing Law: This Agreement will be governed by and be interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and the parties hereto irrevocably attorn to the jurisdiction of the courts of such province.

(b) Time of Essence: Time will be of the essence of this Agreement.

(c) Survival: All representations, warranties, covenants and agreements of the Corporation herein contained or contained in any documents contemplated by, or delivered pursuant to, this Agreement or in connection with the purchase and sale of the Offered Securities will survive the purchase and sale of the Offered Securities and the termination of this Agreement and will continue in full force and effect for the benefit of the Agents and the Purchasers, regardless of any subsequent disposition of Offered Securities or the Broker Shares or any investigation by or on behalf of the Agents with respect thereto. The provisions of sections 12, 13 and 16 will survive termination of this Agreement, whether the reason for such termination is within or beyond the control of the Corporation.

(d) Counterparts: This Agreement may be executed by any one or more of the parties to this Agreement by facsimile or in any number of counterparts, each of which when so executed will be deemed to be an original and all of which when taken together will constitute one and the same agreement.

(e) Entire Agreement: This Agreement constitutes the entire agreement between the Corporation and the Agents in connection with the issue and sale of the Offered Securities by the Corporation and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, including, but not limited to, any engagement agreement or term sheet relating to the Offering between the Corporation and the Agents, provided Section 11 of the engagement letter between the Corporation and the Agents will survive with respect to the waiver of prior agreements.

(f) Severability: If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it will be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision will be severed from this Agreement.

(g) Language: The parties hereto acknowledge and confirm that they have requested that this Agreement as well as all notices and other documents contemplated hereby be drawn up in the English language. Les parties aux présentes reconnaissent et confirment qu'elles ont convenu que la présente convention ainsi que tous les avis et documents qui s'y rattachent soient rédigés dans la langue anglaise.

(h) Authority of Agents: All actions which must or may be taken by the Agents in connection with this Agreement, including any agreement, waiver, order, notice (other than a notice pursuant to section 11 or section 12 hereof), direction, receipt or other action to be made, given or taken by the Agents hereunder may be made, given or taken by Canaccord on behalf of the Agents and the Corporation will accept notification of any such actions from, and deliver the certificates representing the Offered Securities to, or to the order of, the Agents. The Agents acknowledge that where practicable to do so they will discuss any action to be taken by them hereunder before taking such action, provided that the failure of the Agents so to discuss will not detract from the right of the Corporation to rely on the action of the Agents in accordance with the provisions of this subsection.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

Would you kindly confirm the agreement of the Corporation to the foregoing by executing five duplicate copies of this Agreement and thereafter returning two such executed copies to each of the Agents.

Yours truly,

CANACCORD GENUITY CORP.

By:

Name: Ali Pejman
Title: Managing Director, Investment Banking

DUNDEE SECURITIES LTD.

By:

Name:
Title:

The undersigned hereby accepts and agrees to the foregoing as of the 20 day of April, 2011.

EACOM TIMBER CORPORATION

By:

Name:
Title:

Would you kindly confirm the agreement of the Corporation to the foregoing by executing five duplicate copies of this Agreement and thereafter returning two such executed copies to each of the Agents.

Yours truly,

CANACCORD GENUITY CORP.	**DUNDEE SECURITIES LTD.**
By:	By:
Name:	Name: David G. Anderson
Title:	Title: Vice Chairman, Investment Banking

The undersigned hereby accepts and agrees to the foregoing as of the 20 day of April, 2011.

EACOM TIMBER CORPORATION

By:

Name:
Title:

Would you kindly confirm the agreement of the Corporation to the foregoing by executing five duplicate copies of this Agreement and thereafter returning two such executed copies to each of the Agents.

Yours truly,

CANACCORD GENUITY CORP.

By:

Name:
Title:

DUNDEE SECURITIES LTD.

By:

Name:
Title:

The undersigned hereby accepts and agrees to the foregoing as of the 20 day of April, 2011.

EACOM TIMBER CORPORATION

By:

Name: George Girard
Title: EVP & CFO

SCHEDULE A

OFFICERS' CERTIFICATE

TO:	**CANACCORD GENUITY CORP.**
AND TO:	**DUNDEEN SECURITIES LTD.**
AND TO:	**MCMILLAN LLP**
AND TO:	**THE PURCHASERS OF COMMON SHARES OF EACOM TIMBER CORPORATION**

CERTIFICATE

The undersigned, Mr. Marc Girard, Executive Vice President and Chief Financial Officer and Mr. Rick Doman, President and Chief Executive Officer of Eacom Timber Corporation (the "**Corporation**"), each hereby certify, for and on behalf of the Corporation in his capacity as officer of the Corporation and not in a personal capacity, after having made due inquiry, that the following facts, matters and information are true and accurate and not misleading in any material respect:

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

2. The Corporation has complied with all covenants and agreements contained in, and has satisfied all of the terms and conditions of, the Agency Agreement to be complied with and satisfied by the Corporation at or before the Closing Time.

