Renewable for Life

Form of Subscription Agreement used in a private placement completed on May 29, 2007.

Sierra Geothermal Power Corp
Suite 500, 666 Burrard Street, Vancouver, BC, Canada, V6C 3P6
Tel: 604 683 0332 | Fax: 604 683 0342 | Toll Free: 800 563 5631
Email: info@sierrageopower.com | Website: www.sierrageopower.com
TSX_V: SRA

SIERRA GEOTHERMAL POWER CORP. - UNIT SUBSCRIPTION AGREEMENT

A completed and originally executed copy of this Unit Subscription Agreement and applicable Schedule(s), duly completed and signed, must be delivered to the Corporation.

To: **SIERRA GEOTHERMAL POWER CORP.** (the "**Corporation**")

The undersigned (the "**Subscriber**") hereby irrevocably subscribes for and agrees to purchase the number of units ("**Units**") each Unit consisting of one common share in the capital of the Corporation ("**Common Shares**") and one common share purchase warrant ("**Warrants**") with the terms and conditions set forth below for the subscription price of (Cdn.) $0.50 per Unit representing the aggregate consideration set forth below (the "**Subscription Amount**"), upon and subject to the terms and conditions set forth in the attached "***Terms And Conditions of Subscription for Units of Sierra Geothermal Power Corp.***" (the "**Terms and Conditions**") (together with this page and the attached schedules, the "**Subscription Agreement**").

Subscriber's Particulars

____
Name of Subscriber - please print

By: _______________________________
Authorized Signature

____
Official Capacity or Title, if any (please print)

____
Name of Authorized Signing Authority (please print)

____
Subscriber's Address - Street

Register the Common Shares and the Warrants as above ☐, or as set forth below:

____
City/Town Province Postal Code

Number of Units: _______________________________

Subscription Amount: $_______________________________

If the Subscriber is signing as agent for a principal and is not a trust company or a portfolio manager, in either case, purchasing as trustee or agent for accounts fully managed by it, complete the following and ensure that Schedule C, if applicable, is completed in respect of such principal:

____
Name of Principal

____
Principal's Address

____
City/Town Province Postal Code

____
Principal's Telephone Number

____
Principal's E-mail Address

Certificates for Common Shares and Warrants will be delivered to the registered shareholder unless delivery is otherwise specified as set forth below:

____

ACCEPTANCE: The Corporation hereby accepts this Subscription Agreement, subject to the Terms and Conditions.

DATED this _____ day of _______________________ 2007.

SIERRA GEOTHERMAL POWER CORP.

Per: _______________________________

Subscription No.:

This is the first page of an agreement comprised of 14 pages (not including Schedules A–D).

Prepared by _______________

Approved by _______________

DOCSTOR: 1253460\2

SUMMARY OF OFFERING

The Issuer	**SIERRA GEOTHERMAL POWER CORP. (the "Issuer")**
The Agents	The Offering is being made by Jacob & Company Securities Inc., together with any sub-agents, (collectively referred to as the "Agents") under an agency agreement that guarantees that the offered securities will be fully subscribed for.
The Offering	The offering consists of the placement of 20,000,000 units of the Issuer (the "Units"). Each unit consists of one common share and one share purchase warrant exercisable to purchase one additional common share of the Issuer at a price of CDN$0.70 on or before 24 months from the date of closing.
Total amount	CDN$10,000,000
Price	CDN$0.50 per Unit
Compensation to Agents	The Agents will receive a cash commission equal to 8% of the gross proceeds and an Agent's Warrant equal to 8% of the number of Units sold, each Agent's Warrant being exercisable to purchase one additional common share of the Issuer at a price of CDN$0.70 per share for a period of 24 months from closing.
Warrants	The Warrants will be issued and registered in the name of the purchasers. The Warrants are transferable after the expiry of statutory hold periods applicable to the purchasers in the jurisdiction of their residence.
Selling Jurisdictions	Offshore and to qualified purchasers in the U.S.A. (the "Selling Jurisdictions").
Exemptions	The Offering will be made in accordance with the following exemptions from the prospectus requirements: (a) the British Columbia and Alberta "accredited investor" exemption (section 2.3 of National Instrument 45-106); (b) the "minimum amount investment (CDN$150,000)" exemption found in Section 2.10 of National Instrument 45-106 Prospectus and Registration Exemptions; (c) the "offshore exemption" found in BC Instrument 72-503; and (d) the British Columbia "exempt purchaser" exemption (section 74(2)(3) of the Securities Act (British Columbia).
Resale restrictions and legends (All Purchasers)	Pursuant to Multilateral Instrument 45-102, the Purchased Securities will therefore be subject to a four month hold period that starts to run on Closing. The Purchaser acknowledges that the certificates representing the Purchased Securities will bear the following legends: "Unless permitted under securities legislation, the

holder of the securities shall not trade the securities before [insert the date that is four months and a day after the distribution date.]"

"Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities presented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date that is four months and a day after the Closing]."

The Purchaser agrees that the Purchased Securities of U.S. residents will bear additional legends as determined by the Company.

Purchasers are advised to consult with their own legal counsel or advisors to determine the resale restrictions that may be applicable to them.

Additional Resale Restrictions and legends (US Purchasers only)

The Securities will be offered in the United States in reliance on exemption from registration provided in Section 4(2) of the Securities Act of 1933 and Regulation D promulgated thereunder and applicable exemptions or preemption from the registration and qualification requirements (other than notice filing provisions) of applicable state laws.

The Securities will constitute "restricted securities" in the United States and may not be sold in any public market until at least one year after the Closing Date in accordance with all of the conditions of Rule 144.

Closing Date

Payment for the purchased securities must be made concurrently with the delivery of this Subscription Agreement unless delivery against payment is required for RRSP subscribers or institutional purchasers. The Private Placement will close 48 hours after TSX Venture Exchange acceptance of the placement for filing (the "Closing Date") and in any event no later than April 12, 2007 unless the time for closing is extended by the Agent and the Issuer.

Conditions to Large Block Purchases

Purchasers that subscribe for Units that on receipt and conversion of warrants when combined with existing holdings could give rise to the Purchaser acquiring or exercising direction and control over more than 5,447,000 shares will be required to file a Personal Information Form ("PIF") as an Insider of the Issuer and Insider Reports as provided for under the *Securities Acts* of the Provinces of British Columbia and Alberta.

Should a Purchaser subscribe for a number of Units that under the same circumstances would exceed 10,894,000 shares, their subscription would be subject to the consent of shareholders of the Issuer to be obtained from shareholders holding more than 50% of the issued and outstanding shares of the Issuer in writing or by a majority of votes cast at a meeting of shareholders of the Issuer convened for the purpose of obtaining shareholders' consent to an effective change in control of the Issuer.

