SKYGOLD VENTURES LTD.

and

COMPUTERSHARE TRUST COMPANY OF CANADA

COMMON SHARE PURCHASE WARRANT INDENTURE
Dated as of July 31, 2008
Providing for the Issue of up to 2,880,500 Common Share Purchase Warrants
of
Skygold Ventures Ltd.

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THIS INDENTURE made as of the 31 day of July, 2008.

B E T W E E N:

SKYGOLD VENTURES LTD., a corporation incorporated under the laws of Alberta and continued into British Columbia and having its registered office at 2800-666 Burrard Street, Vancouver, British Columbia, V6C 2V6 (the "Corporation")

A N D:

COMPUTERSHARE TRUST COMPANY OF CANADA, a trust company existing under the laws of British Columbia and having offices in Vancouver, British Columbia and Toronto, Ontario, as warrant trustee (the "Warrant Trustee")

WHEREAS:

A. The Corporation proposes to create and issue, pursuant to this Indenture, a maximum of 2,880,500 Warrants comprising part of the up to 5,761,000 Units to be issued by the Corporation, consisting of up to 2,500,000 Warrants to be issued on the Closing Date pursuant to the Offering and up to 380,000 Warrants to be issued on the exercise of an over-allotment option.

B. Each whole Warrant entitles the holder thereof to purchase, subject to adjustment in certain events, one Common Share at the Exercise Price per Common Share at any time on or before the Expiry Time, all upon the terms and conditions herein set forth.

C. The Warrants are transferable.

D. For such purpose the Corporation deems it necessary to create and issue Warrants to be constituted and issued in the manner hereinafter set forth.

E. The Corporation is authorized to create and issue the Warrants.

F. All things necessary have been done to make the Warrants, when issued as provided in this Indenture, legal, valid and binding upon the Corporation, with the benefits and subject to the terms of this Indenture.

G. The foregoing recitals are made as representations and statements of fact by the Corporation and not by the Warrant Trustee.

H. By signing this Indenture, the Warrant Trustee agrees to act as Warrant Trustee on behalf of the Warrantholders on the terms and conditions set forth herein.

NOW THEREFORE THIS INDENTURE WITNESSES that, for good and valuable consideration mutually given and received, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed and declared as follows:

ARTICLE 1

INTERPRETATION

1.1 Definitions.

In this Indenture, unless there is something in the subject matter or context inconsistent therewith:

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

(b) "Agents" means National Bank Financial Inc. and PI Financial Corp.;

(c) "Applicable Legislation" means such provisions of any statute of Canada or of a province thereof, and of regulations under any such statute, relating to trust indentures or to the rights, duties and obligations of corporations and of the Warrant Trustee under trust indentures, as are from time to time in force and applicable to this Indenture;

(d) "business day" means a day which is not a Saturday, Sunday or a statutory or civic holiday in the City of Vancouver, British Columbia or the city of Toronto, Ontario;

(e) "Closing Date" means July 31, 2008 or such other date(s) as may be agreed to by the Corporation and the Agents, but in any event not later than August 7, 2008;

(f) "Common Shares" means the common shares without par value in the capital of the Corporation, as such shares exist on the date hereof, provided that in the event of any adjustment pursuant to Section 4.7, Common Shares will thereafter mean the shares or other securities or property resulting from such adjustment;

(g) "Corporation" means Skygold Ventures Ltd. and includes any successor corporation to or of the Corporation which shall have complied with the provisions of Section 7.2;

(h) "Corporation's auditors" means Smythe Ratcliffe, Chartered Accountants or such other firm of chartered accountants duly appointed as auditors of the Corporation from time to time;

(i) "Director" means a director of the Corporation at the relevant time and reference without more to action by the directors means action by the directors of the Corporation as a board or, to the extent empowered, by a committee of the board, in each case by resolution duly passed;

(j) "Exercise Date" means with respect to any Warrant exercised by the holder thereof pursuant to subsection 4.1(a), the day on which the Warrant Certificate evidencing such Warrant is surrendered to the Warrant Trustee in accordance with the provisions of Section 4.1;

(k) “Exercise Notice” has the meaning ascribed thereto in subsection 4.1(b)(i);

(l) “Exercise Price” means Cdn.$0.70 for each Common Share, subject to adjustment in accordance with Section 4.7;

(m) “Exchange” means the TSX Venture Exchange;

(n) “Expiry Time” means 4:00 p.m. (Vancouver time) on the day that is 24 months following the Closing Date;

(o) “Offering” means the prospectus offering by the Corporation qualifying the distribution of up to 5,761,000 Units and 13,386,000 Flow-Through shares;

(p) “person” means an individual, a corporation, a partnership, a trustee or any unincorporated organization, and words importing persons have a similar extended meaning;

(q) “Recognized Exchange” means any of the Exchange, the Toronto Stock Exchange, the London Stock Exchange, AMEX, the Alternative Investment Market of the London Stock Exchange, the New York Stock Exchange, the NASDAQ or other exchange approved by the holders of Warrants by way of resolution;

(r) “Regulation S” means Regulation S promulgated under the 1933 Act;

(s) “Special Resolution” has the meaning ascribed thereto in Section 6.12;

(t) “Share Rate” has the meaning ascribed thereto in subsection 4.7(a);

(u) “this Warrant Indenture”, “this Indenture”, “hereto”, “hereunder”, “hereof”, “herein”, “hereby” and similar expressions mean or refer to this Warrant Indenture and any indenture, deed or instrument supplemental or ancillary hereto, and the expressions “article”, “Section”, “subsection” and “paragraph” followed by a number mean the specified Article, Section, subsection or paragraph of this Indenture;

(v) “United States” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

(w) “Units” means the units of the Corporation, comprised of one Common Share and one-half of one Warrant, to be issued pursuant to the Offering;

(x) “U.S. Person” has the meaning ascribed thereto in Rule 902(k) of Regulation S;

(y) “Warrant Certificate” means a certificate evidencing one or more Warrants in the form attached as Schedule A hereto;

(z) "Warrant Trustee" means Computershare Trust Company of Canada and includes any successor thereto as provided for herein;

(aa) "Warrantholder" or "holder" means the persons for the time being entered in a register of holders described in Section 3.1 as the holder of a Warrant;

(bb) "Warrantholders' Request" means an instrument, signed by one or more Warrantholders holding in the aggregate not less than 10% of the total number of Warrants then outstanding, requesting the Warrant Trustee to take some action or proceeding specified therein;

(cc) "Warrants" means the common share purchase warrants created and authorized for issuance hereunder entitling the holders to purchase Common Shares on the basis of one Common Share for each whole Warrant upon payment of the Exercise Price (subject to adjustment as provided herein) and evidenced by Warrant Certificates issued and certified in accordance with the provisions hereof and that have not at the relevant time expired or been exercised; and

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

1.2 Words Importing the Singular.

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

1.3 Interpretation Not Affected by Headings, etc.

The division of this Indenture into articles, sections, subsections, paragraphs, subparagraphs, clauses and subclauses, the provision of a table of contents and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Indenture.

1.4 Time of the Essence.

Time is of the essence in all respects of this Indenture and the Warrants issued hereunder.

