

UNDERWRITING AGREEMENT

March 8, 2021

Eloro Resources Ltd.
20 Adelaide Street East, Suite 200
Toronto, ON M5C 2T6

Attention: Thomas Larsen, Chairman and Chief Executive Officer

Ladies and Gentlemen:

The undersigned, Haywood Securities Inc. (“**Haywood**”), together with Cormark Securities Inc. and Cantor Fitzgerald Canada Corporation (together with Haywood, the “**Underwriters**” and each individually an “**Underwriter**”), understand that Eloro Resources Ltd. (the “**Corporation**”) proposes to issue and sell to the Underwriters 5,800,000 units of the Corporation (each, an “**Initial Unit**”) at a price of \$3.75 per Initial Unit (the “**Issue Price**”) for aggregate gross proceeds to the Corporation of \$21,750,000. Each Initial Unit shall consist of one common share in the capital of the Corporation (each, an “**Initial Share**”) and one half of one common share purchase warrant of the Corporation (each whole common share purchase warrant, an “**Initial Warrant**”).

By acceptance of this agreement (the “**Agreement**”), the Corporation grants to the Underwriters a one time, unassignable option (the “**Over-Allotment Option**”) to purchase, severally and not jointly, up to 870,000 additional units of the Corporation (each, an “**Additional Unit**”) at a purchase price of \$3.75 per Additional Unit from the Corporation at the Option Closing Time (as hereinafter defined) on the same basis as the purchase of the Initial Units. Each Additional Unit shall consist of one common share of the Corporation (each, an “**Additional Share**”) and one half of one common share purchase warrant (each whole common share purchase warrant, an “**Additional Warrant**”).

If Haywood, on behalf of the Underwriters, elects to exercise the Over-Allotment Option, Haywood shall provide written notice (the “**Exercise Notice**”) to the Corporation not later than the 30th day after the Closing Date (as hereinafter defined), which Exercise Notice shall specify the number of Additional Units to be purchased by the Underwriters and the date on which such Additional Units are to be purchased (the “**Option Closing Date**”). Such date may be the same as the Closing Date but not earlier than the Closing Date and shall be at least three Business Days (as hereinafter defined), but not more than five Business Days, after the date on which the Exercise Notice is delivered to the Corporation. The Additional Units may be purchased solely for the purpose of covering over-allotments made in connection with the offering of Units pursuant to the Final Prospectus (as hereinafter defined), if any. If any Additional Units are purchased from the Corporation, each Underwriter agrees, severally and not jointly, to purchase such portion of Additional Units (subject to such adjustments to eliminate fractional shares as Haywood, on behalf of the Underwriters, may determine) as is set out in Section 23 opposite the name of such Underwriter.

The Initial Units together with the Additional Units, if any, are collectively referred to as the “**Units**”. The Initial Shares together with the Additional Shares, if any, are collectively referred to

as the “**Shares**”. The Initial Warrants together with the Additional Warrants, if any, are collectively referred to as the “**Warrants**”. The Units, including the Shares and the Warrants comprising the Units, are collectively referred to as the “**Offered Securities**”. The offering by the Corporation of the Offered Securities is referred to in this Agreement as the “**Offering**”.

The Warrants shall be created and issued pursuant to a warrant indenture (the “**Warrant Indenture**”) to be dated as of the Closing Date between the Corporation and TSX Trust Company, in its capacity as warrant agent thereunder (the “**Warrant Agent**”). Each Warrant will entitle the holder thereof to acquire one common share in the capital of the Corporation (each, a “**Warrant Share**”) at a price of \$5.25 per Warrant Share, subject to adjustment in accordance with the Warrant Indenture, for a period of 24 months from the Closing Date, except that at any time following the six-month anniversary of the Closing Date and prior to the expiry date of the Warrants, in the event that the Common Shares trade on the TSXV (as hereinafter defined) (or such other Canadian stock exchange on which the Common Shares are then listed) at a volume weighted average price greater than \$7.00 for a period of at least 20 consecutive trading days, the Corporation may accelerate the exercise period of the Warrants by issuing a press release to announce the reduced term of the Warrants, whereupon the Warrants will expire 20 days from the date of such press release.

The Underwriters also understand that the Corporation is eligible and prepared to file, concurrently with the execution of this Agreement a preliminary short form prospectus dated the date hereof (the “**Preliminary Prospectus**”), and all other necessary documents required to obtain a decision document issued by the Ontario Securities Commission as the principal regulator, evidencing that a receipt (or deemed receipt) was issued for the Preliminary Prospectus in each of the Qualifying Jurisdictions (as defined below). The Underwriters also understand that the Corporation shall prepare and will file within the time limits, and on the terms set out below a (final) short form prospectus (the “**Final Prospectus**”), and all other necessary documents in order to qualify the Offered Securities for distribution to the public in each of the Qualifying Jurisdictions.

The Underwriters propose to distribute the Offered Securities in Canada pursuant to the Final Prospectus, in the United States (through their respective U.S. Affiliates (as defined in Schedule A hereto)) pursuant to Rule 144A (as hereinafter defined), and in the United Kingdom only in compliance with all applicable law, all in the manner contemplated by this Agreement (including, for the avoidance of doubt, Schedule A hereto). In addition, the Corporation may offer and sell the Offered Securities pursuant to Rule 506(b) under the U.S. Securities Act (as hereinafter defined) to U.S. accredited investors (“**U.S. Accredited Investors**”), within the meaning of Rule 501(a) of Regulation D of the U.S. Securities Act, in the manner contemplated by this Agreement (including, for the avoidance of doubt, Schedule A hereto). With respect to Offered Securities sold in the United States to U.S. Accredited Investors, although this Agreement is presented on behalf of the Underwriters as purchasers of the Offered Securities, any Offered Securities sold to U.S. Accredited Investors in accordance with Rule 506(b) of the U.S. Securities Act shall be sold directly by the Corporation to such U.S. Accredited Investors as substituted purchasers on the Closing Date, and not by the Underwriters.

Based on the foregoing, and subject to the terms and conditions contained in this Agreement, the Underwriters severally and not jointly, on the basis of the percentages set forth in Section 23 of this Agreement (subject to such adjustments to eliminate fractional shares as Haywood, on behalf

of the Underwriters, may determine), agree to purchase from the Corporation and, by its acceptance hereof, the Corporation agrees to sell to the Underwriters, all but not less than all of the Initial Units at the Closing Time (as hereinafter defined) at the Issue Price (except for any sales directly by the Corporation to U.S. Accredited Investors as substituted purchasers, as described in the preceding paragraph).

The Underwriters and the Corporation acknowledge Schedule A and Schedule B form part of this Agreement.

Section 1 Definitions

In this Agreement:

- (1) **“Additional Share”** has the meaning given to it above;
- (2) **“Additional Unit”** has the meaning given to it above;
- (3) **“Additional Warrant”** has the meaning given to it above;
- (4) **“affiliate”, “distribution”, “material change”, “material fact”, “misrepresentation”, and “subsidiary”** have the respective meanings given to them in the *Securities Act* (Ontario);
- (5) **“Agreement”** has the meaning given to it above;
- (6) **“Business Day”** means any day, other than a Saturday or Sunday, on which chartered banks in Toronto, Ontario are open for commercial banking business during normal banking hours;
- (7) **“Canadian Securities Laws”** means all applicable securities laws in each of the Qualifying Jurisdictions and the respective rules, regulations, instruments, blanket orders and blanket rulings under such laws together with applicable published policies, policy statements and notices of the securities regulatory authorities in the Qualifying Jurisdictions, including the rules and policies of the TSXV;
- (8) **“Canadian Securities Regulators”** means the applicable securities commission or securities regulatory authority in each of the Qualifying Jurisdictions;
- (9) **“Claim”** has the meaning given to it in Section 19(b);
- (10) **“Closing”** means the completion of the issue and sale by the Corporation, and the purchase by the Underwriters, of the Initial Units and the Additional Units, if any, pursuant to this Agreement;
- (11) **“Closing Date”** means March 26, 2021 or such other date as the Corporation and the Underwriters may agree upon in writing, or as may be changed pursuant to this Agreement, but in any event shall not be later than the day that is 42 days after the date of the receipt of the Final Prospectus;

- (12) **“Closing Time”** means 8:00 a.m. (Toronto time) on the Closing Date;
- (13) **“Common Shares”** means the common shares in the capital of the Corporation;
- (14) **“Compensation Option”** has the meaning given to it in Section 14;
- (15) **“Compensation Option Certificates”** means the certificates representing the Compensation Options, in form satisfactory to the Underwriters, acting reasonably;
- (16) **“Compensation Share”** has the meaning given to it in Section 14;
- (17) **“Corporation”** has the meaning given to it above and a reference to the Corporation shall be deemed to include a reference to the Material Entities and any subsidiary;
- (18) **“COVID-19 Outbreak”** has the meaning given to it in Section 7(1)(xx);
- (19) **“Employment Laws”** has the meaning given to it in Section 7(1)(ee);
- (20) **“Empresa Minera Option Agreement”** means the definitive agreement dated January 6, 2020 between Minera Tupiza S.R.L. and Empresa Minera Villegas S.R.L. pursuant to which the Corporation holds an option to acquire a 99% interest in the Iska Iska Project, subject to the terms and conditions set forth in the agreement;
- (21) **“Environmental Laws”** means any federal, state, provincial, territorial or local law, statute, ordinance, rule, regulation, order, decree, judgment, injunction, permit, license, authorization or other binding requirement, or common law, relating to health, safety or the regulation, protection, cleanup or restoration of the environment or natural resources, including those relating to the distribution, processing, generation, treatment, control, storage, disposal, transportation, other handling or release or threatened release of Hazardous Materials or Conditions, and **“Hazardous Materials or Conditions”** means any material, substance (including, without limitation, pollutants, contaminants, hazardous or toxic substances or wastes) or condition that is regulated by or may give rise to liability under any Environmental Laws;
- (22) **“Exercise Notice”** has the meaning given to it above;
- (23) **“Final Prospectus”** has the meaning given to it above, and for greater certainty includes all documents incorporated by reference therein;
- (24) **“Financial Information”** means (i) the audited annual consolidated financial statements of the Corporation as at, and for the years ended March 31, 2020 and 2019, together with the auditor’s report thereon and the notes thereto; and (ii) the unaudited condensed consolidated interim financial statements of the Corporation as at, and for the three and nine months ended December 31, 2020 and 2019, together with the notes thereto; and in each case the accompanying management’s discussion and analysis of financial condition and results of operations and any other financial information incorporated by reference or included in the Prospectus;

- (25) **“Financial Statements”** means the audited consolidated statements of financial position of the Corporation as at March 31, 2020 and 2019 and the audited consolidated statements of loss and comprehensive loss, changes in equity and cash flows for each of the years ended March 31, 2020 and 2019 and the related auditors’ report on such statements, in each case, together with the notes to such statements, all as included in the Prospectus;
- (26) **“Governmental Authorities”** means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:
 - (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or
 - (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;
- (27) **“Governmental Licences”** has the meaning given to it Section 7(1)(bb);
- (28) **“IFRS”** means International Financial Reporting Standards;
- (29) **“Indemnified Party”** has the meaning given to it in Section 19(b);
- (30) **“Initial Unit”** has the meaning given to it above;
- (31) **“Initial Share”** has the meaning given to it above;
- (32) **“Initial Warrant”** has the meaning given to it above;
- (33) **“Iska Iska Project”** means the the Iska Iska polymetallic project in Sud Chichas Province, Department of Potosi, Bolivia, subject to the Empresa Minera Option Agreement;
- (34) **“ITA”** means the *Income Tax Act* (Canada) and the regulations made thereunder, both as amended from time to time;
- (35) **“La Victoria Project”** means the gold and silver project located in the North-Central Mineral Belt in the province of Pallasca, department of Ancash in the Republic of Peru (approximately 425 kilometers north-northwest of Lima);
- (36) **“Laws”** means applicable laws (including common law and civil law), statutes, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, treaties, policies, notices, directions, decrees, judgments, awards or requirements, in each case of any Governmental Authority;
- (37) **“Lien”** means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature, or any other arrangement or condition which, in substance, secures payment or performance of an obligation;

- (38) **“Material Adverse Effect”** or **“Material Adverse Change”** means any effect, change, event or occurrence that is, or is reasonably likely to be, materially adverse to the results of operations, condition (financial or otherwise), assets, properties, capital, liabilities (contingent or otherwise), cash flow, income, business operations or prospects of the Corporation;
- (39) **“Material Entities”** means collectively, 2529907 Ontario Limited, Compañia Minera Eloro Peru S.A.C. and Minera Tupiza S.R.L. and each is a **“Material Entity”**;
- (40) **“MI 11-102”** means Multilateral Instrument 11-102 - *Passport System* adopted by certain of the Canadian Securities Regulators;
- (41) **“Mineral Rights”** means the material mineral interests and rights located in the Properties (including any material claims, concessions, exploration licences, exploitation licences, prospecting permits, mining leases and mining rights, in each case, either existing under contract, by operation of Law or otherwise);
- (42) **“NI 43-101”** means National Instrument 43-101- *Standards of Disclosure for Mineral Projects*;
- (43) **“NI 44-101”** means National Instrument 43-101- *Short Form Prospectus Distributions*;
- (44) **“notice”** has the meaning given to it in Section 29;
- (45) **“Offered Securities”** has the meaning given to it above;
- (46) **“Option Closing Date”** has the meaning given to it above;
- (47) **“Option Closing Time”** means 8:00 a.m. (Toronto time) on the Option Closing Date;
- (48) **“Over-Allotment Option”** has the meaning given to it above;
- (49) **“Person”** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;
- (50) **“Preliminary Prospectus”** has the meaning given to it above, and for greater certainty includes the documents incorporated by reference therein;
- (51) **“Properties”** has the meaning ascribed thereto in Section 7(1)(mm);
- (52) **“Prospectus”** means, collectively, the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment;
- (53) **“Prospectus Amendment”** means any amendment to the Preliminary Prospectus, or the Final Prospectus;