Additional definitions

In the Subscription Agreement, the following words have the following meanings unless otherwise indicated:

(a) "Purchased Securities" means the Units purchased under this Subscription Agreement;

(b) "Securities" means the Shares, the Warrants and the Warrant Shares;

(b) "Warrants" includes the certificates representing the Warrants.

THE ISSUER

Jurisdiction of organization	The Issuer is incorporated under the British Columbia Business Corporations Act.
Stock exchange listings	Shares of the Issuer are listed on the TSX Venture Exchange (the "Exchange") under the symbol SRA.
"Securities Legislation Applicable to the Issuer"	The "Securities Legislation Applicable to the Issuer" are the *Securities Act* (British Columbia) and the *Securities Act* (Alberta) and the "Commissions with Jurisdiction over the Issuer" are the British Columbia Securities Commission and the Alberta Securities Commission.

END OF TERMS

TERMS AND CONDITIONS OF SUBSCRIPTION FOR UNITS OF SIERRA GEOTHERMAL POWER CORP.

1. **Acknowledgement.** The Subscriber acknowledges that the Subscriber's Units will be issued pursuant to an offering of up to 20,000,000 units by way of private placement (the "**Offering**"). The Units have an issue price of $0.50 per unit, and consist of a common share and one common share purchase warrant entitling the holder to acquire an additional common share at an exercise price of $0.70 for a period of two years following the closing.

2. **Terms of Units and Warrants.**

   (a) Each Unit will be comprised of one Common Share and one Warrant;

   (b) The Common Shares and Warrants will be issued and registered as indicated on the face page of this Subscription Agreement;

   (c) Each Warrant will entitle the holder, on exercise, to purchase one Warrant Share for a period of two years following the Closing, at an exercise price of $0.70;

   (d) The Warrants are transferable after the expiry of statutory hold periods applicable to the purchasers in the jurisdiction of their residence.

   (e) The certificates representing the Warrants will, among other things, include provisions for the appropriate adjustment in the class, number and price of the Warrant Shares issued on exercise of the Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Issuer's common shares, the payment of stock dividends and the amalgamation of the Issuer; and

   (f) The issue of the Warrants will not restrict or prevent the Issuer from obtaining any other financing, or from issuing additional securities or rights, during the period within which the Warrants may be exercised.

3. **Definitions.** In this Subscription Agreement, unless the context otherwise requires:

   (a) "**Accredited Investor Status Certificate**" means the Accredited Investor Status Certificate in the form attached hereto as Schedule C which is required to be completed by a Subscriber who is a resident of the United States and is purchasing securities as an "accredited investor";

   (b) "**affiliate**", "**distribution**" and "**insider**" have the respective meanings ascribed to them in the *Securities Acts* (British Columbia and Alberta);

   (c) "**Agent**" means Jacob & Company Securities Inc. ("**Jacob**") and such other syndicate members as may be appointed by Jacob;

   (d) "**Closing**" means the completion of the issue and sale by the Corporation and the purchase by the Subscribers of the Units pursuant to the subscription agreements, in the form of this Subscription Agreement, completed by Subscribers;

   (e) "**Closing Date**" means April 12, 2007 or such other date as the Corporation and the Agent may determine;

   (f) "**Closing Time**" means 11:00 a.m. (Vancouver time) on the Closing Date or such other time as the Corporation may determine;

   (g) "**Common Share**" means the common shares in the capital of the Corporation;

   (h) "**Form 4C**" means TSX Venture Exchange Form 4C Corporate Placee Registration Form in the form of Schedule D attached hereto;

(i) **"material"** means material in relation to the Corporation;

(j) **"person"** includes:

(i) an individual;

(ii) a corporation;

(iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not; and

(k) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;

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

(m) **"Subscribers"** means the party set out on the first page of this Subscription Agreement;

(n) **"Subscription Amount"** means the amount equal to $0.50 multiplied by the number of Units subscribed and paid for pursuant to this Subscription Agreement;

(o) **"Unit"** consists of one Common Share and one Warrant;

(p) **"U.S. Person"** as that term is defined in Rule 902(k) of the Regulation S under the U.S. Securities Act;

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

(r) **"Warrant"** means a common share purchase warrant as further described in Section 2; and

(s) **"Warrant Share"** means a Common Share issuable upon exercise of a Warrant.

4. **Delivery and Payment.** The Subscriber agrees that the following documents shall be delivered to Ogilvy Renault LLP, Royal Bank Plaza, South Tower, Suite 3800, 200 Bay Street P.O. Box 84, Toronto, Ontario, Canada, M5J 2Z4, attention: Walied Soliman, not later than 4:00 p.m. (Vancouver Time) on the day that is not less than two (2) business days prior to the Closing Date or such other date or place as the Corporation may advise:

(a) a completed and duly signed copy of this Subscription Agreement;

(b) a duly completed information form regarding the particulars of the Subscriber attached hereto as Schedule A;

(c) a completed and duly signed Canadian Accredited Investor Status Certificate attached hereto as Schedule B;

(d) if the Subscriber is a U.S. Person, is in the United States or is purchasing the Units for the account or benefit of U.S. Person or Person in the Untied States or is otherwise subject to the Securities Laws of the United States, a completed and duly signed copy of the US Accredited Investor Status Certificate attached hereto as Schedule C;

(e) if the Subscriber is not an individual and has not otherwise previously filed for a Form 4C with the Stock Exchange a completed and duly signed copy of Form 4C attached hereto as Schedule D;

(f) any other documents required by applicable securities laws which the Corporation requests; and

(g) a certified cheque or bank draft made payable in same day freely transferable Canadian funds at par in Toronto, Ontario to Ogilvy Renault, In Trust referenced Sierra Geothermal Power Corp., or funds wired to the Account Number: 103-123-6, Transit Number: 00002, Bank Code: 003,,ABA Number: 021-000-021, Swift Number: ROYCCAT2, Name of Account: Ogilvy Renault, In Trust, Address of Account: 200 Bay Street, Royal Bank Plaza, Toronto, Ontario, M5J 2J5, Contact: Barb O'Kane, Telephone Number: (416) 216-4850, representing the aggregate Subscription Amount payable by the Subscriber for the Subscriber's Units, or such other method of payment against delivery of the Units as the Corporation may accept.

The Subscriber acknowledges and agrees that such documents, when executed and delivered by the Subscriber, will form part of and will be incorporated into this Subscription Agreement with the same effect as if each constituted a representation and warranty or covenant of the Subscriber hereunder in favour of the Corporation. The Subscriber consents to the filing of such documents as may be required to be filed with any securities regulatory authority in connection with the transactions contemplated hereby. The Subscriber acknowledges and agrees that this Subscription Agreement, the Subscription Amount and any other documents delivered in connection herewith will be held by the Corporation until such time as the Closing conditions referred to herein are satisfied or waived by the Corporation.