1.5 Applicable Law.

This Indenture and the Warrants will be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.6 Day that is not a Business Day.

In the event that any day on or before which any action is required to be taken hereunder is not a business day, then the action shall be required to be taken on or before the next succeeding day that is a business day.

1.7 Meaning of "Outstanding".

Every Warrant represented by a Warrant Certificate countersigned and delivered by the Warrant Trustee hereunder will be deemed to be outstanding until it shall be cancelled or deemed cancelled or delivered to the Warrant Trustee for cancellation or until the Expiry Time; provided that where a Warrant Certificate has been issued pursuant to Section 2.8 to replace one which has been mutilated, lost, stolen or destroyed, only the Warrants represented by such new Warrant Certificate shall be counted for the purpose of determining the aggregate number of Warrants outstanding.

1.8 Currency.

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

ARTICLE 2

THE WARRANTS

2.1 Creation and Issue of Warrants.

A total of up to 2,880,500 Warrants are hereby created and authorized for issuance and Warrant Certificates will be executed by the Corporation and countersigned by the Warrant Trustee upon the written order of the Corporation and delivered by the Warrant Trustee in accordance with the written direction of the Corporation without any further act of or formality on the part of the Corporation and without the Warrant Trustee receiving any consideration therefor.

2.2 Terms of Warrants.

Each Warrant will entitle a holder to acquire, upon exercise and payment of the Exercise Price, one Common Share without any further action by such holder. The number of Common Shares which may be issued pursuant to the Warrants will be adjusted in the events and in the manner specified in Section 4.7.

2.3 Adjustment, Fractional Warrants.

The Corporation will not be obligated to issue any fraction of a Warrant. To the extent that the holder of any Warrant Certificate would otherwise have been entitled to receive a fraction of an additional Warrant, such holder may exercise such right in respect of such fraction only in combination with another Warrant or Warrants which in the aggregate entitle the holder to be issued a whole number of Warrants and in no event shall the Corporation be obligated to make any payment in respect of such fraction.

2.4 Form of Warrants.

The Warrant Certificates (including all replacements issued in accordance with this Indenture) will be issued in registered form only, will be substantially in the form set out in Schedule A, will be dated as of the Closing Date (regardless of the actual dates of their issue), will bear such legends as the Corporation may prescribe and distinguishing letters and numbers as the Corporation with the approval of the Warrant Trustee may prescribe, and will be issuable in any whole number denomination. The Warrant Certificates may be typewritten, photocopied, engraved, printed or lithographed, as the Corporation may determine.

2.5 Signing of Warrant Certificates.

The Warrant Certificates will be signed by any one director or officer of the Corporation and need not be under the seal of the Corporation. The signature of such director or officer may be mechanically reproduced and Warrant Certificates bearing such mechanically reproduced signatures will be binding upon the Corporation as if they had been manually signed by the director or officer. Notwithstanding that any person whose manual or mechanically reproduced signature appears on any Warrant Certificate is not a director or officer of the Corporation at the date of this Indenture or at the date of the certification and delivery thereof, such Warrant Certificate will, subject to Section 2.6, be valid and binding on the Corporation and the holder thereof will be entitled to the benefits of this Indenture.

2.6 Certification by Warrant Trustee.

No Warrant Certificate will be issued or, if issued, will be valid or entitle the holder to the benefits of this Indenture unless substantially in the form of the certificate set out in Schedule A, or in such other form approved by the Warrant Trustee, and until it has been certified by the Warrant Trustee, such certification by the Warrant Trustee on any Warrant Certificate will be conclusive evidence as against the Corporation that such Warrant Certificate has been duly issued hereunder and that the holder thereof is entitled to the benefits of this Indenture.

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

2.7 Warrants to Rank Pari Passu.

All Warrants will be of like tenor and effect and will rank *pari passu*, regardless of the actual dates of issue of the Warrant Certificates by which they are evidenced.

2.8 Issue in Substitution for Lost Certificates, etc.

(a) If any Warrant Certificate becomes mutilated or is lost, destroyed or stolen, the Corporation, subject to applicable law and to subsection (b), will issue, and thereupon the Warrant Trustee will certify and deliver, a new Warrant Certificate of like tenor as the one mutilated, lost, destroyed or stolen in exchange for and in place of and on surrender and cancellation of such mutilated certificate or in lieu of and in substitution for such lost, destroyed or stolen certificate.

(b) The applicant for the issue of a new Warrant Certificate pursuant to this Section 2.8 will bear the cost of the issue thereof and in case of loss, destruction or theft will, as a condition precedent to the issue thereof, furnish to the Corporation and to the Warrant Trustee such evidence of ownership and of the loss, destruction or theft of the Warrant Certificate to be replaced as is satisfactory to the Corporation and to the Warrant Trustee in their discretion and such applicant may also be required to furnish an indemnity and surety bond in amount and form satisfactory to the Corporation and to the Warrant Trustee in their discretion, acting reasonably, and pay the reasonable charges of the Corporation and the Warrant Trustee in connection therewith.

2.9 Cancellation of Surrendered Warrants.

All Warrant Certificates surrendered to the Warrant Trustee pursuant to this Indenture will be cancelled and destroyed by the Warrant Trustee and, if required by the Corporation, the Warrant Trustee will furnish the Corporation with a destruction certificate identifying each Warrant Certificate so destroyed, the number of Warrants evidenced thereby and the number of Common Shares, if any, issued pursuant to such Warrants.

2.10 Warrantholder not a Shareholder.

A Warrantholder will not, as such, be deemed to be or regarded as a shareholder of the Corporation, nor shall any Warrantholder be entitled to any right or interest whatsoever in respect thereof except as is expressly provided in this Indenture and in the Warrant Certificate.

2.11 Suits by Warrantholders

All or any of the rights conferred upon any Warrantholder by any of the terms of the Warrant Certificates or of this Indenture, or of both, may be enforced by the Warrantholder by appropriate proceedings in accordance with and subject to the provisions of this Indenture but without prejudice to the right which is conferred upon the Warrant Trustee in Article 9 to proceed in its own name to enforce each and all of the provisions herein contained for the benefit of the Warrantholders in accordance with and subject to the provisions of this Indenture.

ARTICLE 3

REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP OF WARRANTS

3.1 Registration and Transfer of Warrants.

(a) The Corporation hereby appoints the Warrant Trustee as registrar of the Warrants. The Corporation will cause to be kept by and at the principal offices of the Warrant Trustee in Vancouver, British Columbia and Toronto, Ontario:

(i) a register of holders in which shall be entered the names and addresses of the holders of Warrants and particulars of the Warrants held by them, respectively; and

(ii) a register of transfers in which all transfers of Warrants and the date and other particulars of each such transfer shall be entered.

(b) A Warrantholder may transfer his Warrants in the manner and subject to the terms set out in this Indenture. No transfer of any Warrant will be valid unless duly entered on the register of transfers referred to in subsection (a) or on any branch registers maintained pursuant to subsection (g). Upon surrender to the Warrant Trustee of the Warrant Certificate evidencing such Warrant, duly endorsed by or accompanied by a written instrument of transfer in form satisfactory to the Warrant Trustee, executed by the registered holder or his executors, administrators or other legal representatives or his or her attorney duly appointed by an instrument in writing in form and execution satisfactory to the Warrant Trustee, and compliance with such requirements and other such reasonable requirements as the Warrant Trustee may prescribe, such transfer will be duly entered on one of such registers of transfers by the Warrant Trustee.