- (54) **“Qualifying Jurisdictions”** means all of the provinces of Canada, except Québec;
- (55) **“RSM”** means the Corporation’s auditors, RSM Canada LLP;
- (56) **“Rule 144A”** means Rule 144A adopted by the U.S. Securities and Exchange Commission under the U.S. Securities Act;
- (57) **“Selling Firm”** has the meaning given to it in Section 4(1);
- (58) **“Share”** has the meaning given to it above;
- (59) **“Special Shares”** means the redeemable, voting, non-participating special shares without par value in the capital of the Corporation;
- (60) **“Technical Reports”** collectively mean the technical reports entitled: (i) “NI 43-101 Property of Merit Technical Report on the Iska Iska Polymetallic Project, Sud Chichas Province, Department of Potosi, Bolivia” dated April 27, 2020 and with an effective date of March 27, 2020 prepared by Micon International Limited (Charley Murahwi, MSc., P. Geo., FAusIMM and Richard Gowans, P.Eng.); and (ii) “NI 43-101 Technical Report on the La Victoria Au-Ag Property, Ancash, Peru” dated August 31, 2016 prepared by Gateway Solutions S.A.C.;
- (61) **“Transfer Agent”** means TSX Trust Company, in its capacity as registrar and transfer agent for the Common Shares;
- (62) **“TSXV”** means the TSX Venture Exchange;
- (63) **“Underwriter”** and **“Underwriters”** have the respective meanings given to them above;
- (64) **“Underwriters’ Information”** has the meaning given to it in Section 6(1)(a)
- (65) **“Underwriting Fee”** has the meaning given to it in Section 14;
- (66) **“Unit”** has the meaning given to it above;
- (67) **“U.S. Exchange Act”** means the *United States Securities Exchange Act* of 1934, as amended, and the rules and regulations promulgated thereunder;
- (68) **“U.S. Person”** means a U.S. Person as such term is defined in Rule 902(k) of Regulation S of the U.S. Securities Act;
- (69) **“U.S. Placement Memorandum”** means the preliminary and final U.S. private placement memorandum (which shall include the Preliminary Prospectus and Final Prospectus, respectively, as well as a Prospectus Amendment, if any) used to make offers and sales of Offered Securities in the United States;
- (70) **“U.S. Securities Act”** means the *United States Securities Act* of 1933, as amended, and the rules and regulations promulgated thereunder;

- (71) “**Warrant**” has the meaning given to it above;
- (72) “**Warrant Agent**” has the meaning given to it above;
- (73) “**Warrant Indenture**” has the meaning given to it above;
- (74) “**Warrant Share**” has the meaning given to it above.

Unless otherwise expressly provided in this Agreement, words importing only the singular number include the plural and vice versa and words importing gender include all genders. References to “Sections”, “paragraphs” and “clauses” are to the appropriate section, paragraph or clause of this Agreement.

All references to dollars or “\$” are to Canadian dollars unless otherwise expressed.

Section 2 Compliance with Securities Laws

- (1) The Corporation shall, as soon as possible and in any event by 2:00 p.m. (Toronto time) on March 8, 2021, have prepared and filed the Preliminary Prospectus with the Canadian Securities Regulators and use its commercially reasonable efforts to obtain a receipt from the Ontario Securities Commission for the Preliminary Prospectus. Pursuant to MI 11-102, a receipt for the Preliminary Prospectus will be deemed to be issued by the regulator in each of the Qualifying Jurisdictions other than the Province of Ontario if the conditions of MI 11-102 have been satisfied. The Corporation covenants with the Underwriters that it shall have, by no later than 5:00 p.m. (Toronto time) on March 22, 2021 (or such later date as may be agreed between the Underwriters and the Corporation), prepared and filed the Final Prospectus (in form and substance satisfactory to the Underwriters, acting reasonably) with the Canadian Securities Regulators and shall have obtained a receipt from the Ontario Securities Commission for the Final Prospectus. Pursuant to MI 11-102, a receipt for the Final Prospectus will be deemed to have been issued by the regulator in each of the Qualifying Jurisdictions other than the Province of Ontario if the conditions of MI 11-102 have been satisfied. The Corporation will promptly fulfil and comply with, to the satisfaction of the Underwriters, acting reasonably, the Canadian Securities Laws required to be fulfilled or complied with by the Corporation to enable the Offered Securities to be lawfully distributed to the public in the Qualifying Jurisdictions through the Underwriters or any other investment dealers or brokers registered as such in the Qualifying Jurisdictions (and, in the case of offers and sales of Offered Securities in the United Kingdom and United States, applicable United Kingdom securities laws and U.S. federal and state securities laws required to be fulfilled by the Corporation); and
- (2) During the distribution of the Offered Securities:
 - (a) The Corporation shall prepare, in consultation with the Underwriters, any marketing material (including any template version thereof) to be provided to potential investors of Offered Securities, and approve in writing any such marketing materials (including any template version thereof), as may reasonably be requested by the Underwriters no less than three (3) Business Days prior to its intended use, such marketing materials to comply with Canadian Securities Laws, United

Kingdom securities laws and U.S. securities laws, to the extent applicable, and to be acceptable in form and substance to the Underwriters and their counsel, acting reasonably;

- (b) The Underwriters shall approve in writing any such marketing material, as contemplated by and prepared in compliance with Canadian Securities Laws, United Kingdom securities laws and U.S. securities laws, to the extent applicable, prior to any marketing materials being provided to potential investors of Offered Securities and/or filed with the Canadian Securities Regulators;
- (c) The Corporation shall: (i) file any such marketing materials (or any template version thereof) with the Canadian Securities Regulators as soon as reasonably practicable after such marketing materials are so approved in writing by the Corporation and Haywood, on behalf of the Underwriters, and in any event on or before the day the marketing materials are first provided to any potential investor in the Offered Securities; and (ii) remove or redact any comparable from any template version so filed, in compliance with NI 44-101, prior to filing such template version with the Canadian Securities Regulators (provided that a complete template version containing such comparables and any disclosure relating to the comparable, if any, shall be delivered to the Canadian Securities Regulators in compliance with NI 44-101 by the Corporation, and a copy thereof provided to the Underwriters as soon as practicable following such filing); and
- (d) The Corporation shall prepare, in consultation with the Underwriters, with respect to offers and sales of the Offered Securities in the United States, the U.S. Placement Memorandum.

Section 3 Due Diligence

Prior to the filing of the Preliminary Prospectus and the Final Prospectus, the Corporation shall permit the Underwriters to review and participate in the preparation of the Prospectus and the U.S. Placement Memorandum and shall allow each of the Underwriters to conduct any due diligence investigations which it reasonably requires in order to fulfil its obligations as an underwriter under Canadian Securities Laws and in order to enable it to responsibly execute the certificates in the Preliminary Prospectus and the Final Prospectus required to be executed by it. Following the filing of the Final Prospectus up to the later of the Closing Date and the date of completion of the distribution of the Offered Securities, the Corporation shall allow each of the Underwriters to conduct any due diligence investigations which it reasonably requires in order to fulfill its obligations as an underwriter under Canadian Securities Laws.

Section 4 Restrictions on Sale

- (1) The Corporation agrees that the Underwriters will be permitted to appoint, at their sole expense, other registered dealers or brokers as their agents to assist in the distribution of the Offered Securities. The Underwriters shall, and shall require any such dealer or broker, other than the Underwriters, with which the Underwriters have a contractual relationship in respect of the distribution of the Offered Securities (a “**Selling Firm**”), to comply with

Canadian Securities Laws in connection with the distribution of the Offered Securities in Canada and, in connection with the offer and sale of the Offered Securities in the United Kingdom, applicable United Kingdom laws and, in connection with the offer and sale of the Offered Securities in the United States, the U.S. Securities Act and applicable state securities laws, and shall offer the Offered Securities for sale to the public (other than in the United Kingdom and United States) directly and through Selling Firms upon the terms and conditions set out in the Final Prospectus and this Agreement. The Underwriters shall, and shall require any Selling Firm, to offer for sale to the public and sell the Offered Securities only in those jurisdictions where they may be lawfully offered for sale or sold.

- (2) The Underwriters shall, and shall require any Selling Firm to agree to, comply with, observe and distribute the Offered Securities in a manner that complies with, all applicable laws and regulations (including Rule 144A and Regulation D under the U.S. Securities Act) in each jurisdiction into and from which they may offer to sell the Offered Securities or distribute the Prospectus or the U.S. Placement Memorandum in connection with the distribution of the Offered Securities and will not, directly or indirectly, offer, sell or deliver any Offered Securities or deliver the Prospectus or the U.S. Placement Memorandum to any person in any jurisdiction other than in the Qualifying Jurisdictions and, in the case of the U.S. Placement Memorandum, the United States, except in a manner which will not require the Corporation to comply with the registration, prospectus, continuous disclosure, filing or other similar requirements under the applicable securities laws or other laws of such other jurisdictions.
- (3) The Underwriters agree, and shall require any Selling Firm to agree, to not, directly or indirectly, solicit offers to purchase the Offered Securities in or into the United Kingdom which would constitute an offer of transferable securities to the public in the United Kingdom, within the meaning of Sections 85(1) or 102B of the United Kingdom Financial Services and Markets Act 2000 (as amended from time to time)(the "FSMA"), or otherwise so as to require a prospectus be approved by the United Kingdom Financial Services Authority (the "FSA") under Section 87A of the FSMA or by the London Stock Exchange or so as to breach Section 21 of FSMA, and in particular, shall neither take nor permit any action which will result in the distribution of the Offered Securities being made to persons in the United Kingdom who are not "qualified investors" (as defined in Section 86(7) of FSMA) who are acting as principal (or in circumstances where Section 86(2) of FSMA applies) and who also fall within Articles 19 (investment professionals) or 49 (high net worth companies, unincorporated associations, etc.) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005.
- (4) Notwithstanding the foregoing, an Underwriter will not be liable for any breach under this Section 4 or Schedule A to this Agreement by another Underwriter if the Underwriter first mentioned or its U.S. Affiliate (as defined in Schedule A hereto) is not itself also in breach of this Section 4 or Schedule A.
- (5) For the purposes of this Section 4, the Underwriters shall be entitled to assume that the Offered Securities are qualified for distribution in any Qualifying Jurisdiction where a receipt or similar document for the Prospectus shall have been obtained from the applicable Canadian Securities Regulator following the filing of the Prospectus.

- (6) The Corporation and the Underwriters hereby acknowledge that the Offered Securities have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold in the United States or, to or for the benefit of U.S. persons, except to Qualified Institutional Buyers (as defined in Schedule A hereto) in accordance with Rule 144A, or directly by the Corporation to U.S. Accredited Investors in accordance with Rule 506(b) of Regulation D under the U.S. Securities Act, and in each case under the applicable securities laws of any U.S. state. Accordingly, the Corporation and each of the Underwriters hereby agree that offers and sales of the Offered Securities in the United States, or to or for the accounts or benefit of U.S. Persons, shall be conducted only in the manner specified in Schedule A hereto, which terms and conditions are hereby incorporated by reference in and form a part of this Agreement.

Section 5 Delivery of Documents

- (1) On or prior to the time of filing of the Preliminary Prospectus and the Final Prospectus, the Corporation shall deliver to each of the Underwriters (except to the extent such documents have been previously delivered to the Underwriters):
- (a) a copy of each of the Preliminary Prospectus and the Final Prospectus, including for greater certainty each of the documents incorporated by reference to the extent not available on SEDAR signed and certified by the Corporation as required by Canadian Securities Laws in the Qualifying Jurisdictions;
 - (b) copies of the U.S. Placement Memorandum;
 - (c) copies of any other document required to be filed by the Corporation under Canadian Securities Laws;
 - (d) concurrently with the filing of the Final Prospectus, evidence satisfactory to the Underwriters of the approval (or conditional approval) of the listing and posting for trading on the TSXV of the Initial Shares, Additional Shares, Warrant Shares and Compensation Shares, subject only to satisfaction by the Corporation of customary post-closing conditions imposed by the TSXV in similar circumstances (the “**Standard Listing Conditions**”); and
 - (e) in the case of the Final Prospectus, a “long-form” comfort letter of RSM, dated the date of the Final Prospectus (with the requisite procedures to be completed by such auditors no later than two Business Days prior to the date of the Final Prospectus), addressed to the Underwriters, the Corporation and the directors of the Corporation, in form and substance satisfactory to the Underwriters, acting reasonably, with respect to certain financial and numerical information relating to the Corporation contained in the Final Prospectus, which letter shall be in addition to the auditors’ report contained in the Final Prospectus and any auditors’ comfort letter addressed to the Canadian Securities Regulators; and
 - (f) in the case of the Final Prospectus, a copy of the letter from the TSXV advising the Corporation that conditional approval of the listing of the Initial Shares, Additional

Shares, Warrant Shares and Compensation Shares has been granted by the TSXV, subject to the satisfaction of the customary conditions set out therein.

- (2) In the event that the Corporation is required by Canadian Securities Laws to prepare and file a Prospectus Amendment, the Corporation shall prepare and deliver promptly to the Underwriters signed and certified copies of such Prospectus Amendment. Any Prospectus Amendments shall be in form and substance satisfactory to the Underwriters, acting reasonably. Concurrently with the delivery of any Prospectus Amendment, the Corporation shall deliver to the Underwriters, with respect to such Prospectus Amendment, documents similar to those referred to in Section 5(1)(b), Section 5(1)(c) and Section 5(1)(e).

Section 6 Representations of the Corporation as to the Prospectus and Prospectus Amendments and the U.S. Placement Memorandum

- (1) Filing of the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment shall constitute a representation and warranty by the Corporation to the Underwriters that, as at their respective dates and as at the date of filing:
 - (a) the information and statements (except information and statements relating solely to the Underwriters which have been provided by the Underwriters in writing specifically for use in the Preliminary Prospectus, the Final Prospectus, the U.S. Placement Memorandum or any Prospectus Amendment (collectively, “**Underwriters’ Information**”)) contained in the Preliminary Prospectus, the Final Prospectus, the U.S. Placement Memorandum and any Prospectus Amendment are true and correct and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Corporation and the Offered Securities;
 - (b) no material fact has been omitted from such disclosure that is required to be stated in such disclosure or that is necessary to make a statement contained in such disclosure not misleading in light of the circumstances under which it was made; and
 - (c) except with respect to any Underwriters’ Information, such documents comply fully with the requirements of Canadian Securities Laws.
- (2) Such filings shall also constitute the Corporation’s consent to the Underwriters’ use of the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment in connection with the distribution of the Offered Securities in the Qualifying Jurisdictions in compliance with this Agreement and Canadian Securities Laws and the use of the U.S. Placement Memorandum for offers and sales of the Offered Securities in the United States, or to U.S. Persons, pursuant to Rule 144A or in connection with the Corporation’s offer and sale of the Offered Securities to U.S. Accredited Investors pursuant to Rule 506(b) under Regulation D of the U.S. Securities Act.