5. **Closing.** The transactions contemplated hereby will be completed at the Closing at the offices of Kjeld Werbes Law Corporation, 708-1111 West Hastings Street, Vancouver, BC, V6E 2J3.

The Subscriber acknowledges that the Common Shares and Warrants will be available for delivery to it at the Closing against payment of the Subscription Amount for the Subscriber's Units.

The Subscriber acknowledges and agrees that the subscription for Units contemplated by this Subscription Agreement is subject to the Corporation's acceptance of this Subscription Agreement, in whole or in part, and compliance with all relevant applicable securities laws and that the Corporation may decline to complete this subscription if the Corporation believes that its completion of the subscription would be unlawful or in contravention of the rules and policies of the applicable securities regulatory authorities or would result in an unlawful issuance or sale of securities or in its sole discretion. If any portion of this subscription is rejected or not completed, the Corporation will promptly return any funds delivered to the Corporation by the Subscriber as payment of the unused Subscription Amount without deduction or interest.

The Subscriber will take up, purchase and pay for the Subscriber's Units at the Closing upon acceptance of this offer by the Corporation and the satisfaction by the Corporation, or waiver on behalf of the Subscriber by the Corporation, of the conditions referred to in section 7 below.

6. **Representations, Warranties and Covenants of the Corporation.** By accepting this Subscription Agreement, the Corporation represents and warrants to the Subscriber as follows:

(a) the Corporation has been duly transitioned and is validly subsisting and in good standing under the *British Columbia Business Corporations Act* and has all requisite corporate power and capacity to enter into, and carry out its obligations under, this Subscription Agreement;

(b) on the Closing Date, the Corporation will have taken all corporate steps and proceedings necessary to approve the transactions contemplated hereby, including the execution and delivery of this Subscription Agreement;

(c) on the Closing Date, the Corporation will be and will have been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding such date;

(d) the outstanding Common Shares are listed for trading on the Stock Exchange,

(e) no order ceasing of trading in the securities of the Corporation nor prohibiting the sale of such securities has been issued to the Corporation or its directors, officers or promoters by the Securities Commissions and, to the best of the knowledge of the Corporation, no investigations or proceedings for such purposes are pending or threatened;

(f) prior to the Closing Time, the Corporation will have obtained conditional approval from the Stock Exchange in respect of the completion of the transactions contemplated hereby;

(g) the Corporation has full corporate power and authority to undertake the Offering and to issue the Units;

(h) at the Closing Time, the Units will be duly and validly created, authorized and issued as fully paid and non-assessable Common Shares and Warrants;

(i) the Corporation has complied, or will comply, with all applicable corporate and applicable securities laws and regulations in connection with the offer, sale and issuance of the Units;

(j) the issuance and sale of the Units by the Corporation does not and will not conflict with and does not and will not result in a breach of any of the terms, conditions or provisions of its constating documents or any agreement or instrument to which the Corporation is a party;

(k) the Corporation has not received notice from any applicable regulatory authority that it is in default of any applicable securities laws material to the Subscriber; and

(l) this Subscription Agreement, when executed by the Corporation, constitutes a binding and enforceable obligation of the Corporation, enforceable in accordance with its terms.

7. **Conditions of Closing.** The Subscriber acknowledges and agrees that the obligation of the Corporation to complete the Offering is subject to the conditions that

(a) the Subscriber delivers to the Corporation: (i) one fully completed and duly executed copy of this Agreement, including the schedules and all other documentation contemplated by this Agreement; and (ii) payment for the Units in accordance with section 3.1 of this Agreement;

(b) the Corporation accepting the Subscriber's subscription for the Units;

(c) the Subscriber executing and returning to the Corporation all relevant documentation required by applicable securities legislation, rules, and regulation and policy statements;

(d) the representations and warranties made by the Subscriber in this Agreement shall be true and correct in all material respects when made and shall be true and correct in all material respects on the Closing Date; and

(e) all covenants, agreements, and conditions contained in this Agreement to be performed by the Subscriber on or prior to the Closing Date shall have been performed or complied with in all material respects.

8. **Acceptance or Rejection.** The Corporation will have the right to accept or reject this subscription at any time at or prior to the Closing Time. The Subscriber acknowledges and agrees that the acceptance of this subscription will be conditional upon the sale of the Subscriber's Units to the Subscriber being exempt from any prospectus requirements of all applicable securities laws and the equivalent provisions of securities laws of any other applicable jurisdiction. The Corporation will be deemed to have accepted this subscription upon the Corporation's execution of the acceptance form at the beginning of this Subscription Agreement

and the delivery at the Closing of the certificate representing the Subscriber's Common Shares and Warrants to or upon the direction of the Corporation in accordance with the provisions hereof.

9. **Subscriber's Representations, Warranties & Acknowledgements.** The Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) represents, warrants, covenants and acknowledges to the Corporation (and acknowledges that the Corporation and its counsel are relying thereon), that both at the date hereof and at the Closing Time:

(a) **Authorization and Effectiveness.** If the Subscriber is an individual, it is of the full age of majority and has all requisite legal capacity and competence to execute and deliver this Subscription Agreement and to observe and perform its covenants and obligations hereunder, or if the Subscriber is a corporation, the Subscriber is a valid and subsisting corporation, has the necessary corporate capacity and authority to execute and deliver this Subscription Agreement and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate action in respect thereof, or, if the Subscriber is a partnership, syndicate or other form of unincorporated organization, the Subscriber has the necessary legal capacity and authority to execute and deliver this Subscription Agreement and to observe and perform its covenants and obligations hereunder and has obtained all necessary approvals in respect thereof, and, if the Subscriber is subscribing for Units hereunder as agent for a disclosed principal, it is duly authorized to execute and deliver this Subscription Agreement and all other necessary documentation in connection with such subscription on behalf of such principal and, in any case, upon acceptance by the Corporation, this Subscription Agreement will constitute a legal, valid and binding contract of the Subscriber enforceable against the Subscriber in accordance with its terms and will not result in a violation of any of the Subscriber's constating documents, any of the terms or provisions of any law applicable to the Subscriber or any agreement to which the Subscriber is a party or by which it is bound;

(b) **Residence.** The Subscriber is a resident of the jurisdiction as set out under "Subscriber's Particulars" on page 1 above;

(c) **No Offering Memorandum or Advertising.** The Subscriber has not received, nor has it requested, nor does it have any need to receive, any offering memorandum, or any other document (other than financial statements, interim financial statements or any other document, the content of which is prescribed by statute or regulation) describing the business and affairs of the Corporation which has been prepared for delivery to, and review by, prospective subscribers in order to assist it in making an investment decision in connection with this offering of Units and it has not become aware of any advertisement in printed media of general and regular paid circulation or on radio or television with respect to the distribution of the Units or any other advertisement;

(d) **Subscribe.** The Subscriber acknowledges that,

(i) no securities commission or similar regulatory authority has reviewed or passed on the merits of the securities,

(ii) there is no government or other insurance covering the securities,

(iii) there are risks associated with the purchase of the securities,

(iv) there are restrictions on the purchaser's ability to resell the securities and it is the responsibility of the purchaser to find out what those restrictions are and to comply with them before selling the securities, and

(v) the issuer has advised the purchaser that the issuer is relying on an exemption from the requirements to provide the purchaser with a prospectus and to sell securities through a perso registered to sell securities under the *Securities Act*, including statutory rights of rescission or damages, will not be available to the purchaser.