(c) The transferee of any Warrant will, after surrender to the Warrant Trustee of the Warrant Certificate evidencing such Warrant as required by subsection (b) and upon compliance with all other conditions in respect thereof required by this Indenture or by law, be entitled to be entered in the register of holders referred to in subsection (a), or on any branch registers of holders maintained pursuant to subsection (g), as the owner of such Warrant free from all equities or rights of set-off or counterclaim between the Corporation and his transferor or any previous holder of such Warrant, except in respect of equities of which the Corporation is required to take notice by statute or by order of a court of competent jurisdiction.

(d) Notwithstanding any provision to the contrary contained in this Indenture, the Warrant Trustee shall only register a transfer of a Warrant that bears the legend set forth in Section 4.6(b) if the transfer is being made (i) to the Corporation, (ii) outside the United States in compliance with the requirements of Rule 904 of Regulation S and in compliance with applicable local laws and regulations, (iii) in compliance with the exemption from the registration requirements of the 1933 Act provided by (A) Rule 144 under the 1933 Act, if available, or (B) Rule 144A under the 1933 Act, if available, and, in either case, in compliance with applicable state securities laws, or (iv) in a transaction that does not require registration under the 1933 Act or any applicable state securities laws, and with respect to transfers under subparagraphs (iii)(A) and (iv) hereof, only if the holder thereof has furnished to the Corporation an opinion of counsel reasonably satisfactory to the Corporation to such effect.

In addition, the Corporation will be entitled, and may direct the Warrant Trustee, to refuse to permit and record any transfer, or enter the name of any transferee, of any Warrant on the registers referred to in subsection (a), or on any branch registers maintained pursuant to subsection (g), if such transfer would constitute a violation of the securities laws of any jurisdiction.

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

(f) The registers referred to in subsection (a), and any branch registers maintained pursuant to subsection (g), will at all reasonable times be open for inspection by the Corporation and any Warrantholder. The Warrant Trustee will from time to time when requested to do so by the Corporation (upon payment of the Warrant Trustee's reasonable charges) furnish the Corporation with a list of the names and addresses of holders of Warrants entered on such registers and showing the number of Warrants held by each such holder.

(g) The Corporation with the approval of the Warrant Trustee may at any time and from time to time change the place at which the register referred to in subsection (a) is kept, cause branch registers of holders or transfers to be kept at other places and close such branch registers or change the place at which such branch registers are kept. Notice of any such change or closure shall be given by the Corporation to the holders of Warrants.

3.2 Transferee Entitled to Registration

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

3.3 Exchange of Warrant Certificates.

(a) One or more Warrant Certificates may, on compliance with the reasonable requirements of the Warrant Trustee, be exchanged for one or more Warrant Certificates of different denomination evidencing in the aggregate the same number of Warrants as the Warrant Certificate being exchanged.

(b) Warrant Certificates may be exchanged only at the principal offices of the Warrant Trustee in Vancouver, British Columbia or Toronto, Ontario or at any other place designated by the Corporation with the approval of the Warrant Trustee.

(c) Any Warrant Certificate tendered for exchange shall be surrendered to the Warrant Trustee or its agent and cancelled.

(d) The Corporation will sign all Warrant Certificates necessary to carry out exchanges pursuant to this Section and such Warrant Certificates will be certified by or on behalf of the Warrant Trustee.

3.4 Charges for Exchange or Transfer.

For the exchange or transfer of Warrant Certificates, the Warrant Trustee may charge to the Corporation a reasonable sum for each new Warrant Certificate issued, and payment of such charge and reimbursement of the Warrant Trustee or the Corporation for all stamp taxes and governmental or other charges required to be paid must be made by the party requesting such exchange or transfer, as a condition precedent thereto.

3.5 Ownership of Warrants.

(a) The Corporation and the Warrant Trustee may deem and treat the person in whose name any Warrant is registered as the absolute owner of such Warrant for all purposes, and such person will for all purposes of this Indenture be and be deemed to be the absolute owner thereof, and the Corporation and the Warrant Trustee will not be affected by any notice or knowledge to the contrary except as required by statute or by order of a court of competent jurisdiction.

(b) The registered holder of any Warrant will be entitled to the rights evidenced thereby free from all equities and rights of set-off or counterclaim between the Corporation and the original or any intermediate holder thereof and all persons may act accordingly, and the issuance and delivery to any such registered holder of the Common Shares issuable pursuant thereto will be a good discharge to the Corporation and the Warrant Trustee therefor and neither the Corporation nor the Warrant Trustee will be bound to inquire into the title of any such registered holder.

ARTICLE 4

EXERCISE OF THE WARRANTS

4.1 Exercise.

(i) Registered holders of any Warrant may exercise the right thereby conferred on them to be issued Common Shares by surrendering to the Warrant Trustee at the principal office of the Warrant Trustee in Vancouver, British Columbia or in Toronto, Ontario or to any other person or at any other place designated by the Corporation with the approval of the Warrant Trustee, during normal business hours on a business day at such place before the Expiry Time, the Warrant Certificate evidencing such Warrants, with a duly completed and executed notice of exercise substantially in the form set out in such Warrant Certificate together with a certified cheque, bank draft or money order in lawful money of Canada, payable to or to the order of the Corporation in an amount equal to the Exercise Price multiplied by the number of Common Shares subscribed for.

(ii) Any Warrant Certificate, with a duly completed and executed notice of exercise and payment of the Exercise Price referred to in subsection (a), will be deemed to have been surrendered only on personal delivery thereof to, or, if sent by mail or other means of transmission, on actual receipt hereof by, the Warrant Trustee or one of the other persons at the office or one of the other places specified in subsection (a).

(iii) Any notice of exercise referred to in subsection (a) must be signed by the Warrantholder, or his executors, administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Warrant Trustee, and, if any Common Shares thereby issuable are to be issued to a person or persons other than the Warrantholder, must specify the name or names and the address or addresses of each such person or persons and the number of Common Shares to be issued to each such person if more than one is so specified.

(iv) The holder of any Warrant Certificate may exercise less than all of the Warrants evidenced by such Warrant Certificate and purchase a whole number of Common Shares which is less than the number which the holder is entitled to purchase pursuant to a surrendered Warrant Certificate. In such event, the holder thereof shall be entitled to receive a new Warrant Certificate in respect of the balance of the Common Shares which such holder was entitled to purchase pursuant to the surrendered Warrant Certificate and which were not then purchased.