Section 7 Additional Representations, Warranties and Covenants of the Corporation

- (1) The Corporation represents, warrants and covenants to the Underwriters, and acknowledges that the Underwriters are relying upon such representations, warranties and covenants, as follows:
 - (a) except as otherwise disclosed in the Prospectus, since the date of the most recent audited balance sheet, (i) there has been no material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Corporation, (ii) there have been no transactions entered into by the Corporation which are material with respect to the Corporation other than those in the ordinary course of business, and (iii) there has been no dividend or distribution of any kind declared, paid or made by the Corporation on any class of its shares;
 - (b) the Corporation is a corporation duly incorporated and validly existing under the laws of the province of Ontario and is properly registered or licensed to carry on business under the laws of each jurisdiction in which its business is carried on, except where the failure to be so registered or licensed would not, individually or in the aggregate, have a Material Adverse Effect;
 - (c) the Corporation has no subsidiaries other than the Material Entities which would be considered material. Except as disclosed in the Prospectus, the Corporation is the direct or indirect registered and beneficial owner of: (i) all of the issued and outstanding shares of 2529907 Ontario Limited, (ii) 82% of the issued and outstanding shares of Compañía Minera Eloro Peru S.A.C., and (iii) 98% of the issued and outstanding shares of Minera Tupiza S.R.L., with an option to purchase an additional 1% of the issued and outstanding shares of Minera Tupiza S.R.L. for consideration of US\$3,000,000, in each case free and clear of all Liens or adverse interests whatsoever, and no Person has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase from the Corporation or any subsidiary of any of the shares or other securities of any such subsidiary;
 - (d) the Corporation has the requisite corporate power, authority and capacity to enter into this Agreement, the Warrant Indenture and the Compensation Option Certificates and to perform its obligations hereunder (including the execution and delivery of the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendments and the filing of each of them with the Canadian Securities Regulators) and thereunder, and the Corporation has the requisite corporate power, authority and capacity to own, lease and operate its property and assets and to carry on its business as currently carried on or as proposed to be carried on;
 - (e) the authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of Special Shares. As at the date of this Agreement, there are outstanding:

- (i) 53,733,274 Common Shares;
 - (ii) nil Special Shares;
 - (iii) options and warrants to acquire an aggregate of up to 10,371,774 Common Shares; and
 - (iv) nil restricted share units;
- (f) all outstanding Common Shares, and the Common Shares issuable upon an exercise of the options, warrants and restricted share units listed in Section 7(1)(e) have been duly authorized. The outstanding Common Shares were, and the Common Shares issuable upon an exercise of the options, warrants and restricted share units listed in Section 7(1)(e) will be when issued, validly issued and outstanding as fully paid and non-assessable shares, free of pre-emptive rights;
- (g) on or prior to Closing Time, the Offered Securities, the Warrant Shares, the Compensation Options and the Compensation Shares shall be duly authorized for issuance, allotted and reserved, as applicable. Upon receipt of payment therefor: (i) the Offered Securities, (ii) the Warrant Shares, upon exercise of the Warrants, and (iii) the Compensation Shares, upon exercise of the Compensation Options, shall be validly issued as fully paid and non-assessable Common Shares;
- (h) except as disclosed in the Prospectus, other than investments of unallocated funds in savings accounts and investment accounts with major Canadian chartered banks and small amounts of marketable securities, the Corporation does not own, directly or indirectly, any shares or any other equity or debt securities of any corporation or company or have any equity interest in any firm, partnership (limited, general or otherwise), limited liability company, unlimited liability company, joint venture, association or other entity;
- (i) the Financial Statements of the Corporation included in the Prospectus have been prepared in conformity with IFRS applied on a consistent basis throughout the periods involved and present fairly in all material respects the financial position, results of operations and cash flows of the Corporation as at the dates of such statements;
- (j) the Corporation has not incurred any liabilities or obligations (whether accrued, absolute, contingent or otherwise) that continue to be outstanding except (i) as disclosed or contemplated in the Prospectus, or (ii) as incurred in the ordinary course of business by the Corporation and which do not have a Material Adverse Effect;
- (k) except as disclosed in the Prospectus, no acquisition has been made by the Corporation during its three most recently completed fiscal years that would be a significant acquisition for the purposes of Canadian Securities Laws, and no proposed acquisition by the Corporation has progressed to a state where a reasonable person would believe that the likelihood of the Corporation completing

the acquisition is high and that, if completed by the Corporation at the date of the Prospectus, would be a “significant acquisition” for the purposes of Canadian Securities Laws, in each case, that would require the prescribed disclosure in the Prospectus pursuant to such laws;

- (l) the Corporation maintains a system of internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and maintains a system of disclosure controls and procedures that is designed to provide reasonable assurances that information required to be disclosed by the Corporation under Canadian Securities Laws is recorded, processed, summarized and reported within the time periods specified under Canadian Securities Laws and to ensure that information required to be disclosed by the Corporation under Canadian Securities Laws is accumulated and communicated to the Corporation’s management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure;
- (m) no director or officer, former director or officer, or shareholder or employee of, or any other person not dealing at arm’s length with, the Corporation will continue after the Closing to be engaged in any material transaction or arrangement with or to be a party to a material contract with, or has any indebtedness, liability or obligation to, the Corporation, except as disclosed in the Prospectus or for employment or consulting arrangements with employees or consultants or those serving as a director or officer of the Corporation as described in the Prospectus;
- (n) except as would not have a Material Adverse Effect, the Corporation is not in breach or violation of, and the execution and delivery of this Agreement, the Warrant Indenture or the Compensation Option Certificates and the performance by the Corporation of its obligations hereunder or thereunder will not result in any breach or violation of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents or by-laws of the Corporation, or any resolution of the directors or shareholders of the Corporation, or any material contract, mortgage, note, indenture, joint venture or partnership arrangement, agreement (written or oral), instrument, lease, judgment, decree, order, statute, rule, licence or regulation applicable to the Corporation, and will not give rise to any Lien in or with respect to the properties or assets now owned or hereafter acquired by the Corporation or the acceleration of or the maturity of any debt under any indenture, mortgage, lease, agreement or instrument binding or affecting it or any of its properties or assets;
- (o) other than the waivers by each of Crescat Global Macro Master Fund Ltd. and Crescat Long/Short Fund LP of their respective rights to participate in the Offering contemplated under their respective subscription agreement dated June 9, 2020 with the Corporation, no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority or other person is required of the Corporation in connection with the execution and delivery of or

with the performance by the Corporation of its obligations under this Agreement and the Warrant Indenture, except as disclosed in the Prospectus or as required by Canadian Securities Laws;

- (p) the Corporation is not aware of any pending change or contemplated change to any applicable law or regulation or governmental position that would have a Material Adverse Effect;
- (q) this Agreement, the Warrant Indenture and the Compensation Option Certificates and the performance of the Corporation's obligations hereunder and thereunder (including the execution and delivery of the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendments and the filing of each of them with the Canadian Securities Regulators) and thereunder have been or will be, as applicable, duly authorized by all necessary corporate action and no other corporate proceedings on the part of the Corporation are required to authorize this Agreement, the Warrant Indenture and the Compensation Option Certificates. This Agreement, the Warrant Indenture and the Compensation Option Certificates have been, or will, prior to the Closing be, duly executed and delivered by the Corporation and each constitutes, or will constitute, a legal, valid and binding obligation of the Corporation, enforceable against the Corporation in accordance with its terms, except as enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and by the application of equitable principles when equitable remedies are sought and subject to the fact that rights of indemnity and contribution may be limited by applicable law;
- (r) on or prior to the Closing Time, the form of certificate for the Common Shares, Warrants and Compensation Options will have been approved by the board of directors of the Corporation and adopted by the Corporation and will comply with all legal and stock exchange requirements and will not conflict with the Corporation's by-laws or constating documents;
- (s) to the knowledge of the Corporation and except as disclosed in the Prospectus, there are no shareholders' agreements, voting agreements, investors' rights agreements or other agreements in force or effect which in any manner affects or will affect the voting or control of any of the Offered Securities of the Corporation or the operations or affairs of the Corporation;
- (t) the attributes attaching to the Offered Securities when issued will be consistent in all material respects with the description thereof in the Prospectus;
- (u) to the knowledge of the Corporation, no securities commission, stock exchange or comparable authority has issued any order requiring trading in any of the Corporation's securities to cease, preventing or suspending the use of the Preliminary Prospectus, the Final Prospectus, the U.S. Placement Memorandum or any Prospectus Amendment or preventing the distribution of the Offered Securities in any Qualifying Jurisdiction or the United States nor instituted proceedings for

that purpose and, to the knowledge of the Corporation, no such proceedings are pending or contemplated;

- (v) the Transfer Agent, at its principal office in the City of Toronto, has been duly appointed as registrar and transfer agent for the Common Shares;
- (w) the Warrant Agent, at its principal office in the City of Toronto, will prior to Closing, be duly appointed as the warrant agent under the Warrant Indenture;
- (x) except as disclosed in the Prospectus, there is no litigation or governmental or other proceeding or investigation at law or in equity before any Governmental Authority, domestic or foreign, in progress, pending or, to the Corporation's knowledge, threatened (and the Corporation does not know of any basis therefor) against, or involving the assets, properties or business of, the Corporation, nor are there any matters under discussion with any Governmental Authority relating to taxes, governmental charges, orders or assessments asserted by any such authority, and to the Corporation's knowledge, except as set forth in the Prospectus or disclosed to the Underwriters, there are no facts or circumstances which would reasonably be expected to form the basis for any such litigation, governmental or other proceeding or investigation, taxes, governmental charges, orders or assessments;
- (y) RSM is independent with respect to the Corporation within the meaning of the rules of professional conduct applicable to auditors in Ontario; and there has not been any reportable event (within the meaning of National Instrument 51-102 - *Continuous Disclosure Obligations of the Canadian Securities Administrators*) with such firm or any other prior auditor of the Corporation;
- (z) all tax returns required to be filed by the Corporation on or prior to the date hereof have been filed, and, except as disclosed in the Prospectus, all taxes and other assessments of a similar nature (whether imposed directly or through withholding), including any interest, additions to tax or penalties applicable thereto, due or claimed to be due have been paid, other than non-material amounts or those being contested in good faith and for which adequate reserves have been provided, and the Corporation is not a party to any agreement, waiver or arrangement with any taxing authority which relates to any extension of time with respect to the filing of any tax returns, any payment of taxes or any assessment thereof; except as disclosed in the Prospectus, there is no tax deficiency which has been asserted against the Corporation which would have a Material Adverse Effect, and all material tax liabilities are adequately provided for in accordance with IFRS within the Financial Statements of the Corporation for all periods up to date of latest audited balance sheet; except as disclosed to the Underwriters, there are no assessments or investigations in progress, pending or, to the knowledge of the Corporation, threatened, against the Corporation in respect of taxes; there are no Liens for taxes upon the assets of the Corporation;
- (aa) the Corporation has conducted and is conducting its business in material compliance with all applicable Laws of each jurisdiction in which it carries on

business and the Corporation has not received any notice of any alleged violation of any such laws, rules and regulations;

- (bb) the Corporation possesses such permits, licences, approvals, consents and other authorizations (collectively, “**Governmental Licences**”) issued by Governmental Authorities necessary to conduct the business now operated by it, except as disclosed in the Prospectus or where the failure to so possess would not, individually or in the aggregate, have a Material Adverse Effect and all such Governmental Licences are valid and existing and in good standing. The Corporation is in compliance with the terms and conditions of all such Governmental Licences, except where the failure to so comply would not, individually or in the aggregate, have a Material Adverse Effect;
- (cc) except as described in the Prospectus or for such matters as would not, individually or in the aggregate, have a Material Adverse Effect, (i) the Corporation is not in violation of any Environmental Laws, (ii) the Corporation has all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, and (iii) there are no pending administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, orders, directions, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Law against the Corporation, and there are no facts or circumstances which would reasonably be expected to form the basis for any such administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, orders, directions, notices of non-compliance or violation, investigation or proceedings;
- (dd) except as described in the Prospectus or for such matters as would not, individually or in the aggregate, have a Material Adverse Effect, all mineral exploration and mining operations currently being conducted in all material respects by the Corporation are being conducted pursuant to all applicable environmental rules and regulations and in accordance with acceptable environmental practices;
- (ee) (i) the Corporation is in compliance, in all material respects, with the provisions of all applicable federal, provincial, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours (collectively, “**Employment Laws**”); (ii) no collective labour dispute, grievance, arbitration or legal proceeding is ongoing, pending or, to the knowledge of the Corporation, threatened and no individual labour dispute, grievance, arbitration or legal proceeding is ongoing, pending or, to the knowledge of the Corporation, threatened with any employee of the Corporation that would have a Material Adverse Effect, and, to the knowledge of the Corporation, none has occurred during the past year; and (iii) no union has been accredited or otherwise designated to represent any employees of the Corporation and, to the knowledge of the Corporation, no accreditation request or other representation question is pending with respect to the employees of the Corporation, and no collective agreement or collective bargaining agreement or modification thereof has expired

or is in effect in any of the Corporation's facilities and none is currently being negotiated by the Corporation;