(e) **Agent.** The Agent has been retained, on a best efforts basis, in connection with the Offering and will receive on Closing, a commission equal to 8% of the gross proceeds pf the Offering and broker warrants exercisable into 8% of the Units sold in the Offering.

(f) **Company or Unincorporated Organization.** If the Subscriber or any beneficial purchaser referred to in paragraph (f) above, is a corporation or a partnership, syndicate, trust or other form of unincorporated organization, the Subscriber or such beneficial purchaser was not incorporated or created solely, nor is it being used primarily, to permit purchases without a prospectus under applicable law;

(g) **No Undisclosed Information**. The Subscriber's Units are not being purchased by the Subscriber as a result of any material information concerning the Corporation that has not been publicly disclosed and the Subscriber's decision to enter into this Subscription Agreement and acquire the Subscriber's Units has not been made as a result of any oral or written representation as to fact or otherwise made by or on behalf of the Corporation or any other person and is based entirely upon currently available public information concerning the Corporation;

(h) **Investment Suitability.** The Subscriber, and any beneficial Subscriber referred to herein, has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of the investment hereunder in the Subscriber's Units and is able to bear the economic risk of loss of such investment;

(i) **Independent Investment.** The Subscriber does not act jointly or in concert with another subscriber for the purposes of the acquisition of Units; and

(j) **Subscription Funds.** The Subscriber represents and warrants that the funds representing the Subscription Amount which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the "**PCMLTFA**") and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of its knowledge (a) none of the subscription funds to be provided by the Subscriber: (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (b) it shall promptly notify the Corporation if the Subscriber discovers that nay of such representations ceases to be true, and to provide the Corporation with appropriate information in connection therewith; and

(k) **Purchasing as Principal.** The Subscriber is purchasing the Subscriber's Units as principal (as defined in all applicable securities laws) for its own account, and not for the benefit of any other person;

(l) **Purchasing for Investment Only.** The Subscriber is purchasing the Subscriber's Units for investment only and not with a view to resale or distribution. The Subscriber is aware that no prospectus has been filed in connection with the sale of the Units, and it is purchasing the Units pursuant to an exemption from the prospectus requirements under applicable securities laws and, as a consequence: (i) it is restricted from using most of the civil remedies available under applicable securities laws; (ii) it may not receive information that would otherwise be required to be provided to it under applicable securities laws; and (iii) the Corporation is relieved of certain obligations that would otherwise apply under applicable securities laws;

US Subscribers

(m) **Subscriber Has Benefit of Statutory Exemptions.** if the Subscriber is a U.S. Person, is in the United States or is purchasing the Units for the account or benefit of U.S. Person or Person in the Untied States or is otherwise subject to the Securities Laws of the United States, the Subscriber is a resident of **the United States** and is an "accredited investor" and specifically represents and warrants that one or more of the categories set forth in the Accredited Investor Status Certificate correctly, and in all respects, describes the Subscriber and the Subscriber has so indicated by marking the box next to the category which so describes it and executing and delivering a copy of the Accredited Investor Status Certificate attached hereto as Schedule C with this Subscription Agreement;

(n) **U.S. Matters.**

(i) The Units have not been registered under the *United States Securities Act of 1933,* as amended (the "**U.S. Securities Act**"), or the securities laws or any state, the Offering is being made in the United States pursuant to the exemption provided in the U.S. Securities Act, and similar exemptions under applicable state securities laws, and the securities of the Corporation offered under the Offering will be offered and sold only in the United States to "accredited investors" that meet the requirements set forth in Rule 501(a) of Regulation D under the U.S. Securities Act;

(ii) if Subscriber is purchasing the Units **in the United States or is a U.S. Person**, it is purchasing the Securities as principal for its own account, it is purchasing the Securities not for the benefit of any other person and not with a view to the resale or distribution of all or any of the Securities (and the securities which may be issued directly or indirectly, in exchange therefore or in connection therewith), and, in particular, it has no intention to distribute either directly or indirectly any of the Securities (and the securities which may be issued directly or indirectly, in exchange therefore or in connection therewith), in the United States in violation of United States federal or state securities laws or the securities laws of any of the provinces of Canada or any other legislation, and it represents, warrants and agrees as follows:

A. it has (1) received all the information it considers necessary or appropriate for deciding whether to purchase the Securities, and (2) had an opportunity to ask questions and receive answers from the Corporation regarding the terms and conditions of the Offering; and

B. it is an investor in securities of companies in the development stage and acknowledges that it is able to fend for itself, can bear the economic risk of its investment and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Securities and has not been organized solely for the purpose of acquiring the Securities; and

C. it understands that the Securities (and the securities which may be issued directly or indirectly, in exchange therefore or in connection therewith), have not been and will not be registered under the U.S. Securities Act or any state securities laws and are "restricted securities" which may not be reoffered or resold without registration under the U.S. Securities Act except in certain limited circumstances and it is familiar with Securities and Exchange Commission Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the U.S. Securities Act; and

D. it is purchasing the Securities hereunder and will not offer, sell or transfer all or any portion of the Securities (and the securities which may be issued directly or indirectly, in exchange therefore or in connection therewith), or any securities which may be issued to the Subscriber, directly or indirectly, in exchange therefore or in connection therewith, except:

(1) to the Corporation; or

(2) outside the United States in compliance with Rule 904 of Regulation S under the U.S. Securities Act, if available; or

(3) with the prior written approval of the Corporation, pursuant to an exemption from registration under the U.S. Securities Act, provided the Corporation shall have received an opinion of counsel to the holder in form and substance satisfactory to the Corporation to the effect that registration is not required,

and in each case in accordance with any applicable state securities laws; and

E. it agrees that it has not purchased the Securities as a result of any 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 have been invited by general solicitation or general advertising; and

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

"THE SECURITIES REPRESENTED HEREBY [IF A WARRANT INCLUDE: "AND THE SECURITIES ISSUABLE UPON THE EXERCISE HEREOF"] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT OR (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES

LAWS, AND, IN THE CASE OF PROVISO (C) OR (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY TO SUCH EFFECT. [FOR CERTIFICATES EVIDENCING SHARES AND WARRANT SHARES ONLY: DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE GOOD DELIVERY IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.] PROVIDED THAT THE COMPANY IS A "FOREIGN ISSUER" WITHIN THE MEANING OF REGULATION S AT THE TIME OF SALE AND THESE SECURITIES ARE BEING SOLD IN COMPLIANCE WITH RULE 904 OF REGULATIONS S, A NEW CERTIFICATE BEARING NO LEGEND MAY BE OBTAINED FROM PACIFIC CORPORATE TRUST COMPANY, AS REGISTRAR AND TRANSFER AGENT, UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO PACIFIC CORPORATE TRUST COMPANY AND THE COMPANY, TO THE EFFECT THAT SUCH SALE IS BEING MADE IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT."

provided, that if, at any time the Corporation is a "foreign issuer" as defined in Regulation S under the U.S. Securities Act, the Securities are being sold in compliance with the requirements of Rule 904 of Regulation S under the U.S. Securities Act and in compliance with local laws and regulations, the legend may be removed by providing a declaration to the registrar and transfer agent for the Securities to the following effect (or as the Corporation or transfer agent may prescribe from time to time) together with such additional evidence as the Corporation or transfer agent may reasonably require from time to time which may include an opinion of counsel, to the effect that registration under the U.S. Securities Act is not required:

The undersigned (a) acknowledges that the sale of the securities of the Corporation to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") and (b) certifies that (1) the undersigned is not an "affiliate" of the Corporation as that term is defined in Rule 405 under the U. S. Securities Act, (2) the offer of such securities will not be made to a person in the United States and either (A) at the time the buy order is originated, the buyer will be outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer will be outside the United States or (B) the transaction was executed on or through the facilities of the Toronto Stock Exchange or the TSX Venture Exchange and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States, (3) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities, (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as that term is defined in Rule 144(a)(3) under the U.S. Securities

Act), (5) the seller does not intend to replace such securities with fungible unrestricted securities and (6) the contemplated sale is not a transaction, or part of a series of transactions, which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the U. S. Securities Act. Terms used herein have the meanings given to them by Regulation S;

provided further, that, if any of the Securities are being sold pursuant to Rule 144 of the U.S. Securities Act, the legend may be removed by delivery of an opinion of counsel of recognized standing in form and substance satisfactory to the Corporation, to the effect that the legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws; and

G. it consents to the Corporation making a notation on its records or giving instructions to any transfer agent of the Securities in order to implement the restrictions in transfer set forth and described herein; and

H. the Warrants may not be exercised by or on behalf of a U.S. Person or a person in the United States unless an exemption is available from the registration requirements of the U.S Securities Act and the securities laws of all applicable states, and the holder has furnished an opinion of counsel satisfactory to the Corporation to such effect; provided that a Subscriber who makes the representations set forth hereof in connection with its purchase of Common Shares and Warrants will not be required to deliver an opinion of counsel in connection with its due exercise of the Warrants on its own behalf, at a time when the Subscriber remains an accredited investor; and it understands and agrees that the certificates representing the Warrants, and all certificates issued in exchange therefor or in substitution thereof, shall bear the following legends:

"THIS WARRANT AND THE SECURITIES DELIVERABLE UPON EXERCISE THEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THIS WARRANT MAY NOT BE EXERCISED BY OR ON BEHALF OF A "U.S. PERSON" OR PERSON IN THE UNITED STATES UNLESS THIS WARRANT AND SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATION S UNDER THE U.S. SECURITIES ACT."; and

Non-US and Non Canadian Subscribers

(o) If the Subscriber is not a US Person or a person to whom U.S. Securities Laws would apply, the Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is acting hereunder, hereby represents and warrants to, and covenants with, the Corporation and acknowledges that the Corporation is relying on such representation and warranty that it is not a person resident in Canada or the U.S., the subscription for the Units by the Subscriber does not contravene any of the applicable securities legislation in the jurisdiction in which the Subscriber resides and does not give rise to any obligation of the Corporation to prepare and file a prospectus or similar document or to register the Units or to be registered with or to file any report or notice with any governmental or regulatory authority and the subscriber was outside of Canada and the United States at the time of the execution of this Subscription Agreement.

(p) **Further Acknowledgments.**

(i) No securities commission or similar regulatory authority has reviewed or passed on the merits of the Units;

(ii) There is no government or other insurance covering the Units;

(iii) There are risks associated with the purchase of the Units;

(iv) There are restrictions on the Subscriber's ability to resell the Units and it is the responsibility of the Subscriber to find out what those restrictions are and to comply with them before selling the Units; and

(v) The Corporation has advised the Subscriber that the Subscriber is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell Units through a person or company registered to sell securities under the *Securities Act* (British Columbia or Alberta) and other applicable securities laws and, as a consequence of acquiring Units pursuant to this exemption, certain protections, rights and remedies provided by the *Securities Act* (British Columbia and Alberta) and other applicable securities laws, including statutory rights of rescission or damages, will not be available to the Subscriber.

The Subscriber acknowledges and agrees that the foregoing representations, warranties and acknowledgments are made by it with the intention that they may be relied upon in determining its eligibility or (if applicable) the eligibility of others on whose behalf it is contracting hereunder to purchase the Subscriber's Units under relevant securities laws. The Subscriber further agrees that by accepting delivery of the Subscriber's Units on the Closing, it shall be representing and warranting that the foregoing representations and warranties are true and correct as at the Closing Time with the same force and effect as if they had been made by the Subscriber at the Closing Time and that they shall survive the purchase by the Subscriber of the Subscriber's Units and shall continue in full force and effect notwithstanding any subsequent disposition by the Subscriber of the Subscriber's Units. The Subscriber undertakes to notify the Corporation immediately of any change in any representation, warranty or other information relating to the Subscriber set forth herein which takes place prior to the Closing Time.

10. Covenants of the Subscriber. The Subscriber will:

(a) not resell any of the Units acquired (directly or indirectly) hereunder, in whole or in part, directly or indirectly, except in accordance with the provisions of applicable securities laws;

(b) execute, deliver, file and otherwise assist the Corporation in filing, such further reports, undertakings, agreements, documents and writings, do all acts and things, and provide such further assurances as may be required to give effect to this Subscription Agreement as required, and, without limiting the generality of the foregoing, will execute and deliver all documents, agreements and writings and provide such assurances, undertakings, information and investment letters as may be required from time to time by all securities commissions, stock exchanges or other regulatory authorities having jurisdiction over the Corporation's affairs or as may be required from time to time under the applicable securities laws with respect to the issue and resale of the Units; and

(c) provide the Corporation and applicable securities regulatory authorities on request, particulars as to the identity of all undisclosed principals as may be required by the Corporation, acknowledging that the Corporation will be required to provide applicable regulatory authorities with a list setting forth the identities of the beneficial purchasers of the Units and that the Subscriber may be acquiring Units as agent on behalf of an undisclosed principal, in order to comply with any such requirements.