(v) The Warrants and the Common Shares issuable on exercise of the Warrants have not been registered under the 1933 Act or the securities laws of any state of the United States, and the Warrants may not be exercised within the United States or by or on behalf of a U.S. Person or a person in the United States unless the Common Shares issuable on exercise of the Warrants are exempt from the registration requirements of the 1933 Act and the securities laws of all applicable states of the United States. The Warrant Trustee shall not issue or register Common Shares issuable on exercise of the Warrants or the certificates representing such Common Shares unless the holder has executed and delivered to the trustee an exercise form in the form attached to the Warrant Certificate and the holder certifies that it:

A. is not a U.S. Person, did not execute or deliver the exercise form in the United States, and is not exercising the Warrants for the account or benefit of a U.S. Person or a person in the United States; or

B. is tendering with the exercise form a written opinion of counsel reasonably satisfactory to the Corporation to the effect that the Common Shares to be delivered upon exercise of the Warrants are not required to be registered under the 1933 Act or the securities laws of any applicable states of the United States, and the Corporation has informed the Warrant Trustee in writing that such opinion of counsel is satisfactory to the Corporation; or

C. purchased Warrants from the Corporation pursuant to a U.S. subscription agreement in connection with a private placement of units of the Corporation that closed on the Closing Date on its own behalf or on behalf of a beneficial purchaser and on the date of purchase, it and such beneficial purchaser, if any, were "accredited investors", as defined in Rule 501 of Regulation D under the 1933 Act ("Accredited Investors") or, if it is in the State of New York, it is an institutional accredited investor that satisfies one or more of the criteria set forth in Rule 501(a)(1), (2), (3) or (7) of Regulation D under 1933 Act (an "Institutional Accredited Investor"), is exercising the Warrants on its own behalf or on behalf of such beneficial purchaser, and on the date of exercise, it and such beneficial purchaser, if any, are Accredited Investors (or, if it or the beneficial purchaser, if any, is in the State of New York, it and such beneficial purchaser, if any, are Institutional Accredited Investors).

The certificates representing any Common Shares issued upon the exercise of Warrants pursuant to Section 4.1(a)(vi)(A) or (B) shall bear the legend set forth in Section 4.6(b).

4.2 Effect of Exercise.

(a) Upon the exercise of any Warrant, the Common Shares thereby issuable will be deemed to have been issued, and the person or persons to whom such Common Shares are to be issued will be deemed to have become the holder or holders of record thereof, on the Exercise Date, unless the transfer registers for the Common Shares are closed on that date, in which case such Common Shares will be deemed to have been issued and such person or persons will be deemed to have become the holder or holders of record thereof on the date on which such transfer registers are reopened, but such Common Shares will be issued on the basis of the number of Common Shares to which such person or persons were entitled on the Exercise Date.

(b) Not later than the third business day after the due exercise of a Warrant pursuant to section 4.1, the Corporation will cause to be mailed to the person or persons in whose name or names the Common Shares thereby issued have been issued, at his or their respective addresses, or, if so specified, will deliver to such person or persons at the place where the Warrant Certificate evidencing such Warrant was surrendered, certificates representing the Common Shares so issued and if applicable, the Warrant Trustee will mail to the exercising Warrantholder a Warrant Certificate representing any Warrants not then exercised.

(c) If any Common Shares issuable pursuant to any Warrant are to be issued to a person or persons other than the Warrantholder, the Warrantholder must pay to the Corporation or to the Warrant Trustee on its behalf an amount equal to all eligible transfer taxes or other government charges, and, notwithstanding subsection (b), the Corporation will not be required to issue or deliver any certificate representing any such Common Shares unless or until such amount has been so paid or the Warrantholder has established to the satisfaction of the Corporation that such taxes and charges have been paid or that no such taxes or charges are owing.

4.3 No Fractions of Common Shares.

Notwithstanding anything herein contained, including any adjustment provided for in Section 4.7, the Corporation shall not be required, upon the exercise of any Warrants, to issue fractions of Common Shares, or to distribute certificates which evidence fractional Common Shares and the Corporation shall not be liable to make any payment of cash or other consideration in lieu of any interest in or claim to any fraction of a Common Share and the number of Common Shares so issued shall be rounded down to the nearest whole number without compensation therefor provided that a Warrantholder holding more than one Warrant Certificate may combine fractional Common Shares.

4.4 Expiration of the Warrants.

After the Expiry Time, all rights under any Warrant that for any reason has not been exercised will wholly cease and terminate and the Warrant Certificate therefor will be void and of no effect, except to the extent that the Warrantholder has not received in full all monies or other property to which it is entitled pursuant to section 4.7 hereof or has not received certificates representing the Common Shares issued upon exercise of Warrants held by it, in which instances the Warrantholder's rights hereunder shall continue until it has received that to which it is entitled hereunder.

4.5 Recording.

The Warrant Trustee will record particulars of each Warrant exercised, which will include the name and address of each person to whom Common Shares are thereby issued, the number of Common Shares so issued and the Exercise Date in respect thereof. Within three business days after each Exercise Date and upon the request of the Corporation, the Warrant Trustee will provide such particulars in writing to the Corporation.

4.6 Securities Restrictions.

(a) Notwithstanding any provision to the contrary contained in this Indenture or in the Warrant Certificates, no Common Shares will be issued pursuant to any Warrant if the issuance of such Common Shares would constitute a violation of the securities laws of any jurisdiction.

(b) Each Warrant Certificate originally issued to or for the account or benefit of a U.S. Person or a person in the United States, and each Warrant Certificate issued in exchange therefor or in substitution thereof, and all certificates representing Common Shares issued upon exercise of Warrants pursuant to Section 4.1(a)(vi) (B) or (C) hereof, and all certificates issued in exchange therefor or in substitution thereof, shall bear the following legend until such time as the legend is no longer required under applicable requirements of the 1933 Act or applicable state securities laws:

"THE SECURITIES REPRESENTED HEREBY [AND IF A WARRANT, THE FOLLOWING SHALL BE INCLUDED: AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT PROVIDED BY (i) RULE 144 UNDER THE 1933 ACT, IF AVAILABLE, OR (ii) RULE 144A UNDER THE 1933 ACT, IF AVAILABLE, AND, IN EACH CASE, IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND WITH RESPECT TO SUBPARAGRAPHS (C)(i) AND (D) HEREOF, THE HOLDER HAS, PRIOR TO SUCH TRANSFER, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA."

provided, that if any such securities are being sold under Rule 904 of Regulation S, and provided that the Corporation is a "foreign issuer" within the meaning of Regulation S at the time of sale, the legend may be removed by providing a Declaration for removal of Legend and Broker's Letter to the Warrant Trustee in the form attached to the form of Warrant Certificate (or as the Corporation may prescribe from time to time) and such other documentation as the Warrant Trustee or the Corporation may reasonably require including, but not limited to, an opinion of counsel or other evidence of exemption, in either case reasonably satisfactory to the Corporation and its transfer agent, to the effect that the sale of the securities is being made in compliance with Rule 904 of Regulation S under the 1933 Act; and provided, further, that, if any such securities are being sold pursuant to Rule 144 under the 1933 Act, the legend may be removed by delivery to the Warrant Trustee and the Corporation of an opinion of counsel, reasonably satisfactory to the Corporation, that such legend is no longer required under applicable requirements of the 1933 Act or state securities laws.