- (ff) no existing supplier, manufacturer or contractor of the Corporation has indicated that it intends to terminate its relationship with the Corporation or that it will be unable to meet the Corporation's requirements, except as would not have a Material Adverse Effect;
- (gg) the Corporation is not in default or breach, in any material respect, of any real property lease, and the Corporation has not received any notice or other communication from the owner or manager of any real property leased by the Corporation that the Corporation is not in compliance with any real property lease, and to the knowledge of the Corporation, no such notice or other communication is pending or has been threatened;
- (hh) the Corporation maintains such policies of insurance, issued by responsible insurers, as are appropriate to its operations, property and assets, in such amounts and against such risks as are customarily carried and insured against by owners of comparable businesses, properties and assets and all such policies of insurance will at Closing continue to be in full force and effect; and the Corporation is not in default as to the payment of premiums or otherwise, under the terms of any such policy;
- (ii) except as disclosed in the Prospectus, the Corporation has good and marketable title to all of its assets and property and no person has any contract or any right or privilege capable of becoming a right to purchase any personal property from the Corporation that would have a Material Adverse Effect;
- (jj) the Corporation's Iska Iska Project and all of the Corporation's Mineral Rights therein are accurately set forth in the Prospectus. The Iska Iska Project is the Corporation's only material mineral project;
- (kk) the Empresa Minera Option Agreement is a valid, subsisting and enforceable agreement of Minera Tupiza S.R.L., granting Minera Tupiza S.R.L. a right and option to acquire up to a 99% interest in the Iska Iska Project and applicable Mineral Rights relating thereto, and Minera Tupiza S.R.L. is in compliance with, and is not in default of any of, the material provisions of the Empresa Minera Option Agreement, nor has any such default been alleged;
- (ll) except as set forth in the Prospectus, the Technical Reports or a title opinion deliverable under Section 17(a)(v), the Corporation is the direct or indirect legal and beneficial owner of 82% of the right, title and interest in and to the La Victoria Project and applicable Mineral Rights therein, free and clear of any Liens;
- (mm) all of the Mineral Rights of the Iska Iska Project and the La Victoria Project (the "**Properties**") have been properly located and recorded in compliance with applicable Law and are comprised of valid and subsisting mineral claims;

- (nn) the Properties and the related Mineral Rights are in good standing under applicable Law and, to the knowledge of the Corporation, all work required to be performed and filed in respect thereof has been performed and filed, all taxes, rentals, fees, expenditures and other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made;
- (oo) there is no material adverse claim against or challenge to the title to or ownership of the Properties or any of the related Mineral Rights;
- (pp) except as disclosed in the Prospectus, the Technical Reports or a title opinion deliverable under Section 17(a)(v), the Corporation has the exclusive right to deal with the Properties and all of the related Mineral Rights;
- (qq) except as set forth in the Prospectus, the Technical Reports or a title opinion deliverable under Section 17(a)(v), no Person other than the Corporation has any interest in the Properties or any of the related Mineral Rights or the production or profits therefrom or any royalty in respect thereof or any right or option to acquire any such interest;
- (rr) except as set forth in the Prospectus, the Technical Reports or a title opinion deliverable under Section 17(a)(v), there are no back-in rights, earn-in rights, rights of first refusal or similar provisions or rights which would affect the Corporation's interest in the Properties or any of the related Mineral Rights;
- (ss) except as disclosed in the Prospectus or the Technical Reports, there are no material restrictions on the ability of the Corporation to use, transfer or exploit the Properties or any of the related Mineral Rights, except pursuant to applicable Law;
- (tt) the Corporation has not received any notice, whether written or oral, from any Governmental Authority of any revocation or intention to revoke any interest of the Corporation in any of the Properties or any of the Mineral Rights;
- (uu) except as set forth in the Prospectus, the Corporation has all surface rights, including fee simple estates, leases, easements, rights of way and permits or licences operations from landowners or Governmental Authorities permitting the use of land by the Corporation, and mineral interests that are required to exploit the development potential of the Iska Iska Project and the related Mineral Rights as contemplated in the Prospectus and no third party or group holds any such rights that would be required by the Corporation to develop the Iska Iska Project or any of the related Mineral Rights as contemplated in the Prospectus;
- (vv) all future abandonment, remediation and reclamation obligations known to the Corporation as of the date hereof have been accurately set forth in the Prospectus without omission of information necessary to make the disclosure not misleading;
- (ww) the Technical Reports complied with the requirements of NI 43-101 at the respective times of filing thereof;

- (xx) except as mandated by or in conformity with the recommendations of a Governmental Authority, which government mandates have not materially affected the Corporation or the Material Entities, there has been no closure or suspension of the operations or workforce productivity of the Corporation or either of the Material Entities as a result of the novel coronavirus outbreak (“**COVID-19 Outbreak**”). The Corporation has been monitoring the COVID-19 Outbreak and the potential impact at all of its operations and has put appropriate control measures in place to ensure the wellness of all of its employees and surrounding communities where the Corporation or its Material Entities operate while continuing to operate;
- (yy) except as disclosed in the Prospectus, the Corporation does not have outstanding any debentures, notes, mortgages, or other indebtedness that is material to the Corporation;
- (zz) the minute books and corporate records of the Corporation made available to McMillan LLP, counsel to the Underwriters, in connection with the Underwriters’ due diligence investigations are the original minute books and records or true and complete copies thereof and contain copies of all proceedings of the shareholders, the boards of directors and all committees of the boards of directors of each of such entities that have been minuted or resolved and there have been no other meetings, resolutions or proceedings of the shareholders, boards of directors or any committee thereof to the date of review of such corporate records and minute books not reflected in such minute books and other corporate records, other than those which are not material in the context of such entities, as applicable;
- (aaa) neither the Corporation nor any affiliate of the Corporation has taken, nor will the Corporation or any affiliate take, any action which constitutes stabilization or manipulation of the price of any security of the Corporation to facilitate the sale or resale of the Offered Securities;
- (bbb) any statistical and market-related data included in the Prospectus is based on or derived from sources that the Corporation believes to be reliable and accurate, and the Corporation has obtained the consent to the use of such data from such sources to the extent required;
- (ccc) other than as contemplated hereby and as disclosed in the Prospectus, there is no person acting at the request of the Corporation who is entitled to any payment, brokerage or agency fee in connection with the sale of the Offered Securities;
- (ddd) the Corporation intends to apply the net proceeds from the issue and sale of the Offered Securities substantially in accordance with the disclosure set out under the heading “Use of Proceeds” in the Prospectus;
- (eee) there are no transfer taxes or other similar fees or charges (including, without limitation, sales taxes, goods and services taxes or harmonized sales taxes imposed under Part IX of the *Excise Tax Act* (Canada)) under Canadian, United Kingdom or U.S. federal Law or the Laws of any state, province or any political subdivision

thereof, required to be paid in connection with the execution, delivery and performance of this Agreement, the Warrant Indenture or the issuance by the Corporation or sale by the Corporation of the Offered Securities ; and

- (fff) no stamp duty, registration or documentary taxes, duties or other similar charges are payable under the federal Laws of Canada or the Laws of any province of Canada in connection with the creation, issuance, sale and delivery to the Underwriters of the Offered Securities or the authorization, execution, delivery and performance of this Agreement, the Warrant Indenture, the Compensation Option Certificates or the resale of any Offered Securities by an Underwriter to a purchaser resident in the United States.
- (2) The representations, warranties and covenants of the Corporation set out in the schedules to this Agreement (including, for the avoidance of doubt, Schedule A hereto with respect to offers and sales of Offered Securities in the United States) are hereby incorporated herein by reference.

Section 8 Covenants of the Corporation

The Corporation covenants with the Underwriters that:

- (a) it will advise the Underwriters, promptly after receiving notice thereof, of the time when each of the Preliminary Prospectus and Final Prospectus has been filed and when the receipt(s) in respect thereof have been obtained and will provide evidence satisfactory to the Underwriters of each filing and the issuance or deemed issuance of receipts from all of the Canadian Securities Regulators; and
- (b) it will advise the Underwriters, promptly after receiving notice or obtaining knowledge, of (i) the issuance by any Canadian Securities Regulator or U.S. securities regulator of any order suspending or preventing the use of the Preliminary Prospectus, the Final Prospectus, the U.S. Placement Memorandum or any Prospectus Amendment; (ii) the suspension of the qualification of the Offered Securities for distribution or sale in any of the Qualifying Jurisdictions; (iii) the institution or threatening of any proceeding for any of those purposes; or (iv) any requests made by any Canadian Securities Regulator for amending or supplementing the Prospectus, or for additional information, and will use their reasonable best efforts to prevent the issuance of any such order and, if any such order is issued, to obtain the withdrawal of the order promptly.

Section 9 Commercial Copies

The Corporation shall cause commercial copies of the Preliminary Prospectus and the Final Prospectus and the U.S. Placement Memorandum (and any preliminary version or amended or supplemented version thereof) to be delivered to the Underwriters without charge, in such quantities and in such cities as the Underwriters may reasonably request by written or oral instructions to the printer of such documents. Such delivery shall be effected as soon as possible after filing thereof with the Canadian Securities Regulators, but in any event on or before 5:00 p.m. (Toronto time) on the date that is the next Business Day (for deliveries in Toronto) and on or

before the date that is the second Business Day (for deliveries in Canada other than in Toronto). Such deliveries shall constitute the consent of the Corporation to the Underwriters' use of the Prospectus for the distribution of the Offered Securities in the Qualifying Jurisdictions in compliance with the provisions of this Agreement and Canadian Securities Laws and the use of the U.S. Placement Memorandum for the purposes of confirming sales to purchasers that are in the United States or are U.S. Persons in accordance with Rule 144A or Rule 506(b) under Regulation D of the U.S. Securities Act. The Corporation shall similarly cause to be delivered commercial copies of any Prospectus Amendments.

Section 10 Change of Closing Date

Subject to the termination provisions contained in Section 18, if a material change or a change in a material fact occurs prior to the Closing Date or the Option Closing Date, if the Over-Allotment Option is exercised, the Closing Date or the Option Closing Date, as applicable, shall be, unless the Corporation and the Underwriters otherwise agree in writing or unless otherwise required under Canadian Securities Laws, the sixth Business Day following the later of:

- (a) the date on which all applicable filings or other requirements of Canadian Securities Laws with respect to such material change or change in a material fact have been complied with in all Qualifying Jurisdictions and any appropriate receipt(s) obtained for such filings and notice of such filings from the Corporation or its counsel have been received by the Underwriters; and
- (b) the date upon which the commercial copies of any Prospectus Amendments have been delivered in accordance with Section 9.

Section 11 Completion of Distribution

The Underwriters shall, and shall cause each Selling Firm to, after the Closing Time:

- (a) use commercially reasonable efforts to complete distribution of the Offered Securities as promptly as possible; and
- (b) give prompt written notice to the Corporation when, in the opinion of the Underwriters, they have completed distribution of the Offered Securities, including notice of the total proceeds realized or number of Offered Securities sold in each of the Qualifying Jurisdictions and any other jurisdiction from such distribution.

Section 12 Material Change or Change in Material Fact During Distribution

- (1) During the period from the date of this Agreement to the later of the Closing Date and the date of completion of distribution of the Offered Securities under the Final Prospectus and the U.S. Placement Memorandum, the Corporation shall promptly notify the Underwriters in writing of:
 - (a) any of the representations or warranties made by the Corporation in this Agreement being no longer true and correct;

- (b) any filing made by the Corporation of information relating to the offering of the Offered Securities with any stock exchange or Governmental Authority in Canada or the United States or any other jurisdiction;
 - (c) any material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Corporation;
 - (d) any material fact which has arisen or has been discovered and would have been required to have been stated in the Final Prospectus or the U.S. Placement Memorandum had the fact arisen or been discovered on, or prior to, the date of such document; and
 - (e) any change in any material fact (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the Final Prospectus, the U.S. Placement Memorandum or any Prospectus Amendment which fact or change is, or may be, of such a nature as to render any statement in the Final Prospectus, the U.S. Placement Memorandum or any Prospectus Amendment misleading or untrue in any material respect or which would result in a misrepresentation in the Final Prospectus, the U.S. Placement Memorandum or any Prospectus Amendment or which would result in the Final Prospectus or any Prospectus Amendment not complying (to the extent that such compliance is required) with Canadian Securities Laws, in each case, as at any time up to and including the later of the Closing Date and the date of completion of the distribution of the Offered Securities.
- (2) The Corporation shall promptly, and in any event within any applicable time limitation, comply, to the satisfaction of the Underwriters, acting reasonably, with all applicable filings and other requirements under Canadian Securities Laws as a result of a fact or change referred to in Section 12(1), provided that the Corporation shall not file any Prospectus Amendment or other document without first obtaining from the Underwriters the approval of the Underwriters, after consultation with the Underwriters with respect to the form and content thereof, which approval will not be unreasonably withheld. The Corporation shall in good faith discuss with the Underwriters any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt whether written notice need be given under this Section 12.

Section 13 Change in Canadian Securities Laws

If during the period of distribution of the Offered Securities there shall be any change in Canadian Securities Laws which requires the filing of a Prospectus Amendment, the Corporation shall, to the satisfaction of the Underwriters, acting reasonably, promptly prepare and file such Prospectus Amendment with the appropriate Canadian Securities Regulator in each of the Qualifying Jurisdictions where such filing is required.

Section 14 Underwriting Fee and Compensation Options

In consideration of the Underwriters' agreement to purchase the Initial Units and the Additional Units, if any, which will result from the acceptance by the Corporation of this offer, the Corporation agrees to pay to the Underwriters a fee equal to 6.0% of the aggregate gross cash proceeds received from the sale of the Offered Securities (the "**Underwriting Fee**"). As additional compensation, the Corporation agrees to issue to the Underwriters that number of compensation options (each, a "**Compensation Option**") entitling the Underwriters to purchase such number of common shares in the capital of the Corporation (each, a "**Compensation Share**") as is equal to 6.0% of the aggregate number of Units sold by the Corporation hereunder. A Compensation Option will entitle the holder thereof to acquire one Compensation Share at a price equal to the Issue Price for a period of 24 months following the Closing Date, pursuant to the terms of the Compensation Option Certificate.

The Compensation Options and the Compensation Shares shall be qualified for distribution under the Preliminary Prospectus and the Final Prospectus. The Underwriting Fee shall be payable as provided for in Section 15.