11. **Resale Restrictions.**

(a) The Subscriber acknowledges that the Common Shares, Warrants and Warrant Shares (the "**Securities**") are subject to resale restrictions imposed under applicable securities laws, or the rules or policies of regulatory bodies having jurisdiction over the Securities or trading in such Securities and, as a consequence, the Subscriber may not be able to resell the Securities except in accordance with resale restrictions and limited exemptions under applicable securities laws.

(b) The Subscriber has the sole responsibility to determine and comply with restrictions on resale before reselling any of the Securities (and neither the Corporation nor its legal counsel is in any manner responsible) and has been independently advised as to applicable hold periods and restrictions with respect to trading in the Securities imposed by applicable securities laws and regulatory policy including applicable securities laws in the jurisdiction in which it resides or the jurisdiction in which such Securities will come to rest, and confirms that no representation has been made to it by or on behalf of the Corporation with respect thereto.

(c) The Subscriber acknowledges and agrees that all certificates representing Securities held by the Subscriber will have a legend affixed thereto which describes certain resale restrictions under applicable securities laws.

12. **No Regulatory Endorsement.** The Subscriber is aware that no stock exchange or governmental agency, authority, regulatory body, securities commission or other entity has made any finding or determination as to the merit of investment in, nor has any such stock exchange or governmental agency, authority, regulatory body, securities commission, or other entity made any recommendation or endorsement with respect to the Units.

13. **Regulatory Approval.** The obligations of the parties hereto are subject to acceptance of the terms of this Offering by the Stock Exchange and all other required regulatory approvals.

14. **No Representations.** The Subscriber acknowledges that no person has made to the Subscriber any written or oral representations that any person will resell or repurchase the Units, that any person will refund the Subscription Amount of the Units, or to the future price or value of the Units. In addition, the Subscriber has relied solely upon publicly available information relating to the Corporation and not upon any verbal or written representation as to fact or otherwise made by or on behalf of the Corporation.

15. **Subscriber's Expenses.** The Subscriber acknowledges and agrees that all costs and expenses incurred by the Subscriber (including any fees and disbursements of special counsel retained by the Subscriber) relating to the purchase of the Units shall be borne by the Subscriber.

16. **Counsel.** The Subscriber acknowledges that the Corporation's counsel is acting as counsel to the Corporation and not as counsel to the Subscriber.

17. **Legal and Tax Advice.** The Subscriber acknowledges and agrees that it is solely responsible for obtaining such legal advice and tax advice as it considers appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement and the completion of the transactions contemplated hereby.

18. **No Revocation.** The Subscriber, on its own behalf and, if applicable, on the behalf of others for whom it is contracting hereunder, agrees that this offer is made for valuable consideration and

may not be withdrawn, cancelled, terminated or revoked by the Subscriber on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder, without the consent of the Corporation.

19. **Indemnity.** The Subscriber agrees to indemnify and hold harmless the Corporation and its directors, officers, employees, agents, advisers and shareholders from and against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all fees, costs and expenses whatsoever reasonably incurred in investigating, preparing or defending against any claim, law suit, administrative proceeding or investigation whether commenced or threatened) arising out of or based upon any representation or warranty of the Subscriber contained herein or in any document furnished by the Subscriber to the Corporation in connection herewith being untrue in any material respect or any breach or failure by the Subscriber to comply with any covenant or agreement made by the Subscriber herein or in any document furnished by the Subscriber to the Corporation in connection herewith.

20. **Assignment.** The terms and provisions of this Subscription Agreement shall be binding upon and enure to the benefit of the Subscriber, the Corporation and their respective successors and assigns; provided that this Subscription Agreement shall not be assignable by any party without the prior written consent of the other parties.

21. **Personal Information.** This Subscription Agreement and the schedules hereto require the Subscriber to provide certain personal information to the Corporation. Such information is being collected by the Corporation for the purposes of completing this Offering of Units, which includes, without limitation, determining the Subscriber's eligibility to purchase the Units under applicable securities laws, preparing and registering certificates representing Units to be issued to the Subscriber and completing filings required by any securities regulatory authority. The Subscriber's personal information may be disclosed by the Corporation to: (a) any stock exchanges or securities regulatory authorities, (b) the Corporation's registrar and transfer agent, (c) Canada Revenue Agency, and (d) any of the other parties involved in this Offering of Units, including the Corporation and its legal counsel. By executing this Subscription Agreement, the Subscriber is deemed to be consenting to the foregoing collection, use and disclosure of the Subscriber's personal information. The Subscriber also consents to the filing of copies or originals of any of the Subscriber's documents described in this Subscription Agreement as may be required to be filed with any stock exchanges or securities regulatory authority in connection with the transactions contemplated hereby and the inclusion of them in the closing books in connection with the Offering.

22. **Survival.** All representations, warranties, agreements and covenants made or deemed to be made by the Subscriber herein will survive the execution and delivery, and acceptance, of this offer and the Closing.

23. **Governing Law.** This Subscription Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Subscriber on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder, hereby irrevocably attorns to the jurisdiction of the courts of the Province of Alberta with respect to any matters arising out of this Subscription Agreement.

24. **Facsimile Subscriptions and Counterparts.** The Corporation shall be entitled to rely on delivery by facsimile machine of an executed copy of this Subscription Agreement, including the completed schedules hereto, and acceptance by the Corporation of such facsimile copy shall be legally effective to create a valid and binding agreement between the Subscriber and the Corporation in accordance with the terms hereof. This Subscription Agreement may be executed in any number of counterparts, each of which when delivered, either in original or facsimile form, shall be deemed to be an original and all of which together shall constitute one and the same document.

25. **Entire Agreement and Modification.** This Subscription Agreement (including the schedules hereto) contains the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter

hereof except as stated or referred to herein. Subject to the terms hereof, neither this Subscription Agreement nor any provision hereof shall be modified, changed, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, change, discharge or termination is sought.

26. **Headings.** The headings contained herein are for convenience only and shall not affect the meanings or interpretation hereof.

27. **Time of Essence.** Time is of the essence of this Subscription Agreement.

28. **Effective Date.** This Subscription Agreement is intended to and shall take effect on the Closing, notwithstanding its actual date of execution or delivery by any of the parties.

29. **Currency.** Except if specifically stated otherwise, all dollar amounts herein are in Canadian dollars.