(c) The certificates representing the Common Shares issuable upon exercise of the Warrants will bear such other or additional legends as may, in the opinion of counsel to the Corporation, be necessary in order to avoid a violation of any applicable securities laws or to comply with the requirements of any stock exchange on which the Common Shares are listed, provided that if, at any time, in the opinion of counsel to the Corporation, such legends are no longer necessary in order to avoid a violation of any such laws, or the holder of any such legended certificate, at his expense, provides the Corporation with evidence satisfactory in form and substance to the Corporation (which may include an opinion of counsel satisfactory to the Corporation) to the effect that such holder is entitled to sell or otherwise transfer such Common Shares in a transaction in which such legends are not required, such legended certificate may thereafter be surrendered to the Corporation in exchange for a certificate which does not bear such legends.

4.7 Adjustments.

(a) The rights of the holder of any Warrant, including the number of Common Shares issuable upon the exercise of such Warrant, will be adjusted from time to time in the events and in the manner provided in, and in accordance with the provisions of, this Section 4.7, and for such purposes and as used in this Section 4.7, "Adjustment Period" means the period commencing on the date hereof and ending at the Expiry Time, and "Share Rate" means the rate at which Common Shares are issuable upon the exercise of any Warrant, which rate, subject to adjustment as aforesaid, will be one Common Share for each Warrant as of and from the Closing Date.

(b) The Share Rate in effect at any date will be subject to adjustment from time to time as follows:

(i) if and whenever at any time during the Adjustment Period, the Corporation shall:

A. subdivide, redivide or change the outstanding Common Shares into a greater number of Common Shares;

B. consolidate, combine or reduce the outstanding Common Shares into a lesser number of Common Shares; or

C. issue Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of

Common Shares by way of a stock dividend or other distribution (other than the issue of Common Shares pursuant to any dividend reinvestment plan in force from time to time or pursuant to the exercise of directors', officers' or employee stock options granted under stock option plans of the Corporation);

then, in each such event, the Share Rate will on the effective date of or the record date for such event, be adjusted so that it will equal the rate determined by multiplying the Share Rate in effect immediately prior to such date by a fraction, of which:

(I) the denominator shall be the total number of Common Shares outstanding on such date before giving effect to such event; and

(II) the numerator shall be the total number of Common Shares outstanding on such date after giving effect to such event (including, in the case where securities exchangeable for or convertible into Common Shares are distributed, the number of Common Shares that would have been outstanding had such securities been exchanged for or converted into Common Shares on such record date, assuming in any case where such securities are not then convertible or exchangeable but subsequently become so, that they were convertible or exchangeable on the record date on the basis upon which they first become convertible or exchangeable).

Such adjustment will be made successively whenever any such event shall occur and any such issue of Common Shares by way of a stock dividend shall be deemed to have been made on the record date for such stock dividend for the purpose of calculating the number of outstanding Common Shares under subsections (a) and (b).

(ii) If and whenever at any time during the Adjustment Period, the Corporation shall fix a record date for the issuance of rights, options or warrants to all or substantially all of the holders of Common Shares entitling the holders thereof, within a period expiring not more than 45 days after the date of issue thereof, to subscribe for or purchase Common Shares (or securities convertible into or exchangeable for Common Shares) at a price per share (or having a conversion or exchange price per share) of less than 95% of the Current Market Price (as such term is defined in subsection 4.7(b)(iv)A) (a "Rights Offering") on the earlier of such record date and the date on which the Corporation announces its intention to make such issuance, then, in each such case, the Share Rate will be adjusted immediately after such record date so that it will equal the rate determined by multiplying the Share Rate in effect on such record date by a fraction, of which:

A. the denominator shall be the total number of Common Shares outstanding on such record date plus a number of Common Shares equal to the number arrived at by dividing the aggregate price of the total number of additional Common Shares so offered for subscription or purchase (or the aggregate conversion or exchange price of the convertible or exchangeable securities so offered) by such Current Market Price; and

B. the numerator shall be the total number of Common Shares outstanding on such record date plus the total number of additional Common Shares so offered for subscription or purchase (or into or for which the convertible or exchangeable securities so offered are convertible or exchangeable).

Any Common Shares owned by or held for the account of the Corporation or any subsidiary of the Corporation shall be deemed not to be outstanding for the purpose of any such computation. Such adjustment will be made successively whenever such a record date is fixed. To the extent that any such rights, options or warrants are not so issued or any such rights, options or warrants are not exercised prior to the expiration hereof, the Share Rate will then be readjusted to the Share Rate which would then be in effect if such record date had not been fixed or to the Share Rate which would then be in effect based upon the number of Common Shares (or securities convertible into or exchangeable for Common Shares) actually issued upon the exercise of such rights, options or warrants, as the case may be.

(iii) If and whenever at any time during the Adjustment Period, the Corporation shall fix a record date for the making of a distribution to all or substantially all of the holders of Common Shares of:

A. shares of any class other than Common Shares whether of the Corporation or any other corporation;

B. rights, options or warrants other than rights, options or warrants exercisable by the holders thereof within a period expiring not more than 45 days after the date of issue hereof;

C. evidences of indebtedness; or

D. cash, securities or any other property or assets;

other than a Rights Offering as defined under Section 4.1.4) (hereinafter referred to as a "**Special Distribution**"), then any Warrantholder who has not exercised its Warrants prior to the record date of the Special Distribution, upon the exercise of such Warrants thereafter, shall be entitled to receive (upon compliance with the same terms and conditions as imposed upon all other recipient holders of Common Shares), in addition to the number of Common Shares such Warrantholder is entitled to acquire upon exercise of the Warrants held thereby, the number of rights, options, warrants or other securities (as issued in connection with the Special Distribution), as the case may be, that such Warrantholder would have been entitled to receive in connection with the Special Distribution, if, on the record date or the effective date thereof, as the case may be, the Warrantholder had been the registered holder of the number of Common Shares to be acquired by it if all Warrants then held by such Warrantholder had been exercised immediately prior to such record date of the Special Distribution;

(iv) For the purpose of any computation under this Section:

A. "Current Market Price", on any date, means the volume weighted average trading price for the five trading days immediately preceding such date on the Recognized Exchange on which the greatest volume of trading in Common Shares has occurred during such five trading day period, provided that if, during such five-day period the Common Shares have not traded, the average of the closing bid and asked prices per share for board lots of the Common Shares reported by such Recognized Exchange for such five-day period shall be used in computing the Current Market Price, and provided further that if the Common Shares are not listed on any stock exchange, then the Current Market Price of the Common Shares shall be determined by the Directors and approved by the Warrant Trustee; and

B. "trading day" means, with respect to any stock exchange, a day on which shares may be traded through the facilities of such stock exchange and, otherwise, means a day on which shares may be traded through the facilities of the principal stock exchange on which the Common Shares are listed.