Section 15 Delivery of Purchase Price, Underwriting Fee and Offered Securities

- (1) The purchase and sale of the Offered Securities shall be completed at the Closing Time or Option Closing Time, as the case may be, at the Toronto offices of Dickinson Wright LLP or at such other place as the Underwriters and the Corporation may agree upon.
- (2) At the Closing Time or the Option Closing Time, as the case may be, the Corporation shall duly and validly deliver to the Underwriters definitive certificates representing the Initial Units or the Additional Units, as the case may be, registered in the name of "CDS & Co." or in such other name or names as Haywood, on behalf of the Underwriters, may direct the Corporation in writing not less than 48 hours prior to the Closing Time or the Option Closing Time, as the case may be (provided, however, that in the case of any Offered Securities sold to a U.S. Accredited Investor pursuant to Rule 506(b) under Regulation D of the U.S. Securities Act, the Corporation shall cause TSX Trust Company to deliver to such U.S. Accredited Investor physical certificates representing such Offered Securities, bearing the applicable "restricted securities" legend under the U.S. Securities Act). Alternatively, if requested by Haywood, at the Closing Time or the Option Closing Time, as the case may be, the Corporation shall duly and validly deliver in uncertificated form to the Underwriters, or in the manner directed by the Underwriters in writing, the Initial Units or the Additional Units, as the case may be, registered in the name of "CDS & Co." or in such other name or names as Haywood, on behalf of the Underwriters, may direct the Corporation in writing not less than 48 hours prior to the Closing Time or the Option Closing Time, as the case may be.
- (3) In either case, delivery by the Corporation of the Initial Units or the Additional Units shall be against payment by the Underwriters to the Corporation of the aggregate purchase price for the Initial Units or the Additional Units, as the case may be, net of the Underwriting Fee plus applicable expenses (in accordance with Section 22), by wire transfer of immediately available funds together with a receipt signed by Haywood, on behalf of the

Underwriters, for such Initial Units or Additional Units, as the case may be, and for the Underwriting Fee and the Compensation Options issued to the Underwriters at the Closing Time or the Option Closing Time, as the case may be.

Section 16 Delivery of Units

- (1) The Corporation shall, prior to the Closing Date and the Option Closing Date, make all necessary arrangements for the preparation and delivery (and, in the case of definitive certificates, execution of such definitive certificates representing the Initial Units or the Additional Units, as the case may be) of the Initial Units or the Additional Units on the Closing Date or the Option Closing Date, as applicable, in the City of Toronto.
- (2) The Corporation shall pay all fees and expenses payable to the Transfer Agent and the Warrant Agent in connection with the preparation and delivery (and, in the case of definitive certificates, execution of such definitive certificates representing the Initial Units or the Additional Units, as the case may be) of the Initial Units or Additional Units contemplated by this Section 16 and the fees and expenses payable to the Transfer Agent and the Warrant Agent as may be required in the course of the distribution of the Initial Units or Additional Units.

Section 17 Conditions to Underwriters' Obligation to Purchase

The Underwriters' obligation to purchase the Offered Securities at the Closing Time shall be subject to the representations and warranties of the Corporation contained in this Agreement being accurate as of the date of this Agreement and as of the Closing Date, to the Corporation having performed all of its obligations under this Agreement and to the following additional conditions:

(a) Delivery of Opinions

- (i) *Canadian Legal Opinions.* The Underwriters shall have received at the Closing Time a legal opinion dated the Closing Date, in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters (and, if required for opinion purposes, counsel to the Underwriters) from Dickinson Wright LLP, counsel to the Corporation, as to the laws of Canada and the Qualifying Jurisdictions, which counsel in turn may rely upon the opinions of local counsel and United States counsel where it deems such reliance proper as to the laws other than those of Canada and Ontario (or alternatively make arrangements to have such opinions directly addressed to the Underwriters) and as to matters of fact, on certificates of Governmental Authorities and officers of the Corporation and letters from stock exchange representatives and transfer agents, with respect to the following matters:
 - (A) the Corporation is a "reporting issuer", or its equivalent, in each of the Qualifying Jurisdictions and it is not listed as in default of Canadian Securities Laws in any of the Qualifying Jurisdictions which maintain such a list;

- (B) as to the existence of the Corporation under the laws of its jurisdiction of incorporation and as to the corporate power and capacity of the Corporation to own and lease property and assets and carry on activities as described in the Prospectus and to execute, deliver and perform its obligations under this Agreement, the Warrant Indenture and the Compensation Option Certificates;
- (C) as to the authorized and issued capital of the Corporation, including issued and outstanding Common Shares;
- (D) that all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of each of the Preliminary Prospectus and the Final Prospectus and, if applicable, any Prospectus Amendments and the filing of such documents under Canadian Securities Laws in each of the Qualifying Jurisdictions;
- (E) that all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of this Agreement, the Warrant Indenture and the Compensation Option Certificates and the performance of its obligations hereunder and thereunder and to issue and deliver to the Underwriters the Offered Securities and the Compensation Options;
- (F) that this Agreement, the Warrant Indenture and the Compensation Option Certificates have been duly executed and delivered by the Corporation and each constitutes a legal, valid and binding obligation of the Corporation and is enforceable against the Corporation in accordance with its terms, subject to customary qualifications for enforceability opinions;
- (G) that the execution and delivery of this Agreement, the Warrant Indenture and the Compensation Option Certificates and the performance of the Corporation's obligations hereunder and thereunder, do not and will not result in a breach (whether after notice or lapse of time or both) of any of the terms, conditions or provisions of the articles or by-laws or resolutions of the board of directors (or any committees thereof) or the shareholders of the Corporation or conflict with the laws of the Province of Ontario or the federal laws of Canada;
- (H) that the Offered Securities have been duly authorized and, at the Closing Time or Option Closing Time, as applicable, upon the Corporation receiving payments of the aggregate purchase price therefor, the Shares will be validly issued and outstanding as fully paid and non-assessable Common Shares and the Warrants will be duly and validly issued and outstanding;

- (I) that the issuance of the Compensation Options has been duly authorized and, at the Closing Time or the Option Closing Time, as applicable, will be duly and validly issued and outstanding;
- (J) that the Warrant Shares and the Compensation Shares have been duly authorized for issuance, allotted and reserved and: (i) upon due exercise of the Warrants (including payment of the exercise price thereof) in accordance with their terms, the Warrant Shares will be validly issued as fully-paid and non-assessable Common Shares and (ii) upon due exercise of the Compensation Options (including payment of the exercise price thereof) in accordance with their terms, the Compensation Shares will be validly issued as fully-paid and non-assessable Common Shares;
- (K) that the attributes of the Offered Securities conform in all material respects with the description of those Offered Securities in the Prospectus;
- (L) that the forms of the certificates representing the Offered Securities and the Compensation Options have been duly approved by the Corporation and comply with the provisions of the articles and by-laws of the Corporation and the requirements of the *Business Corporations Act* (Ontario);
- (M) that the statements under the heading “Eligibility for Investment” and “Certain Canadian Federal Income Tax Considerations” in the Prospectus are accurate, subject to the assumptions, qualifications, limitations and restrictions set out in the Prospectus;
- (N) that the Transfer Agent at its principal offices in the city of Toronto has been duly appointed as the transfer agent and registrar for the Common Shares, and the Warrant Agent at its principal offices in the city of Toronto has been duly appointed as the warrant agent under the Warrant Indenture;
- (O) that all documents have been filed, all requisite proceedings have been taken and all legal requirements have been fulfilled by the Corporation to qualify the Offered Securities for distribution and sale to the public in each of the Qualifying Jurisdictions through dealers registered under the applicable laws of the Qualifying Jurisdictions who have complied with the relevant provisions of such applicable laws;
- (P) no documents are required to be filed, proceedings taken or approvals, consents, or authorizations are required to be obtained by the Corporation under Canadian Securities Laws to permit: (i) the issuance and delivery by the Corporation of the Warrant Shares

upon due exercise of the Warrants pursuant to the Warrant Indenture or (ii) the issuance and delivery by the Corporation of the Compensation Shares upon due exercise of the Compensation Options pursuant to the Compensation Option Certificates, by holders of such Offered Securities in the Qualifying Jurisdictions, if such issuance and delivery were made on the date of the opinion, provided that the Corporation is not engaged in the business of trading Offered Securities;

- (Q) the first trade in the Warrant Shares and the Compensation Shares is exempt from, or is not subject to, the prospectus requirements of the Canadian Securities Laws of each of the Qualifying Jurisdictions and no documents are required to be filed, proceedings taken, or approvals, permits, consents or authorizations obtained under Canadian Securities Laws in any of the Qualifying Jurisdictions in respect of such trade, subject to the exceptions generally provided for in such opinions; and
 - (R) that the Shares, Warrant Shares and Compensation Shares have been conditionally approved for listing by the TSXV, subject to the fulfilment of the requirements of such exchange on or before the date set out in the conditional listing letter.
- (ii) *Material Entity Opinions.* The Underwriters receiving at the Closing Time on the Closing Date a favourable legal opinion from counsel to each Material Entity, dated the Closing Date, in form and substance acceptable to the Underwriters' counsel, acting reasonably, as to: (i) the incorporation and existence of the Material Entity; (ii) the corporate power and authority of such Material Entity to carry on its business as presently carried on and to own its assets and properties; and (iii) as to the registered ownership of the issued and outstanding shares of the Material Entity;
 - (iii) *U.S. Legal Opinions.* If any of the Offered Securities are sold in the United States, the Underwriters shall have received at the Closing Time an opinion of Dickinson Wright PLLC, in form and substance satisfactory to the Underwriters, acting reasonably, to the effect that in connection with the offer, sale and delivery of the Offered Securities in the United States, no registration will be required under the U.S. Securities Act.
 - (iv) *United Kingdom Legal Opinions.* If any of the Offered Securities are sold in the United Kingdom, the Underwriters shall have received at the Closing Time, a favourable legal opinion by the Corporation's United Kingdom counsel, in form and substance reasonably satisfactory to the Underwriters, which opinion may be subject to usual and customary qualifications for opinions of this type, with respect to such matters as the Underwriters and their counsel may reasonably request.

- (v) *Title Opinions.* The Underwriters shall have received at the Closing Time a favourable Peruvian title opinion and a favourable Bolivian title opinion with respect to the La Victoria Project and the Iska Iska Project, respectively, as to the title and ownership interest in the respective properties, in form and substance satisfactory to the Underwriters, acting reasonably.

(b) Delivery of Comfort Letter

The Underwriters shall have received at the Closing Time a letter dated the Closing Date, in form and substance satisfactory to the Underwriters, addressed to the Underwriters and the directors of the Corporation from RSM, confirming the continued accuracy of the comfort letter to be delivered to the Underwriters pursuant to Section 5(1)(e) with such changes as may be necessary to bring the information in such letter forward to a date not more than two Business Days prior to the Closing Date, provided such changes are acceptable to the Underwriters, acting reasonably.

(c) Delivery of Certificates

- (i) The Underwriters shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Underwriters (and, if necessary for opinion purposes, counsel to the Underwriters) and signed by two senior officers of the Corporation acceptable to the Underwriters, acting reasonably, with respect to the constating documents of the Corporation, solvency, all resolutions of the board of directors of the Corporation relating to this Agreement and the Warrant Indenture, and the incumbency and specimen signatures of signing officers of the Corporation and such other matters as the Underwriters may reasonably request.
- (ii) The Underwriters shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Underwriters and counsel to the Underwriters and signed on behalf of the Corporation by the Chief Executive Officer and the Chief Financial Officer or other officers of the Corporation acceptable to the Underwriters, certifying for and on behalf of the Corporation and without personal liability, after having made due enquiry and after having carefully examined the Final Prospectus, the U.S. Placement Memorandum and any Prospectus Amendments:
 - (A) that since the respective dates as of which information is given in the Final Prospectus, as amended by any Prospectus Amendments, and the U.S. Placement Memorandum (1) there has been no material change (actual, anticipated, contemplated or threatened, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Corporation, and (2) no transaction has been entered into by the Corporation which is material to the Corporation, other than as disclosed in the

Final Prospectus, the U.S. Placement Memorandum or the Prospectus Amendments, as the case may be;

- (B) that the Prospectus and the U.S. Placement Memorandum do not contain a misrepresentation and each contains full, true and plain disclosure of all material facts relating to the Offered Securities (other than any Underwriters' Information);
 - (C) that no order, ruling or determination having the effect of suspending the sale or ceasing the trading of the Common Shares or any other securities of the Corporation has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened under any of Canadian Securities Laws or by any other regulatory authority;
 - (D) that the Corporation has complied in all material respects with the terms and conditions of this Agreement and the Warrant Indenture on its part to be complied with up to the Closing Time;
 - (E) that the representations and warranties of the Corporation contained in this Agreement and the Warrant Indenture are true and correct in all material respects (or if qualified by materially or Material Adverse Effect, in all respects) 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 by this Agreement and the Warrant Indenture;
- (iii) the Underwriters shall have received at the Closing Time: (i) a certificate from the Transfer Agent dated the Closing Date and signed by an authorized officer of the Transfer Agent, confirming the issued share capital of the Corporation; and
 - (iv) the Underwriters shall have received a certificate of compliance or the equivalent in respect of the Corporation issued by the appropriate regulatory authority in the jurisdiction in which the Corporation is incorporated.

(d) Listing Approval

The Shares, Warrant Shares and Compensation Shares shall have been approved for listing and posted for trading on the TSXV, subject only to the satisfaction by the Corporation of the Standard Listing Conditions.

(e) Warrant Indenture

The Underwriters shall have received at the Closing Time the Warrant Indenture, duly executed by the Corporation and the Warrant Agent.

(f) Over-Allotment Closing Documents

The several obligations of the Underwriters to purchase the Additional Units, if any, hereunder are subject to the delivery to the Underwriters on the Option Closing Date of certificates dated the Option Closing Date substantially similar to the officer's certificates referred to in Section 17(c) and such other customary closing certificates and documents as the Underwriters may reasonably request with respect to the good standing of the Corporation and other matters related to the sale and issuance of the Additional Units.