30. **Severability.** If any one or more of the provisions contained in this Subscription Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless in either case as a result of such determination this Subscription Agreement would fail of its essential purpose.

SCHEDULE A

PARTICULARS OF SUBSCRIBER

Corporate Placee Registration Form

The Subscriber, if not an individual, either **[CHECK APPROPRIATE ITEM]**:

x _______ **has previously filed with the Stock Exchange a Form 4C, Corporate Placee Registration Form,** and represents and warrants that there has been no change to any of the information in the Form 4C previously filed with the Stock Exchange up to the date of this Subscription Agreement; or

_______ **hereby delivers to the Corporation a completed Form 4C** in the form attached hereto as Schedule D for filing with the Stock Exchange.

Present Ownership of Securities

The Subscriber either **[CHECK APPROPRIATE ITEM]**:

_______ owns directly or indirectly, or exercises control or direction over, **no** common shares in the capital stock of the Corporation or securities convertible into common shares in the capital stock of the Corporation (excluding the securities subscribed for herein); or

_______ owns directly or indirectly, or exercises control or direction over, _______ common shares in the capital stock of the Corporation and convertible securities entitling the Subscriber to acquire an additional ______________ common shares in the capital stock of the Corporation (excluding the securities subscribed for herein).

Insider Status

The Subscriber either **[CHECK APPROPRIATE ITEM]**:

_______ **is an "Insider" of the Corporation** as defined in the *Securities Act* (British Columbia or Alberta). More specifically, "Insider" means:

(a) every director or senior officer of the Corporation;

(b) every director or senior officer of an issuer that is itself an insider or subsidiary of the Corporation;

(c) every subsidiary of the Corporation;

(d) any person or company that:

(i) beneficially owns, directly or indirectly, voting securities of the Corporation;

(ii) exercises control or direction over voting securities of the Corporation; or

(iii) beneficially owns, directly or indirectly, certain voting securities of the Corporation and exercises control or direction over certain other voting securities of the Corporation;

carrying more than 10% of the voting rights attached to all voting securities of the Corporation for the time being outstanding other than voting securities held by the person or company as agent in the course of a distribution, or

(e) the Corporation, if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities, but the Corporation is not an insider of itself if the securities that it has purchased, redeemed or otherwise acquired have been cancelled and returned to its authorized but unissued capital.

_______ **is not an Insider of the Corporation.**

Member of "Pro Group"

The Subscriber either **[CHECK APPROPRIATE ITEM]**:

_______ **is a Member of the "Pro Group"** as defined in the Rules of the Stock Exchange. More specifically, "Pro Group" is defined as follows:

1. Subject to subparagraphs (2), (3) and (4), "Pro Group" shall include, either individually or as a group:

   (a) the member (i.e. a member of the Stock Exchange under the Stock Exchange requirements);

   (b) employees of the member;

   (c) partners, officers and directors of the member;

   (d) affiliates of the member; and

   (e) associates of any parties referred to in subparagraphs (a) through (d).

2. The Stock Exchange may, in its discretion, include a person or party in the Pro Group for the purposes of a particular calculation where the Stock Exchange determines that the person is not acting at arm's length of the member.

3. The Stock Exchange may, in its discretion, exclude a person from the Pro Group for the purposes of a particular calculation where the Stock Exchange determines that the person is acting at arm's length of the member.

4. The member may deem a person who would otherwise be included in the Pro Group pursuant to subparagraph (1) to be excluded from the Pro Group where the member determines that:

   (a) the person is an affiliate or associate of the member acting at arm's length of the member;

   (b) the associate or affiliate has a separate corporate and reporting structure;

   (c) there are sufficient controls on information flowing between the member and the associate or affiliate; and

   (d) the member maintains a list of such excluded person.

_______ **is not a member of the Pro Group.**

SCHEDULE B

CANADIAN ACCREDITED INVESTOR STATUS CERTIFICATE

CERTIFICATE OF ACCREDITED INVESTOR

The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms, or are unsure as to the applicability of any category below, please contact your broker and/or legal advisor before completing this certificate.

TO: Sierra Geothermal Power Corp. (the "**Corporation**")

In connection with the purchase by the undersigned Subscriber of the Units, the Subscriber, on its own behalf and on behalf of each of the beneficial purchasers for whom the Subscriber is acting, hereby represents, warrants, covenants and certifies to the Corporation (and acknowledges that the Corporation and its counsel are relying thereon) that:

(a) the Subscriber, or each of the beneficial purchasers for whom the Subscriber is acting, is purchasing the Units as principal for its own account and not for the benefit of any other person;

(b) the Subscriber, or each of the beneficial purchasers for whom the Subscriber is acting, is an "accredited investor" within the meaning of NI45-106 on the basis that the undersigned fits within the category of an "accredited investor" reproduced below beside which the undersigned has indicated the undersigned belongs to such category; and

(c) upon execution of this Schedule B by the Subscriber, this Schedule B shall be incorporated into and form a part of the Subscription Agreement.

(PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

☐ (a) a Canadian financial institution, or a Schedule III bank;

☐ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);

☐ (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary;

☐ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);

☐ (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);

☐ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;

☐ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec;

☐ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;

☐ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;

☐ (j) an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds $1,000,000;

☐ (k) an individual whose net income before taxes exceeded $200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded $300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;

☐ (l) an individual who, either alone or with a spouse, has net assets of at least $5,000,000;

☐ (m) a person, other than an individual or investment fund, that has net assets of at least $5,000,000 as shown on its most recently prepared financial statements;

☐ (n) an investment fund that distributes or has distributed its securities only to (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [*Minimum amount investment*] and 2.19 [*Additional investment in investment funds*] of NI45-106, or (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [*Investment fund reinvestment*] of NI45-106;

☐ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt;

☐ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;

☐ (q) a person acting on behalf of a fully managed account managed by that person, if that person (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction, and (ii) in Ontario, is purchasing a security that is not a security of an investment fund;

☐ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;

☐ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;

☐ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;

☐ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser, or

☐ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as (i) an accredited investor, or (ii) an exempt purchaser in Alberta or British Columbia.