(c) If and whenever at any time during the Adjustment Period, there is:

(i) any reclassification of the Common Shares at any time outstanding, any change of the Common Shares into other shares or any other capital reorganization of the Corporation (other than as described in subsection 4.7 (b));

(ii) any consolidation, amalgamation, arrangement, merger or other form of business combination of the Corporation with or into any other body corporate, trust, partnership or other entity resulting in any reclassification of the outstanding Common Shares, any change of the Common Shares into other shares or any other capital reorganization of the Corporation; or

(iii) any sale, lease, exchange or transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another body corporate, trust, partnership or other entity;

then, in each such event each holder of any Warrant which is thereafter exercised will be entitled to receive, and shall accept in lieu of the number of Common Shares to which such holder was theretofore entitled upon such exercise, the kind and number or amount of shares or other securities or property which such holder would have been entitled to receive as a result of such event if, on the effective date thereof, such holder had been the registered holder of the number of Common Shares to which such holder was theretofore entitled upon such exercise. If necessary as a result of any such event appropriate adjustments will be made in the application of the provisions set forth in this Section with respect to the rights and interests thereafter of the holders of Warrants to the end that the provisions set forth in this Section will thereafter correspondingly be made applicable as nearly as may reasonably be the relation to any shares or other securities or property thereafter deliverable upon the exercise of any Warrant. Any such adjustments will be made by and set forth in an indenture supplemental hereto approved by the Directors and by the Warrant Trustee and shall for all purposes be conclusively deemed to be an appropriate adjustment.

(d) In any case in which this Section 4.7 shall require that an adjustment become effective immediately after a record date for or effective date of an event referred to in this Indenture, the Corporation may defer, until the occurrence and consummation of such event, issuing to the holder of any Warrant exercised after such record date or effective date and before the occurrence and consummation of such event the additional Common Shares or other securities or property issuable upon such exercise by reason of the adjustment required by such event, provided, however, that the Corporation will deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional Common Shares or other securities or property upon the occurrence and consummation of such event and the right to receive any dividend or other distribution in respect of such additional Common Shares or other securities or property declared in favour of the holders of record of Common Shares or of such other securities or property on or after the Exercise Date or such later date as such holder would, but for the provisions of this subsection, have become the holder of record of such additional Common Shares or of such other securities or property pursuant to subsection 4.2(a).

(e) The adjustments provided for in this Section 4.7 are cumulative, shall, in the case of any adjustment to the Share Rate, be computed to the nearest one-hundredth of a Common Share and will apply (without duplication) to successive subdivisions, consolidations, distributions, issuances or other events resulting in any adjustment under the provisions of this Section, provided that, notwithstanding any other provision of this Section, no adjustment of the Share Rate will be required:

(i) unless such adjustment would require an increase or decrease of at least 1% in the Share Rate then in effect (provided, however, that any adjustment which by reason of this subsection is not required to be made be carried forward and taken into account in any subsequent adjustment);

(ii) if, in respect of any event described in this Section (other than the events referred to in subsections 4.7(b)(i)A and 4.7(b)(i)B and in subsection 4.7(c)), the holders of Warrants are entitled to participate in such event, or are entitled to participate within 45 days in a comparable event, on the same terms, mutatis mutandis, as if the Warrants had been exercised prior to or on the effective date of or record date for such event; or

(iii) in respect of any Common Shares issuable or issued pursuant to any stock option or any stock option or stock purchase plan in force from time to time for Directors, or officers or employees of the Corporation or of subsidiaries of the Corporation.

(f) In the event of any question arising with respect to the adjustments provided in this Section, such question shall be conclusively determined by the Corporation's Auditors or, if they are unable or unwilling to act, by such firm of independent chartered accountants as is appointed by the Corporation and acceptable to the Warrant Trustee. Such accountants shall have access to all necessary records of the Corporation and such determination shall be binding upon the Corporation, the Warrant Trustee and the Warrantholders.

(g) If and whenever at any time during the Adjustment Period, the Corporation shall take any action affecting or relating to the Common Shares, other than any action described in this Section, which in the opinion of the Directors would prejudicially affect the rights of any holders of Warrants, the Share Rate will be adjusted by the Directors in such manner, if any, and at such time, as the Directors, with the approval of the Warrant Trustee, may in their sole discretion determine to be equitable in the circumstances to such holders.

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

(i) At least 21 days before the effective date of or record date for any event referred to in this Section that requires or might require an adjustment in any of the rights under the Warrants, the Corporation will:

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

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

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

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

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

(j) Subject to subsection 8.2(a), the Warrant Trustee shall not:

(i) be under any duty or responsibility to any Warrantholder to determine whether any facts exist which may require any adjustment in the Share Rate, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed in making same;

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

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

ARTICLE 5

COVENANTS

5.1 General Covenants.

The Corporation covenants with the Warrant Trustee that so long as any Warrant remains outstanding and may be exercised:

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

(b) the Corporation will use its reasonable best efforts to have the Common Shares issued pursuant to the exercise of the Warrants listed and posted for trading on the Exchange and to maintain such listing until the Expiry Time;

(c) the Corporation will reserve for the purpose and keep available sufficient unissued Common Shares to enable it to satisfy its obligations on the exercise of the Warrants;

(d) the Corporation will cause the Common Shares from time to time issued pursuant to the exercise of the Warrants, and the certificates representing those Common Shares to be duly issued and delivered in accordance with the Warrants and the terms of this Indenture;

(e) all Common Shares that are issued on the exercise of the Warrants will be fully paid and non-assessable;

(f) the Corporation will use its reasonable best efforts to ensure that all Common Shares outstanding or issuable from time to time (including without limitation the Common Shares issuable upon exercise of the Warrants) continue to be or are listed on the Exchange as the Corporation intends, to maintain the listing of the Common Shares on the Exchange or another Recognized Exchange for a period of not less than 24 months from the Closing Date;

(g) the Corporation will use its reasonable best efforts to maintain its status as a "reporting issuer" pursuant to and not in default of the securities acts or equivalent securities regulatory legislation of British Columbia, Alberta and Ontario for a period of two years from the Closing Date and it will make all requisite filings under applicable securities laws and under the rules of the Exchange to report the exercise, from time to time, of the right to purchase Common Shares pursuant to the Warrants;

(h) the Corporation will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all other acts, deeds and assurances in law as the Warrant Trustee may reasonably require for better accomplishing and effecting the intentions and provisions of this Indenture;

(i) the Corporation will advise the Warrant Trustee in writing of any material default of which it is aware under the terms of this Indenture; and

(j) generally, the Corporation will well and truly perform and carry out all acts and things to be done by it as provided in this Indenture.

5.2 Representations and Warranties.

The Corporation hereby represents and warrants to the Warrant Trustee as follows:

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

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

5.3 Warrant Trustee's Remuneration and Expenses.

The Corporation will pay to the Warrant Trustee from time to time reasonable remuneration for its services hereunder and will, on the Warrant Trustee's request, pay to or reimburse the Warrant Trustee for all reasonable expenses, disbursements and advances made or incurred by the Warrant Trustee in the administration or execution of the trusts provided for by this Indenture (including reasonable compensation and disbursements of its counsel and other advisers and assistants not regularly in its employ), both before any default hereunder and thereafter until all duties of the Warrant Trustee hereunder have been finally and fully performed, except any such expense, disbursement or advance that arises out of or results from the negligence, wilful misconduct or bad faith of the Warrant Trustee or of persons for whom the Warrant Trustee is responsible.