Section 18 Rights of Termination

(a) Regulatory Proceedings Out

If, after the date hereof and prior to the Closing Time, any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is instituted, announced or threatened or any order is issued by any Governmental Authority, including, without limitation, the TSXV, or otherwise in respect of the Corporation or any of its directors and officers (other than an inquiry, investigation, proceeding or order based upon the activities or alleged activities of the Underwriters); or there is any change of law, or the interpretation or administration thereof; or any order to cease trading (including communicating with persons in order to obtain expressions of interest) in the securities of the Corporation is made by a Governmental Authority and that order is still in effect, which in the reasonable opinion of the Underwriter operates to prevent or restrict the trading in the common shares or the distribution of the Units or which in the reasonable opinion of the Underwriter, acting in good faith, could be expected to have a material adverse effect on the market price or value of the Units, then such Underwriter shall be entitled, at its option and in accordance with Section 18(f), to terminate its obligations under this Agreement by notice to that effect given to the Corporation any time at or prior to the Closing Time.

(b) Disaster Out

If, after the date hereof and prior to the Closing Time, there should develop, occur or come into effect or existence any event, action, state, condition or occurrence of national or international consequence, acts of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, any escalation in the severity of the COVID-19 Outbreak, financial or economic conditions or any action, law, regulation or inquiry which, in the reasonable opinion of the Underwriter, materially adversely affects or involves, or may materially adversely affect or involve, the financial markets in Canada or the United States, or the business, operations or affairs of the Corporation then such Underwriter shall be entitled, at its option and in accordance with Section 18(f), to terminate its obligations under this Agreement by written notice to that effect given to the Corporation at any time at or prior to the Closing Time.

(c) Material Change or Change in Material Fact Out

If, after the date hereof and prior to the Closing Time, there shall occur any material change in the business, financial condition, assets, liabilities (contingent or otherwise), results of operations or prospects of the Corporation or any change in any material fact contained or referred to in the Preliminary or Final Prospectus or any amendment thereof, or there shall exist or be discovered by any Underwriter any material fact which is, or may be, of such a nature as to render the Preliminary or Final Prospectus or any amendment thereof, untrue, false or misleading in a material respect or result in a misrepresentation (other than a change or fact related solely to the Underwriters), which in the reasonable opinion of any Underwriter could be expected to have a material adverse effect on the market price of the Units or value of the Units, then such Underwriter shall be entitled, at its option, in accordance with Section 18(f), to terminate its obligations under this Agreement by written notice to that effect given to the Corporation any time at or prior to the Closing Time.

(d) Material Breach

If, after the date hereof and prior to the Closing Time, the Corporation is in breach of any material term, condition or covenant of this Agreement or any of the representations or warranties made by the Corporation in this Agreement is false or becomes false, then an Underwriter shall be entitled, at its option, in accordance with Section 18(f), to terminate its obligations under this Agreement by written notice to that effect given to the Corporation any time at or prior to the Closing Time.

(e) Non-Compliance with Conditions

The Corporation agrees that all terms and conditions in Section 17 shall be construed as conditions and complied with so far as they relate to acts to be performed or caused to be performed by it, that it will use its best efforts to cause such conditions to be complied with, and that any breach or failure by the Corporation to comply with any such conditions shall entitle any of the Underwriters to terminate its obligations to purchase the Offered Securities by notice to that effect given to the Corporation at any time at or prior to the Closing Time, unless otherwise expressly provided in this Agreement. Each Underwriter may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon an Underwriter only if such waiver or extension is in writing and signed by the Underwriter.

(f) Exercise of Termination Rights

The rights of termination contained in Sections 18(a), (b), (c), (d) and (e) may be exercised by any of the Underwriters and are in addition to any other rights or

remedies any of the Underwriters may have in respect of any default, act or failure to act or non-compliance by the Corporation in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of the Underwriters to the Corporation or on the part of the Corporation to the Underwriters except in respect of any liability which may have arisen prior to or arise after such termination under Sections 19, 20 and 22. A notice of termination given by an Underwriter under Sections 18(a), (b), (c), (d) and (e) shall not be binding upon any other Underwriter who has not also executed such notice.

Section 19 Indemnity

(a) Rights of Indemnity

The Corporation agrees to indemnify and save harmless each of the Underwriters and each of their affiliates, directors, officers, employees and agents from and against all liabilities, claims, losses, costs, damages and expenses (including without limitation any legal fees or other expenses reasonably incurred by such persons in connection with defending or investigating any of the above, which legal fees and other expenses the Corporation shall reimburse such persons for forthwith upon demand and any associated taxes), but excluding any loss of profits and other consequential damages, in any way caused by, or arising directly or indirectly from, or in consequence of:

- (i) any information or statement (except any Underwriters' Information) contained in the Prospectus, the U.S. Placement Memorandum or any Prospectus Amendment or in any certificate of the Corporation delivered pursuant to this Agreement which contains or is alleged to contain a misrepresentation within the meaning of Canadian Securities Laws;
- (ii) any omission or alleged omission to state in the Prospectus, the U.S. Placement Memorandum, any Prospectus Amendment or any certificate of the Corporation delivered pursuant to this Agreement, any fact, whether material or not, required to be stated in such document or necessary to make any statement in such document not contain a misrepresentation within the meaning of Canadian Securities Laws;
- (iii) any order made or enquiry, investigation or proceedings commenced or threatened by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or alleged omission or any misrepresentation or alleged misrepresentation (except any Underwriters' Information) contained in the Prospectus, the U.S. Placement Memorandum or any Prospectus Amendments or based upon any failure to comply with Canadian Securities Laws (other than any failure or alleged failure to comply by the Underwriters), preventing or restricting the trading in or the sale or distribution of the Offered Securities in any of the Qualifying Jurisdictions;

- (iv) the non-compliance by the Corporation with any of Canadian Securities Laws or the U.S. Securities Act including the Corporation's non-compliance with any statutory requirement to make any document available for inspection (which, for purposes of the U.S. Securities Act, shall be limited to compliance with Rule 144(d)(4)); or
- (v) any breach by the Corporation of its representations, warranties, covenants or obligations to be complied with under this Agreement.

In no event shall this indemnity enure to the benefit of the Underwriters if a copy of the appropriate Final Prospectus (as then amended or supplemented, if the Corporation shall have furnished any amendments or supplements thereto) was not sent or given by or on behalf of the Underwriters to a person asserting any such losses, claims, damages, costs, expenses or liabilities, if required by law so to have been delivered, at or prior to the written confirmation of the sale of the Offered Securities to such person, and if such Final Prospectus (as so amended or supplemented) would have cured the defect giving rise to such losses, claims, damages, costs, expenses or liabilities.

(b) Notification of Claims

If any matter or thing contemplated by Section 19(a) (any such matter or thing being referred to as a “**Claim**”) is asserted against any person or company in respect of which indemnification is or might reasonably be considered to be provided, such person or company (the “**Indemnified Party**”) will notify the Corporation as soon as possible of the nature of such Claim (but the omission so to notify the Corporation of any potential Claim shall not relieve the Corporation from any liability which it may have to any Indemnified Party and any omission so to notify the Corporation of any actual Claim shall affect the Corporation's liability only to the extent that the Corporation is materially prejudiced by that failure). The Corporation shall assume the defence of any suit brought to enforce such Claim, provided, however, that:

- (i) the defence shall be conducted through legal counsel acceptable to the Indemnified Party, acting reasonably; and
- (ii) no settlement of any such Claim or admission of liability may be made by the Corporation without the prior written consent of the Indemnified Party, acting reasonably, unless such settlement includes an unconditional release of the Indemnified Party from all liability arising out of such action or claim and does not include a statement as to or an admission of fault, culpability or failure to act, by or on behalf of any Indemnified Party.

(c) Right of Indemnity in Favour of Others

With respect to any Indemnified Party who is not a party to this Agreement, the Underwriters shall obtain and hold the rights and benefits of this Section 19 in trust for and on behalf of such Indemnified Party.

(d) Retaining Counsel

In any such Claim, the Indemnified Party shall have the right to retain other counsel to act on his, her or its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party unless:

- (i) the Corporation and the Indemnified Party shall have mutually agreed to the retention of the other counsel;
- (ii) the named parties to any such Claim (including any added third or impleaded party) include both the Indemnified Party and the Corporation and the Indemnified Party receives advice from counsel that representation of both parties by the same counsel would be inappropriate due to the actual or potential differing interests between them; or
- (iii) the Corporation shall not have retained counsel within seven Business Days following receipt by the Corporation of notice of any such Claim from the Indemnified Party.

Section 20 Contribution

(a) Rights of Contribution

In order to provide for a just and equitable contribution in circumstances in which the indemnity provided in Section 19 would otherwise be available in accordance with its terms but is, for any reason, held to be unavailable to or unenforceable by the Underwriters or enforceable otherwise than in accordance with its terms, the Corporation and the Underwriters shall contribute to the aggregate of all claims, expenses, costs and liabilities and all losses (other than loss of profits) of a nature contemplated by Section 19 in such proportions so that the Underwriters shall be responsible for the portion represented by the percentage that the aggregate Underwriting Fee hereunder bears to the aggregate offering price of the Offered Securities being sold by the Corporation and the Corporation shall be responsible for the balance, whether or not they have been sued together or sued separately, provided, however, that:

- (i) the Underwriters shall not in any event be liable to contribute, in the aggregate, any amounts in excess of the aggregate Underwriting Fee actually received by the Underwriters from the Corporation under this Agreement;
- (ii) each Underwriter shall not in any event be liable to contribute, individually, any amount in excess of such Underwriter's portion of the aggregate Underwriting Fee actually received from the Corporation under this Agreement; and
- (iii) no party who has engaged in any fraud, fraudulent misrepresentation or gross negligence shall be entitled to claim contribution from any person who

has not engaged in such fraud, fraudulent misrepresentation or gross negligence.

(b) Rights of Contribution in Addition to Other Rights

The rights to contribution provided in this Section 20 shall be in addition to and not in derogation of any other right to contribution which the Underwriters may have by statute or otherwise at law.

(c) Calculation of Contribution

In the event that the Corporation may be held to be entitled to contribution from the Underwriters under the provisions of any statute or at law, the Corporation shall be limited to contribution in an amount not exceeding the lesser of:

- (i) the portion of the full amount of the loss or liability giving rise to such contribution for which the Underwriters are responsible, as determined in Section 20(a); and
- (ii) the amount of the Underwriting Fee actually received by the Underwriters from the Corporation under this Agreement, and an Underwriter shall in no event be liable to contribute, individually, any amount in excess of such Underwriter's portion of the aggregate Underwriting Fee actually received from the Corporation under this Agreement.

(d) Notice

If the Underwriters have reason to believe that a claim for contribution may arise, they shall give the Corporation notice of such claim in writing, as soon as reasonably possible, but failure to notify the Corporation shall not relieve the Corporation of any obligation which it may have to the Underwriters under this Section 20.

(e) Right of Contribution in Favour of Others

With respect to this Section 20, the Corporation acknowledges and agrees that the Underwriters are contracting on their own behalf and as agents for their affiliates, directors, officers, employees and agents.

For purposes of this Section 20, each person, if any, who controls an Underwriter within the meaning of Section 15 of the U.S. Securities Act or Section 20 of the U.S. Exchange Act and each Underwriter's affiliates and selling agents shall have the same rights to contribution as such Underwriter and each person, if any, who controls the Corporation within the meaning of Section 15 of the U.S. Securities Act or Section 20 of the U.S. Exchange Act shall have the same rights to contribution as the Corporation. The Underwriters' respective obligations to contribute pursuant to this Section 20 are several in proportion to the percentages

of Units set forth opposite their respective names in Section 23(a) hereof and not joint.

(f) Remedy Not Exclusive

The remedies provided for in this Section 20 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any party at law or in equity.

Section 21 Severability

If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.

Section 22 Expenses

Whether or not the transactions contemplated by this Agreement shall be completed, all expenses of or incidental to the issue, sale and delivery of the Offered Securities and all expenses of or incidental to all other matters in connection with the offering of the Offered Securities pursuant to the Prospectus shall be borne by the Corporation including, without limitation, all fees and disbursements of all legal counsel to the Corporation (including U.S., United Kingdom, foreign and local counsel), all fees and disbursements of the Corporation's accountants and auditors, all expenses related to roadshows and marketing activities, all printing costs incurred in connection with the offering of the Offered Securities, including preparation and printing of the Prospectus, the U.S. Placement Memorandum, Prospectus Amendments, bluesheets or greensheets and certificates, if any, representing the Offered Securities, all prospectus filing and other filing fees, all fees and expenses relating to listing the Shares, Warrant Shares, and Compensation Shares on any exchanges, all fees and expenses of the Corporation's auditors and roadshow consultants, all transfer agent and warrant agent fees and expenses, all fees and expenses in connection with Additional Units issued and sold by the Corporation, all reasonable out-of-pocket expenses of the Underwriters incurred in connection with the offering of the Offered Securities, including without limitation the reasonable fees, taxes and disbursements of the Underwriters' counsel, any advertising, printing, courier, telecommunications, data search, presentation, travel and other expenses reasonably incurred by the Underwriters together with all related taxes (including, without limitation, provincial sales taxes, GST and HST).

Section 23 Obligations to Purchase

(a) Obligation of Underwriters to Purchase

The obligation of the Underwriters to purchase the Initial Units or the Additional Units, as the case may be, at the Closing Time or the Option Closing Time, as the case may be, shall be several and not joint, and each of the Underwriters shall be obligated to purchase only that percentage of the Initial Units or the Additional Units, as the case may be, set out opposite the name of such Underwriter below.

Haywood Securities Inc.	53.125%
Cormark Securities Inc.	31.875%
Cantor Fitzgerald Canada Corporation	15.0%

(b) Purchases by Other Underwriters

Subject to Section 23(c), in the event that any of the Underwriters shall fail to purchase its applicable percentage of the Initial Units or the Additional Units, as the case may be, at the Closing Time or at the Option Closing Time, as the case may be, the others shall have the right, but shall not be obligated, to purchase on a pro rata basis, all of the percentage of the Initial Units or the Additional Units, as the case may be, which would otherwise have been purchased by such Underwriter which is in default. In the event that such right is not exercised, the others which are not in default shall be relieved of all obligations to the Corporation under this Agreement, and the obligations of the Corporation under this Agreement shall be automatically terminated.