For the purposes hereof, the following definitions are included for convenience:

(a) "Canadian financial institution" means (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

(b) "control person" has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Quebéc where control person means any person that holds or is one of a combination of persons that holds (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;

(c) "entity" means a company, syndicate, partnership, trust or unincorporated organization;

(d) "financial assets" means cash, securities, or any a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

(e) "founder" means, in respect of an issuer, a person who, (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and (ii) at the time of the trade is actively involved in the business of the issuer;

(f) "fully managed account" means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;

(g) "investment fund" means a mutual fund or a non-redeemable investment fund, and, for greater certainty in British Columbia, includes an employee venture capital corporation that does not have a restricted constitution, and is registered under Part 2 of the *Employee Investment Act* (British Columbia), R.S.B.C. 1996 c. 112, and whose business objective is making multiple investments and a venture capital corporation registered under Part 1 of the *Small Business Venture Capital Act* (British Columbia), R.S.B.C. 1996 c. 429 whose business objective is making multiple investments;

(h) "mutual fund" means an issuer whose primary purpose is to invest money provided by its security holders and whose securities entitle the holder to receive on demand, or within a specified period after demand, an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets, including a separate fund or trust account, of the issuer;

(i) "non-redeemable investment fund" means an issuer,

(A) whose primary purpose is to invest money provided by its securityholders,

(B) that does not invest,

(i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund, or

(ii) for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund, and

(C) that is not a mutual fund;

(j) "related liabilities" means liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets and liabilities that are secured by financial assets;

(k) "Schedule III bank" means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

(l) "spouse" means an individual who(i)is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual, (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and

(m) "subsidiary" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

In NI45-106 a person or company is considered to be an affiliated entity of another person or company if one is a subsidiary entity of the other, or if both are subsidiary entities of the same person or company, or if each of them is controlled by the same person or company.

In NI45-106 a person (first person) is considered to control another person (second person) if (a) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation, (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing. If any such representations shall not be true and accurate prior to the Closing, the undersigned shall give immediate written notice of such fact to the Corporation prior to the Closing.

Dated: ____________________ Signed: ______________________________

____
Witness (If Subscriber is an Individual)

____
Print the name of Subscriber

____
Print Name of Witness

____
If Subscriber is a corporation,
print name and title of Authorized Signing Officer

SCHEDULE C

US ACCREDITED INVESTOR STATUS CERTIFICATE

The undersigned Subscriber, a resident of the United States, hereby represents and warrants to the Corporation, as an integral part of the attached Subscription Agreement, that he, she or it is correctly and in all respects described by the category or categories set forth directly next to which the Subscriber has marked below. "Accredited Investor" means an "accredited investor who satisfies the definition of "accredited investor" as set forth in Rule 501(a) of Regulation D adopted pursuant to the U.S. Securities Act.

[MARK BELOW THE CATEGORY OR CATEGORIES WHICH DESCRIBES YOU]

1. The Subscriber satisfies one or more of the Categories indicated below (please place an "X" on the appropriate category):

(a) ☐ a bank as defined in Section 3(a)(2) of the 1933 Act whether acting in its individual or fiduciary capacity; or

(b) ☐ a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act, whether acting in its individual or fiduciary capacity; or

(c) ☐ a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; or

(d) ☐ an insurance company as defined in Section 2(1) of the 1933 Act; or

(e) ☐ an investment company registered under the Investment Company Act of 1940;

(f) ☐ a business development company as defined in Section 2(a)(48) of the Investment Company Act of 1940;

(g) ☐ a small business investment company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958;

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

(i) ☐ a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940;

(j) ☐ an organization described in Section 501(c)(3) of the Internal Revenue Code, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the Securities, with total assets in excess of US$5,000,000; or

(k) ☐ a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of US$5,000,000; or

(l) ☐ a director, executive officer or general partner of the Corporation; or

(m) ☐ a natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds US$1,000,000; or

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

(o) ☐ A revocable trust, the grantors of which are all accredited investors under Category (m) of this Schedule C, which trust may be amended or revoked at any time by such grantors

(p) ☐ a trust, with total assets in excess of US$5,000,000, not formed for the specific purpose of acquiring the Securities, whose purchase is directed by a sophisticated person as described in SEC Rule 506(b)(2)(ii); and

(q) ☐ an entity in which all of the equity owners meet one or more of the categories set forth above.

DATED ________________________________, 2007

____
Name of Purchaser (please print)

By: ________________________________
Authorized Signature

____
Official Capacity or Title, if any (please print)

____
Name of Authorized Signing Authority

SCHEDULE D

TSX venture EXCHANGE

FORM 4C
CORPORATE PLACEE REGISTRATION FORM

Where subscribers to a Private Placement are not individuals, the following information about the placee must be provided. This Form will remain on file with the Exchange. The corporation, trust, portfolio manager or other entity (the "Placee") need only file it on one time basis, and it will be referenced for all subsequent Private Placements in which it participates. If any of the information provided in this Form changes, the Placee must notify the Exchange prior to participating in further placements with Exchange listed companies. If as a result of the Private Placement, the Placee becomes an Insider of the Issuer, Insiders of the Placee are reminded that they must file a Personal Information Form (2A) or, if applicable, Declarations, with the Exchange.

1. Placee Information:

   (a) Name: ______________________________

   (b) Complete Address: ______________________________

   ____

   (c) Jurisdiction of Incorporation or Creation: ______________________________

2. (a) Is the Placee purchasing securities as a portfolio manager (Yes/No)? ______________

   (d) Is the Placee carrying on business as a portfolio manager outside of Canada (Yes/No)?__ ______

3. If the answer to 2(b) above was "Yes", the undersigned certifies that:

   (a) it is purchasing securities of an Issuer on behalf of managed accounts for which it is making the investment decision to purchase the securities and has full discretion to purchase or sell securities for such accounts without requiring the client's express consent to a transaction;

   (b) it carries on the business of managing the investment portfolios of clients through discretionary authority granted by those clients (a "portfolio manager" business) in ______ __________________ [jurisdiction], and it is permitted by law to carry on a portfolio manager business in that jurisdiction;

   (c) it was not created solely or primarily for the purpose of purchasing securities of the Issuer;

   (d) the total asset value of the investment portfolios it manages on behalf of clients is not less than $20,000,000; and

   (e) it has no reasonable grounds to believe, that any of the directors, senior officers and other insiders of the Issuer, and the persons that carry on investor relations activities for the Issuer has a beneficial interest in any of the managed accounts for which it is purchasing.

4. If the answer to 2(a) above was "No", please provide the names and addresses of control persons of the Placee:

Name	City	Province or State	Country

The undersigned acknowledges that it is bound by the provisions of applicable Securities Law, including provisions concerning the filing of insider reports and reports of acquisitions (See for example sections 87 and 111 of the *Securities Act* (British Columbia) and sections 176 and 182 of the *Securities Act* (Alberta).

Acknowledgement - Personal Information

"Personal Information" means any information about an identifiable individual, and includes information contained in sections 1, 2 and 4, as applicable, of this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

(a) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to this Form; and

(b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.

Dated at ________________________ on __________________________________.

____
(Name of Purchaser - please print)

____
(Authorized Signature)

____
(Official Capacity - please print)

____

(please print name of individual whose signature appears above)

THIS IS NOT A PUBLIC DOCUMENT