5.4 Performance of Covenants by the Warrant Trustee.

If the Corporation fails to perform any of its obligations under this Indenture and the Warrant Trustee is aware of such failure, the Warrant Trustee may notify the Warrantholders of such failure or may itself perform any of such obligations capable of being performed by it but will not be bound to do so or to notify the Warrantholders that it is so doing. All sums expended or advanced by the Warrant Trustee in so doing will be repayable as provided in Section 5.3. No such performance, expenditure or advance by the Warrant Trustee will relieve the Corporation of any default of its continuing obligations hereunder.

ARTICLE 6

MEETINGS OF WARRANTHOLDERS

6.1 Right to Convene Meetings.

(a) The Warrant Trustee may at any time and from time to time convene a meeting of the Warrantholders, and will do so on receipt of a written request of the

Corporation or a Warrantholders' Request and on being funded and indemnified to its reasonable satisfaction by the Corporation or by one or more of the Warrantholders signing such Warrantholders' Request against payment of the costs which the Warrant Trustee may incur in connection with calling and holding the meeting.

(b) If the Warrant Trustee fails, within ten days after receipt of such written request of the Corporation or Warrantholders' Request and indemnity, to give notice convening a meeting, the Corporation or any of such Warrantholders, as the case may be, may convene such meeting.

(c) Every such meeting will be held in Vancouver, British Columbia or Toronto, Ontario, or at such other place as is approved or determined by the Warrant Trustee and the Corporation.

6.2 Notice.

(a) At least 21 days prior notice of any meeting must be given to the Warrantholders and to the Warrant Trustee, unless the meeting has been called by the Warrant Trustee, and to the Corporation, unless the meeting has been called by the Corporation.

(b) The notice must state the time when, and the place where, the meeting is to be held and must state briefly the general nature of the business to be transacted and shall contain such information as is necessary to enable the Warrantholders to make a reasoned decision on the matter, but it will not be necessary for the notice to set out the specific terms of any resolution to be proposed or any of the provisions of this Article.

6.3 Chairman.

An individual (who need not be a Warrantholder) designated in writing by the Warrant Trustee will be chairman of the meeting or, if no person is so designated or the person so designated is not present within 30 minutes after the time fixed for the holding of the meeting, the Warrantholders present in person or by proxy may choose some person present to be chairman.

6.4 Quorum.

(a) Subject to the provisions of Section 6.12, at any meeting of Warrantholders a quorum will consist of two or more Warrantholders present in person or by proxy at the commencement of business holding in the aggregate not less than 20% of the total number of Warrants then outstanding.

(b) If a quorum of Warrantholders is not present within 30 minutes after the time fixed for holding a meeting, the meeting, if summoned by Warrantholders or on a Warrantholders' Request, will be dissolved, but, subject to Section 6.12, in any other case will be adjourned to the same day in the next week (unless such day is not a business day in which case the meeting will be adjourned to the next day which is a business day) at the same time and place and no notice of the adjournment need be given.

(c) At the adjourned meeting the Warrantholders present in person or by proxy will form a quorum and may transact any business for which the meeting was originally convened notwithstanding the number of Warrants that they hold.

6.5 Power to Adjourn.

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

6.6 Show of Hands.

Every question submitted to a meeting other than an Special Resolution (as defined at section 6.12) will be decided in the first place by a majority of the votes given on a show of hands and, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority will be conclusive evidence of the fact.

6.7 Poll.

(a) On every Special Resolution, and on every other question submitted to a meeting on which a poll is directed by the chairman or requested by one or more Warrantholders acting in person or by proxy and holding in the aggregate not less than 5% of the total number of Warrants then outstanding, a poll will be taken in such manner as the chairman directs.

(b) Questions other than those required to be determined by Special Resolution will be decided by a majority of the votes cast on the poll.

6.8 Voting.

(a) On a show of hands each person present and entitled to vote, whether as a Warrantholder or as proxy for one or more absent Warrantholders, or both, will have one vote, and on a poll each Warrantholder present in person or represented by a proxy duly appointed by instrument in writing will be entitled to one vote in respect of each Warrant held by such holder.

(b) A proxy need not be a Warrantholder.

(c) The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Warrant if any, held or represented by him but shall not be entitled to a casting vote in the case of an equality of votes.

6.9 Regulations.

(a) The Corporation with the approval of the Warrant Trustee, may from time to time make or vary such regulations as it thinks fit:

(i) for the issue of voting certificates by any bank, trust company or other depository satisfactory to the Warrant Trustee stating that the Warrants specified therein have been deposited with it by a named person and will remain on deposit until a specified date, which voting certificates will entitle the persons named therein to be present and vote at any meeting of Warrantholders and at any adjournment thereof held before that date or to appoint a proxy or proxies to represent them and vote for them at any such meeting and at any adjournment thereof held before that date in the same manner and with the same effect as though the persons so named in such voting certificates were the actual holders of the Warrants specified therein;

(ii) for the form of instrument appointing a proxy, the manner in which it must be executed and the verification of the authority of a person who executes it on behalf of a Warrantholder;

(iii) governing the places at which and the times by which voting certificates or instruments appointing proxies must be deposited;

(iv) for the deposit of voting certificates or instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such voting certificates or instruments appointing proxies to be sent by mail, facsimile, e-mail or other means of prepaid, transmitted, recorded communication before the meeting to the Corporation or to the Warrant Trustee at the place where the meeting is to be held and for voting pursuant to instruments appointing proxies so deposited as though the instruments themselves were produced at the meeting; and

(v) generally, for the calling of meetings of Warrantholders and the conduct of business at those meetings.

(b) Any regulations so made will be binding and effective and the votes given in accordance therewith will be valid and will be counted.

(c) Except as such regulations provide, the only persons who will be recognized at a meeting as the holders of any Warrants, or as entitled to vote or, subject to Section 6.10, be present at the meeting in respect thereof, will be the registered holders of such Warrants and the holders of validly submitted proxies.

6.10 Corporation and Warrant Trustee may be Represented.

The Corporation and the Warrant Trustee, by their respective officers or Directors, and the counsel of those parties, may attend any meeting of Warrantholders.

6.11 Powers Exercisable by Special Resolution.

In addition to all other powers conferred on them by the other provisions of this Indenture or by law, the Warrantholders at a meeting will have the power, exercisable from time to time by Special Resolution, to:

(a) assent to or sanction any amendment, modification, abrogation, alteration, compromise or arrangement of any right of the Warrantholders or of the Warrant Trustee in its capacity as trustee hereunder or on behalf of the Warrantholders against the Corporation, whether such right arises under this Indenture or otherwise, and to authorize the Warrant Trustee to concur in and execute any indenture supplemental hereto in connection therewith;

(b) amend, alter or repeal any Special Resolution previously passed;

(c) direct or authorize the Warrant Trustee to enforce any obligation of the Corporation under this Indenture or to enforce any right of the Warrantholders in any manner specified in the Special Resolution;

(d) refrain from enforcing any obligation or right referred to in subsection (c);

(e) waive, and to direct the Warrant Trustee to waive, any default by the Corporation in complying with any provision of this Indenture either unconditionally or on any condition specified in the Special Resolution;

(f) appoint a committee with power and authority to exercise, and to direct the Warrant Trustee to exercise, on behalf of the Warrantholders, such of the powers of the Warrantholders as are exercisable by Special Resolution;

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

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

(i) from time to time and at any time, to remove the Warrant Trustee and appoint a successor trustee.