(c) Exercise of Termination Rights

In the event that one or more but not all of the Underwriters shall exercise their right of termination under Section 18, the others shall have the right, but shall not be obligated, to purchase on a *pro rata* basis all of the percentage of the Initial Units or the Additional Units, as the case may be, which would otherwise have been purchased by such Underwriters which have so exercised their right of termination.

(d) Pro Rata Division if More Demand

In the circumstances contemplated by Section (b) or (c) above, if the amount of the Initial Units or the Additional Units, as the case may be, which the remaining Underwriters wish, but are not obliged, to purchase exceeds the amount of the Initial Units or the Additional Units, as the case may be, which would otherwise have been purchased by an Underwriter which is in default (in the case of Section (b) above), or which remain available for purchase (in the case of Section (c) above), such Initial Units or Additional Units, as the case may be, shall be divided pro rata among the Underwriters desiring to purchase such Initial Units or Additional Units, as the case may be, in proportion to the percentage of Initial Units or Additional Units, as the case may be, which such Underwriters have agreed to purchase as set out in Section 23(a).

(e) No Obligation to Sell Less than All; Further Liability

Nothing in this Section 23 shall oblige the Corporation to sell to the Underwriters less than all of the Initial Units or the Additional Units, as the case may be, or relieve from liability to the Corporation any Underwriter which may be in default. In the event of the termination of the Corporation's obligations under this Agreement, there shall be no further liability on the part of the Corporation to the

Underwriters except in respect of any liability which may have arisen or may arise under Section 19, Section 20 and Section 22.

Section 24 Corporation Lock-Up

During the period beginning on the Closing Date and ending on the date that is 90 days after the Closing Date, the Corporation shall not, directly or indirectly, without the prior written consent of Haywood, on behalf of the Underwriters (not to be unreasonably withheld), sell, offer to sell, issue, grant any option, warrant or other right for the sale or issuance of, or otherwise lend, transfer, assign or dispose of (including without limitation by making any short sale, engaging in any hedging, monetization or derivative transaction or entering into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of Common Shares or other securities of the Corporation or securities convertible into, exchangeable for, or otherwise exercisable into Common Shares or other securities of the Corporation, whether or not cash settled), in a public offering or by way of private placement or otherwise, any Common Shares or any other securities of the Corporation, or agree to do any of the foregoing or publicly announce any intention to do any of the foregoing, other than:

- (a) pursuant to the exercise of the Over-Allotment Option;
- (b) under existing stock option, restricted share unit, bonus or purchase plans or similar share compensation arrangements as detailed in the Corporation's most recently-filed management discussion and analysis;
- (c) upon the exercise of convertible securities, warrants or options outstanding prior to the Closing Date; or
- (d) previously scheduled property payments and/or other corporate acquisitions.

Section 25 Management Lock-Up Agreements

It shall be a condition of closing of the Offering in favour of the Underwriters that each of the directors and officers of the Corporation shall agree, in a lock-up agreement in the form attached hereto as Schedule B to be executed concurrently with the closing of the Offering, that in consideration of the benefit that the Offering will confer upon such persons, for a period of 90 days following the Closing Date, each will not directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, or announce any intention to do so, any securities of the Corporation, whether now owned or acquired after the date hereof, owned, directly or indirectly, or under such person's control or direction, or with respect to which such person has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares, other securities, cash or otherwise other than pursuant to a take-over bid or any other similar transaction made generally to all of the shareholders of the Corporation, without the prior written consent of Haywood, such consent not to be unreasonably withheld.

Section 26 Survival of Representations, Warranties and Covenants

The representations, warranties, covenants, obligations and agreements of the Corporation contained in this Agreement and in any certificate delivered pursuant to this Agreement or in connection with the purchase and sale of the Offered Securities shall survive the purchase of the Offered Securities and shall continue in full force and effect for the period hereinafter described, unaffected by any subsequent disposition of the Offered Securities by the Underwriters or the termination of the Underwriters' obligations and shall not be limited or prejudiced by any investigation made by or on behalf of the Underwriters in connection with the preparation of the Prospectus, any Prospectus Amendments or the distribution of the Offered Securities. Such representations, warranties, covenants, obligations and agreements of the Corporation shall survive for a period of two years following Closing.

Section 27 Time

Time is of the essence in the performance of the parties' respective obligations under this Agreement.

Section 28 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in the Province of Ontario.

Section 29 Notice

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

If to the Corporation, addressed and sent to:

Eloro Resources Ltd.
20 Adelaide Street East, Suite 200
Toronto, ON M5C 2T6

Attention: Thomas Larsen, Chairman and Chief Executive Officer
E-mail: tlarsen@elororesources.com

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

Dickinson Wright LLP
199 Bay Street, Suite 2200
Commerce Court West
Toronto, ON M5L 1G4

Attention: Donald A. Sheldon
E-mail: dsheldon@dickinsonwright.com

If to Haywood, addressed and sent to:

Haywood Securities Inc.
Brookfield Place, 181 Bay Street
Suite 2910, PO Box 808
Toronto, ON M5J 2T3

Attention: Ryan Matthiesen
E-mail: rmatthiesen@haywood.com

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

McMillan LLP
Brookfield Place
181 Bay Street, Suite 4400
Toronto, ON M5J 2T3

Attention: Georges Dubé
E-mail: georges.dube@mcmillan.ca

or to such other address as any of the parties may designate by giving notice to the others in accordance with this Section 29. Each notice shall be personally delivered to the addressee or sent by e-mail to the addressee. A notice which is personally delivered or delivered by e-mail shall, if delivered prior to 5:00 p.m. (Toronto time) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered.

Section 30 Authority of Haywood

- (1) All steps which must or may be taken by the Underwriters in connection with this Agreement, with the exception of the matters contemplated by Section 18, Section 19 and Section 20, shall be taken by Haywood on the Underwriters' behalf and the execution of the Agreement by the Underwriters shall constitute the Corporation's authority for accepting notification of any such steps from, and for giving notice to, and for delivering the definitive certificates representing the Offered Securities and the Compensation Options to, or to the order of, Haywood.
- (2) The Corporation hereby acknowledges that (i) the purchase and sale of the Offered Securities pursuant to this Agreement is an arm's-length commercial transaction between the Corporation, on the one hand, and each of the Underwriters and any affiliate through which it may be acting, on the other, (ii) each of the Underwriters is acting as principal and not as an agent or fiduciary of the Corporation and (iii) the Corporation's engagement of each of the Underwriters in connection with the Offering and the process leading up to the Offering is as independent contractors and not in any other capacity.

Section 31 Counterparts

This Agreement may be executed by the parties to this Agreement in counterpart and may be executed and delivered by facsimile or other electronic means (including PDF) and all such counterparts and facsimiles and other electronic deliveries shall together constitute one and the same agreement.

[The remainder of this page has been left blank intentionally.]

If the foregoing is in accordance with your understanding and is agreed to by you, please signify your acceptance by executing the enclosed copies of this letter where indicated below and returning the same to the Underwriters upon which this letter as so accepted shall constitute an Agreement among us.

Yours very truly,

HAYWOOD SECURITIES INC.

By: “Ryan Matthiesen”
Name: Ryan Matthiesen
Title: Managing Director, Investment
Banking

CORMARK SECURITIES INC.

By: “Tyron Breytenbach”
Name: Tyron Breytenbach
Title: Managing Director, Investment
Banking

**CANTOR FITZGERALD CANADA
CORPORATION**

By: “Christopher Craib”
Name: Christopher Craib
Title: CFO and President

The foregoing offer is accepted and agreed to as of the date first above written.

ELORO RESOURCES LTD.

By: “Thomas Larsen”

Name: Thomas Larsen

Title: Chairman and Chief Executive
Officer

SCHEDULE A
UNITED STATES OFFERS AND SALES

1. Definitions

As used in this Schedule and related exhibits, the following terms shall have the meanings indicated:

“Affiliate” means “affiliate” as that term is defined in Rule 405 under the U.S. Securities Act;

“Directed Selling Efforts” means “directed selling efforts” as that term is defined in Rule 902(c) of Regulation S, which, without limiting the foregoing, but for greater clarity in this Schedule, includes, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Offered Securities and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Securities;

“Eligible Discretionary Account” means any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or professional fiduciary organized, incorporated, or (if an individual) resident in the United States;

“Foreign Issuer” means “foreign issuer” as that term is defined in Rule 902(e) of Regulation S;

“General Solicitation” and **“General Advertising”** mean “general solicitation” and “general advertising”, respectively, as used in Rule 502(c) under the U.S. Securities Act, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

“Investment Company Act” means the *Investment Company Act of 1940*, as amended;

“Qualified Institutional Buyer” means a qualified institutional buyer as such term is defined in Rule 144A;

“Regulation S” means Regulation S adopted by the SEC under the U.S. Securities Act;

“Rule 144A” means Rule 144A adopted by the SEC under the U.S. Securities Act;

“SEC” means the United States Securities and Exchange Commission;

“Substantial U.S. Market Interest” means “substantial U.S. market interest” as that term is defined in Rule 902(j) of Regulation S;

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

“**U.S. Affiliate**” of any Underwriter means the U.S. registered broker-dealer affiliate of such Underwriter;

“**U.S. Exchange Act**” means the *United States Securities Exchange Act of 1934*, as amended, and the rules and regulations promulgated thereunder;

“**U.S. Person**” means a U.S. person as that term is defined in Rule 902(k) of Regulation S; and

“**U.S. Securities Act**” means the *United States Securities Act of 1933*, as amended, and the rule: and regulations promulgated thereunder.

All other capitalized terms used but not otherwise defined in this Schedule shall have the meanings given to them in the Underwriting Agreement to which this Schedule is attached and of which this Schedule forms a part.

2. Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants and covenants to the Underwriters that:

- (a) it is, and at the Closing Date or any Option Closing Date will be, a Foreign Issuer and reasonably believes that there is no Substantial U.S. Market Interest with respect to the common shares of the Corporation;
- (b) except with respect to offers and sales to Qualified Institutional Buyers through the Underwriters and their U.S. Affiliates in reliance upon the exemption from registration provided by Rule 144A or sales to U.S. Accredited Investors in reliance on the exemption from registration provided by Rule 506(b) under Regulation D of the U.S. Securities Act, neither the Corporation nor any of its Affiliates, nor any person acting on its or their behalf (other than the Underwriters, their respective Affiliates or any person acting on its or their behalf, in respect of which no representation, warranty, covenant or agreement is made), has made or will make:
 - (a) any offer to sell, or any solicitation of an offer to buy, any Offered Securities to a person in the United States or a U.S. Person; or
 - (b) any sale of Offered Securities unless, at the time the buy order was or will have been originated, (i) the purchaser is outside the United States and not a U.S. Person; or (ii) the Corporation, its Affiliates, and any person acting on its or their behalf reasonably believe that the purchaser is outside the United States and not a U.S. Person.
- (c) the Corporation is not, and after giving effect to the offering of the Offered Securities and the application of the proceeds as contemplated in the Underwriting Agreement and the U.S. Placement Memorandum will not be, an investment company within the meaning of the Investment Company Act;
- (d) neither the Corporation nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters, their respective U.S. Affiliates, or any members of the banking and selling group formed by them, as to whom the Corporation makes no representation), has engaged or will engage in any Directed Selling Efforts with respect to the Offered Securities, or has taken or will take any

action that would cause the exemption afforded by Rule 144A, Rule 903 of Regulation S or Rule 506(b) under Regulation D of the U.S. Securities Act to be unavailable for offers and sales of the Offered Securities pursuant to this Agreement (including this Schedule A);

- (e) none of the Corporation, any of its Affiliates or any person acting on its or their behalf (other than the Underwriters, their respective U.S. Affiliates or any person acting on its or their behalf, in respect of which no representation, warranty, covenant or agreement is made) has offered or will offer to sell, or has solicited or will solicit offers to buy, Offered Securities in the United States in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act;
- (f) none of the Corporation, any of its Affiliates or any person acting on its or their behalf (other than the Underwriters, their respective U.S. Affiliates, or any members of the banking and selling group formed by them, as to whom the Corporation makes no representation) has offered or will offer to sell, or has solicited or will solicit offers to buy, any of the Offered Securities in the United States by means of any form of General Solicitation or General Advertising;
- (g) except with respect to the offer and sale of the Offered Securities as provided in this Agreement, including this Schedule A (the “**Offering**”), the Corporation has not, for a period of six months prior to the commencement of the Offering, sold, offered for sale or solicited any offer to buy, and will not during the Offering and for a period ending six months after completion of the Offering sell, offer for sale or solicit any offer to buy, any of its securities in the United States in a manner that would be integrated with the offer and sale of the Offered Securities and which would require the offer and sale of the Offered Securities to be registered under the U.S. Securities Act or cause the exemption from registration set forth in Rule 506(b) of Regulation D under the U.S. Securities Act to become unavailable with respect to the offer and sale of the Offered Securities to U.S. Accredited Investors;
- (h) the Corporation will complete and file with the SEC a notice on Form D within 15 days after the first sale of the Offered Securities pursuant to Rule 506(b) of Regulation D, and will make such filings with state securities commissions as the Corporation shall determine are required;
- (i) the Offered Securities are not, and as of the Closing Time will not be, and no Offered Securities of the same class as the Offered Securities are: (i) listed on a national securities exchange in the United States registered under Section 6 of the U.S. Exchange Act; or (ii) convertible or exchangeable at an effective conversion premium (calculated as specified in paragraph (a)(6) of Rule 144A) of less than ten percent for Offered Securities so listed or quoted;
- (j) for so long as the Offered Securities are outstanding and are “**restricted securities**” within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Corporation shall either, at the Corporation’s option: (i) furnish to the SEC all information

required to be furnished in accordance with Rule 12g3-2(b) under U.S. Exchange Act; (ii) file reports and other information with the SEC under Section 13 or 15(d) of the U.S. Exchange Act; or (iii) provide to holders of Offered Securities and any prospective purchasers designated by such holders, upon request of such holders, the information required to be provided pursuant to Rule 144A(d)(4) under the U.S. Securities Act;

- (k) the Offered Securities are not Offered Securities of an open-end investment company, unit investment trust or face-amount certificate company that is or is required to be registered under Section 8 of the Investment Company Act;
- (l) the Corporation will provide to offerees within the United States and that are U.S. Persons an opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and review such information, if any, concerning the Corporation as such offerees may reasonably request in connection with their investment to acquire the Offered Securities;
- (m) with respect to the Offered Securities to be offered and sold hereunder in reliance on Rule 506(b) under the U.S. Securities Act (“**Regulation D Securities**”), none of the Corporation, any of its predecessors, any director, executive officer, other officer of the Corporation participating in the Offering, any beneficial owner (as that term is defined in Rule 13d-3 under the U.S. Exchange Act) of 20.0% or more of the Corporation’s outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Corporation in any capacity at the time of sale of any Regulation D Securities (but, in each case, excluding the Underwriters and their U.S. Affiliates as to whom no representation is made) (each, an “**Issuer Covered Person**” and, collectively, “**Issuer Covered Persons**”) is subject to any of the “Bad Actor” disqualifications described in Rule 506(d)(1)(i) to (viii) under the U.S. Securities Act (a “**Disqualification Event**”), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) under the U.S. Securities Act. The Corporation has exercised reasonable care to determine (i) the identity of each person that is an Issuer Covered Person; and (ii) whether any Issuer Covered Person is subject to a Disqualification Event. The Corporation has complied, to the extent applicable, with its disclosure obligations under Rule 506(e) under the U.S. Securities Act; and
- (n) the Offering is not part of a scheme to evade the registration requirements of the U.S. Securities Act.