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

4. Since March 31, 2010, except as disclosed in the Disclosure Record, there has been no material adverse change (whether actual, anticipated, proposed, prospective or threatened) in the financial condition, assets, liabilities (contingent or otherwise), business, affairs, operations or prospects of the Corporation or in the capital of the Corporation.

5. No transaction of a nature material to the Corporation has been entered into by the Corporation, except as disclosed in the Disclosure Record.

6. There are no contingent liabilities affecting the Corporation which are material to the Corporation.

7. No order, ruling or determination having the effect of ceasing or suspending the sale or ceasing, suspending or restricting trading in the Offered Securities, the Common Shares or any other securities of the Corporation has been issued or made by any stock exchange, securities commission or other regulatory authority and is continuing in effect and no proceedings, investigations or enquiries for such purpose have been instituted or are pending, or are contemplated or threatened under any of the Securities Laws of the Offering Jurisdictions or by

any stock exchange (including the Stock Exchange), securities commission or other regulatory authority.

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

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

10. This certificate is being made and delivered pursuant to subparagraph 5(b)(iv) of the Agency Agreement dated April 20, 2011 between the Corporation and the Agents, and I acknowledge that the addressees hereof will be relying on this certificate.

Unless otherwise defined herein, all words and terms with the initial letter or letters thereof capitalized in this certificate and not defined herein but defined in the Agency Agreement will have the meanings given to such capitalized words and terms in the Agency Agreement. The undersigned acknowledges that he is familiar with the definitions given to the capitalized words and terms in the Agency Agreement and that such definitions are hereby incorporated by reference.

IN WITNESS WHEREOF the undersigned has executed this certificate as of the ___day of April, 2011.

____

Marc Girard,
Vice President and Chief Financial Officer of
EACOM TIMBER CORPORATION

____

Rick Doman,
President and Chief Executive Officer of
EACOM TIMBER CORPORATION

SCHEDULE B

TO: **EACOM TIMBER CORPORATION**
AND TO: ●
AND TO: **HEENAN BLAIKIE LLP**

CERTIFICATE

In connection with the private placement of common shares (the "**Offered Securities**") of Eacom Timber Corporation (the "**Corporation**") with U.S. "accredited investors" (collectively, the "**U.S. Private Placees**") pursuant to subscription agreements accepted as of April ●, 2011, by the Corporation, ● , one of the Agents referred to in the Agency Agreement dated as of April ●, 2011 between Canaccord Genuity Corp. and Dundee Securities Ltd. (collectively the "**Agents**") and the Corporation (the "**Agency Agreement**"), and ● , as placement agent in the United States for the Agents (the "**U.S. Placement Agent**"), do hereby certify that:

1. The U.S. Placement Agent is, and was at all times that the Offered Securities were offered and sold in the United States, a duly registered broker or dealer with the United States Securities and Exchange Commission (the "**SEC**") under Section 15(b) of the United States *Securities Exchange Act of 1934*, as amended (the "**1934 Act**"), and in each state in which the Offered Securities were offered and sold (unless exempted) and is a member of and is in good standing with the Financial Industry Regulation Authority as of the date hereof.

2. All offers and sales of the Offered Securities in the United States were made in accordance with the Agency Agreement to "accredited investors" (each an "**Accredited Investor**"), within the meaning of Rule 501(a) under the United States *Securities Act of 1933*, as amended (the "**1933 Act**").

3. All offers and sales of the Offered Securities in the United States have been effected by the U.S. Placement Agent in accordance with all applicable U.S. federal and state broker-dealer requirements.

4. In connection with offers and sales of the Offered Securities in the United States, no written material has been used or will be used other than a Subscription Agreement in the form agreed to between the Corporation and the Agents.

5. Immediately before transmitting the Subscription Agreement to such U.S. Private Placees, we had reasonable grounds to believe and did believe that each such offeree was an Accredited Investor, and, on the date hereof, we continue to believe that each U.S. Private Placee is an Accredited Investor.

6. Neither we nor our affiliates, nor any person acting on behalf of any of the foregoing, have utilized or will utilize any directed selling efforts (as defined in Regulation S) or any form of general solicitation or general advertising (as those terms are used in Regulation D under the 1933 Act) in connection with the Offering of the Offered Securities in the United States.

7. Before any sale of Offered Securities to a person in the United States, we caused each U.S. Private Placee to sign a Subscription Agreement containing representations, warranties, covenants and agreements of such purchaser in the form agreed to between the Corporation and the Agents.

8. Neither we nor any member of the selling dealer group, nor any of our or their affiliates, have taken or will take any action which would constitute a violation of Regulation M under the 1934 Act in respect of the offer and sale of the Offered Securities.

Unless otherwise defined herein, all words and terms with the initial letter or letters thereof capitalized in this certificate and not defined herein but defined in the Agency Agreement will have the meanings given to such capitalized words and terms in the Agency Agreement. The undersigned acknowledge that they are familiar with the definitions given to the capitalized words and terms in the Agency Agreement and that such definitions are hereby incorporated by reference.

IN WITNESS WHEREOF the undersigned have executed this certificate as of the _____ day of April, 2011.

● ●

By: By:

______________________________ ______________________________