3. Representations, Warranties and Covenants of the Underwriters

Each Underwriter represents, warrants and covenants to the Corporation, and will cause its U.S. Affiliates to comply with such representations, warranties and covenants, that:

- (a) it acknowledges that the Offered Securities have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may be offered

and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and state securities laws. It has not offered and sold, and will not offer and sell, any Offered Securities except in an offshore transaction in accordance with Rule 903 of Regulation S, to persons that are in the United States or are U.S. Persons whom it reasonably believes to be Qualified Institutional Buyers in transactions that are exempt from the registration requirements of the U.S. Securities Act provided by Rule 144A, or offers on behalf of the Corporation for sales directly by the Corporation to substituted purchasers it reasonably believes are U.S. Accredited Investors in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D under the U.S. Securities Act, in each case in compliance with applicable state securities laws and this Schedule A. Accordingly, neither the Underwriter nor any of its Affiliates (including its U.S. Affiliates), nor any persons acting on their behalf, has made or will make (except as permitted herein) (i) any offer to sell or any solicitation of an offer to buy, any Offered Securities to any person in the United States or to any U.S. Persons (other than offers to any Eligible Discretionary Account); (ii) 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 and not a U.S. Person (and was offered Offered Securities outside the United States), or is an Eligible Discretionary Account, or such Underwriter, Affiliate or person acting on its or their behalf reasonably believed that such purchaser was outside the United States and not a U.S. Person; or (iii) any Directed Selling Efforts with respect to the Offered Securities;

- (b) it and its Affiliates, including its U.S. Affiliate(s), have not, either directly or through a person acting on its or their behalf, solicited and will not solicit offers for, and have not offered to sell and will not offer to sell, any of the Offered Securities in the United States by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act;
- (c) it has not entered and will not enter into any contractual arrangement with respect to the distribution of the Offered Securities, except with its U.S. Affiliates, any selling group members or with the prior written consent of the Corporation;
- (d) it shall require each U.S. Affiliate and selling group member to agree, for the benefit of the Corporation, to comply with, and shall use its best efforts to ensure that each U.S. Affiliate and selling group member complies with, the provisions of this Schedule A applicable to the Underwriter as if such provisions applied to such U.S. Affiliate or selling group member;
- (e) all offers and sales of Offered Securities in the United States shall be made by the Underwriter in accordance with Rule 15a-6 under the U.S. Exchange Act or through its U.S. Affiliate(s), which on the dates of such offers and sales was and will be duly registered as (i) a broker-dealer under the U.S. Exchange Act and under all applicable state securities laws and (ii) a member of, and in good standing with, the Financial Industry Regulatory Authority;

- (f) all offers and sales of Offered Securities shall be made by the Underwriter and/or its U.S. Affiliate(s) in accordance with all applicable United States state and federal securities (including broker-dealer) laws. The Underwriter and its U.S. Affiliate(s) will make all offers and sales of Offered Securities in compliance with all applicable United States federal and state broker-dealer requirements and this Schedule A;
- (g) any U.S. Affiliate selling the Offered Securities in the United States is a Qualified Institutional Buyer;
- (h) it will solicit (and will cause its U.S. Affiliate(s) to solicit) offers for the Offered Securities in the United States and from U.S. Persons only from, and will offer the Offered Securities only to, (i) persons whom it reasonably believes to be, Qualified Institutional Buyers, in accordance with Rule 144A, and shall require each such purchaser that is in the United States, is a U.S. Person or is purchasing the Offered Securities on behalf of a person in the United States or U.S. Person to complete a Qualified Institutional Buyer Investment Letter in the form attached as an Exhibit III to the U.S. Placement Memorandum or (ii) substituted purchasers who are reasonably believed by the Underwriter or its U.S. Affiliate(s) to be U.S. Accredited Investors, in accordance with Rule 506(b) of Regulation D under the U.S. Securities Act, and each such substituted purchaser shall complete a Subscription Agreement in the form attached as an Exhibit II to the U.S. Placement Memorandum;
- (i) it will inform (and will cause its U.S. Affiliate(s) to inform) all purchasers of the Offered Securities that are in the United States or are U.S. Persons that were offered Units in the United States (except for Eligible Discretionary Accounts) that the Offered Securities have not been and will not be registered under the U.S. Securities Act and are being offered and sold to such purchasers without registration in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A or Rule 506(b) under Regulation D of the U.S. Securities Act and, as such, are subject to significant restrictions on transfer and resale and other requirements;
- (j) any offer, sale or solicitation of an offer to buy Offered Securities that has been made or will be made in the United States was or will be made only to persons whom it reasonably believes to be: (i) Qualified Institutional Buyers in transactions that are exempt from registration under the U.S. Securities Act and applicable state securities laws or (ii) substituted purchasers who are reasonably believed by the Underwriter or its U.S. Affiliate to be U.S. Accredited Investors, in transactions that are exempt from registration under the U.S. Securities Act and applicable state securities laws;
- (k) at Closing it, together with its U.S. Affiliate(s) offering or selling Offered Securities in the United States or to U.S. Persons, will provide a certificate, substantially in the form of Exhibit III to this Schedule A, relating to the manner of the offer and sale of the Offered Securities in the United States and, if applicable, to U.S. Persons,

or will be deemed to have represented that neither it nor its U.S. Affiliate(s) offered or sold Offered Securities in the United States or to U.S. Persons;

- (l) each offeree in the United States shall be provided, prior to time of such offeree's purchase of any Offered Securities, with a copy of the preliminary and final U.S. private placement offering memorandum (which shall include the Canadian preliminary and final prospectus, respectively) (the "**U.S. Placement Memorandum**") and no other written material shall be used in connection with the offer or sale of the Offered Securities in the United States. The preliminary and final U.S. Placement Memorandum shall be in form and substance satisfactory to the Corporation;
- (m) with respect to Regulation D Securities to be offered and sold hereunder, the Underwriter represents that none of (i) the Underwriter or its U.S. Affiliate(s), (ii) the Underwriter or its U.S. Affiliate(s)'s general partners or managing members, (iii) any of the Underwriter's or its U.S. Affiliate(s)'s directors, executive officers or other officers participating in the offering of the Regulation D Securities, (iv) any of the Underwriter's or its U.S. Affiliate(s)'s general partners' or managing members' directors, executive officers or other officers participating in the Offering of the Regulation D Securities or (v) any other person associated with any of the above persons, including any selling firm and any such persons related to such selling firm, that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with sale of Regulation D Securities (each, a "**Dealer Covered Person**" and, collectively, the "**Dealer Covered Persons**"), is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(I) under Regulation D under the U.S. Securities Act; and
- (n) the Offering is not part of a scheme to evade the registration requirements of the U.S. Securities Act.

EXHIBIT I
UNDERWRITERS' CERTIFICATE

In connection with offer and sale, under Rule 144A and Rule 506(b) of Regulation D under the U.S. Securities Act, of units (the “**Offered Securities**”) of Eloro Resources Ltd. (the “**Corporation**”) in the United States pursuant to the Underwriting Agreement dated as of March 8, 2021 among the Corporation and the underwriters party thereto (the “**Underwriting Agreement**”), the undersigned [NAME OF UNDERWRITER] (the “**Underwriter**”) and [NAME OF U.S. AFFILIATE OF UNDERWRITER], in its capacity as placement agent in the United States for the Underwriter (the “**U.S. Affiliate**”), each hereby certifies that:

- (a) the U.S. Affiliate is a duly registered broker or dealer with the Financial Industry Regulatory Authority (“**FINRA**”) and the United States Securities Exchange Commission (the “**SEC**”) and is in good standing with FINRA and the SEC on the date hereof;
- (b) all offers and sales of the Offered Securities in the United States or to U.S. Persons have been conducted by us in accordance with the terms of the Underwriting Agreement (including Schedule A thereto);
- (c) each offeree that is in the United States or is a U.S. Person, was provided prior to time of such offeree’s purchase of any Offered Securities, with a copy of the preliminary and final U.S. Placement Memorandum and no other written material was used in connection with the offer or sale of the Offered Securities in the United States;
- (d) immediately prior to our transmitting the preliminary U.S. Placement Memorandum to offerees that are in the United States or are U.S. Persons, we had reasonable grounds to believe and did believe that each such offeree was either (i) a Qualified Institutional Buyer (and took reasonable steps to confirm that such offeree was a Qualified Institutional Buyer), and, on the date hereof, we continue to believe that such purchaser of Offered Securities that is in the United States or that was offered Offered Securities in the United States is a Qualified Institutional Buyer, or (ii) a U.S. Accredited Investor and, on the date hereof, we continue to believe that such purchaser of Offered Securities that is in the United States or that was offered Offered Securities in the United States is a U.S. Accredited Investor;
- (e) no form of General Solicitation or General Advertising was used by us in connection with the offer or sale of the Offered Securities in the United States;
- (f) prior to any sale of the Offered Securities in the United States or to U.S. Persons, each purchaser thereof was required to execute and deliver to the Underwriter and its U.S. Affiliate making such sale either, (i) a Qualified Institutional Buyer Investment Letter for QIBs purchasing pursuant to Rule 144A substantially in the form attached as Exhibit III to the U.S. Placement Memorandum; or (ii) a subscription agreement for U.S. Accredited Investors purchasing pursuant to Rule

506(b) of Regulation D under the U.S. Securities Act substantially in the form attached as Exhibit II to the U.S. Placement Memorandum; and

- (g) the offering of the Offered Securities has been conducted by us in accordance with the terms of the Underwriting Agreement, including Schedule A thereto.

Capitalized terms used in this certificate have the meanings given to them in the Underwriting Agreement unless otherwise defined herein.

DATED this _____ day of _____, [year].

[INSERT NAME OF UNDERWRITER] [INSERT NAME OF U.S. AFFILIATE]

By: _____
Name: ●
Title: ●

By: _____
Name: ●
Title: ●

SCHEDULE B
FORM OF LOCK-UP AGREEMENT

_____, 20__

To: **Haywood Securities Inc. (“Haywood”), together with Cormark Securities Inc. and Cantor Fitzgerald Canada Corporation (together with Haywood, the “Underwriters”)**

Re: **Eloro Resources Ltd. - Lock-up Agreement**

Dear Sirs:

The undersigned understands that the Underwriters have entered into an underwriting agreement dated March 8, 2021, (the “**Underwriting Agreement**”) with Eloro Resources Ltd. (the “**Corporation**”) providing for an offering (the “**Offering**”) of units of the Corporation. Initially capitalized terms not otherwise defined herein shall have the meaning given to them, respectively, in the Underwriting Agreement.

In consideration of the benefit that the Offering will confer upon the undersigned, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that, during the period beginning from the date hereof and ending on the day that is 90 days following the Closing Date, the undersigned will not, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, assign, pledge, or otherwise dispose of, or transfer, or announce any intention to do so, any securities of the Corporation owned, directly or indirectly, or under control or direction, or with respect to which the undersigned has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of any securities of the Corporation, whether such transaction is settled by delivery of any securities of the Corporation, other securities, cash or otherwise, other than pursuant to a take-over bid or any similar transaction made generally to all shareholders of the Corporation, without the prior consent of Haywood on behalf of the Underwriters, such consent not to be unreasonably withheld.

The undersigned understands that the Corporation and the Underwriters are relying upon this lock-up agreement in proceeding toward consummation of the Offering. The undersigned further understands that this lock-up agreement is irrevocable and shall be binding upon the undersigned’s legal representatives, successors and assigns, and shall enure to the benefit of the Corporation, the Underwriters and their legal representatives, successors and assigns.

The undersigned hereby represents and warrants that he or she has full power and authority to enter into this agreement, and that he or she will do all such acts and take all such steps as reasonably required in order to fully perform and carry out the provisions of this agreement. All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned.

This lock-up agreement will be governed by the laws of the province of Ontario and the federal laws of Canada applicable therein.

This lock-up agreement may be executed by counterpart signatures (including counterparts by facsimile or other means of each electronic transmission) each of which shall be effective as original signatures.

Yours truly,

NAME OF SECURITYHOLDER:

(Name)

(Signature)

(Signature of Witness)

Number and type of securities of the
Corporation subject to this lock-up
agreement:

Haywood Securities Inc. hereby acknowledges this lock-up agreement, on behalf of the Underwriters, this ____ day of _____, 20__.

HAYWOOD SECURITIES INC.

Per: _____

Authorized Signing Officer