6.12 Meaning of "Special Resolution".

(a) The expression "Special Resolution" when used in this Indenture means, subject to the provisions of this Section and of Sections 6.15 and 6.16, a resolution proposed at a meeting of Warrantholders duly convened for that purpose and held in accordance with the provisions of this Article at which there are present in person or by proxy Warrantholders holding in the aggregate more than 50% of the total number of Warrants then outstanding and passed by the affirmative votes of Warrantholders who hold in the aggregate not less than two-thirds of the total number of Warrants then outstanding represented at the meeting and voted on the poll on the resolution.

(b) If, at a meeting called for the purpose of passing an Special Resolution, the quorum required by subsection (a) is not present within 30 minutes after the time appointed for the meeting, the meeting, if convened by Warrantholders or on a Warrantholders' Request, will be dissolved, but in any other case will stand adjourned to such day, being not less than 10 days or more than 60 days later, and to such place and time, as is appointed by the Chairman.

(c) Not less than 10 days' notice must be given to the Warrantholders of the time and place of such adjourned meeting.

(d) The notice must state that at the adjourned meeting the Warrantholders present in person or by proxy will form a quorum but it will not be necessary to set forth the purposes for which the meeting was originally called or any other particulars.

(e) At the adjourned meeting the Warrantholders present in person or by proxy will form a quorum and may transact any business for which the meeting was originally convened, and a resolution proposed at such adjourned meeting and passed by the requisite vote as provided in subsection (a) will be an Special Resolution within the meaning of this Indenture notwithstanding the number of Warrants held by those in attendance at such meeting.

(f) Votes on an Special Resolution must always be given on a poll and no demand for a poll on an Special Resolution will be necessary.

6.13 Powers Cumulative.

Any one or more of the powers, and any combination of the powers, in this Indenture stated to be exercisable by the Warrantholders by Special Resolution or otherwise, may be exercised from time to time, and the exercise of any one or more of such powers or any combination of such powers from time to time will not prevent the Warrantholders from exercising such power or powers or combination of powers thereafter from time to time.

6.14 Minutes.

Minutes of all resolutions passed and proceedings taken at every meeting of the Warrantholders will be made and duly entered in books from time to time provided for such purpose by the

Warrant Trustee at the expense of the Corporation, and any such minutes, if signed by the chairman of the meeting at which such resolutions were passed or such proceedings were taken, will be prima facie evidence of the matters therein stated, and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been so made, entered and signed will be deemed to have been duly convened and held, and all resolutions passed and proceedings taken thereat to have been duly passed and taken.

6.15 Instruments in Writing.

Any action that may be taken and any power that may be exercised by Warrantholders at a meeting held as provided in this Article may also be taken and exercised by Warrantholders who hold in the aggregate not less than two-thirds of the total number of Warrants at the time outstanding, by their signing, each in person or by attorney duly appointed in writing, an instrument in writing in one or more counterparts, and the expression "Special Resolution" when used in this Indenture includes a resolution embodied in an instrument so signed.

6.16 Binding Effect of Resolutions.

Every resolution and every Special Resolution passed in accordance with the provisions of this Article at a meeting of Warrantholders will be binding on all Warrantholders, whether present at or absent from the meeting and whether voting for or against the resolution or abstaining, and every instrument in writing signed by Warrantholders in accordance with Section 6.15 will be binding on all Warrantholders, whether signatories thereto or not, and every Warrantholder and the Warrant Trustee (subject to the provisions of its indemnity herein contained) will be bound to give effect accordingly to every such resolution and instrument in writing.

6.17 Holdings by Corporation and Subsidiaries Disregarded.

In determining whether Warrantholders holding the required total number of Warrants are present in person or by proxy for the purpose of constituting a quorum, or have voted or consented to a resolution, Special Resolution, consent, waiver, Warrantholders' Request or other action under this Indenture, a Warrant held by the Corporation or by any subsidiary or affiliate of the Corporation will be deemed to be not outstanding and disregarded and shall not be entitled to vote on any matter considered at such meeting of Warrantholders.

ARTICLE 7

SUPPLEMENTAL INDENTURES AND SUCCESSOR COMPANIES

7.1 Provision for Supplemental Indentures for Certain Purposes.

From time to time the Corporation (when authorized by its Directors) and the Warrant Trustee may, subject to the provisions hereof, execute and deliver by their proper officers indentures or instruments supplemental hereto, which thereafter will form part hereof, for any or all of the following purposes:

(a) setting forth any adjustments resulting from the application of the provisions of Section 4.7;

(b) adding hereto such additional covenants and enforcement provisions as in the opinion of counsel are necessary or advisable, and are not in the opinion of the Warrant Trustee, acting on the advice of counsel, prejudicial to the interests of the Warrantholders as a group;

(c) giving effect to any Special Resolution passed as provided in Article 6;

(d) making such provisions not inconsistent with this Indenture as are necessary or desirable with respect to matters or questions arising hereunder, and are not in the opinion of the Warrant Trustee, acting on the advice of counsel, prejudicial to the interests of the Warrantholders as a group;

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

(f) modifying any provision of this Indenture (including, without limitation, making any modification which increases the number or amount of Common Shares issuable pursuant to the Warrants) or relieving the Corporation from any obligation, condition or restriction herein contained, except that no such modification or relief will be or become operative or effective if in the opinion of the Warrant Trustee, acting on the advice of counsel, it would prejudice the interests of the Warrantholders or of the Warrant Trustee, and the Warrant Trustee may in its discretion decline to enter into any such supplemental indenture which in its opinion will not afford adequate protection to the Warrant Trustee when it becomes operative; and

(g) for any other purpose not inconsistent with the terms of this Indenture, including the correction or rectification of any ambiguity, defective or inconsistent provision, error or omission in this Indenture, if in the opinion of the Warrant Trustee, acting on the advice of counsel, the rights of the Warrant Trustee and of the Warrantholders, as a group, are not prejudiced thereby.

Notwithstanding the foregoing, no amendment may be made to this Indenture by supplement or otherwise, without the acceptance of the Exchange.

7.2 Successor Companies.

In the case of the consolidation, amalgamation, arrangement, merger or transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, the successor corporation resulting from such consolidation, amalgamation, arrangement, merger or transfer (if not the Corporation) will be bound by the provisions hereof and for the due and punctual performance and observance of each and every covenant and obligation contained in this Indenture to be performed by the Corporation and, if requested by the Warrant Trustee, will by supplemental indenture satisfactory in form to the Warrant Trustee and executed and delivered to the Warrant Trustee, expressly assume such obligations.

ARTICLE 8

CONCERNING THE WARRANT TRUSTEE

8.1 Trust Indenture Legislation.

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

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

8.2 Rights and Duties of the Warrant Trustee.

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

(b) No provision of this Indenture will be construed to relieve the Warrant Trustee from liability for its own gross negligence, wilful misconduct or bad faith.

(c) Subject to Sections 8.2(a) and (b), the obligation of the Warrant Trustee to commence or continue any act, action or proceeding for the purpose of enforcing any right of the Warrant Trustee or the Warrantholders or obligation of the Corporation hereunder shall be conditional upon Warrantholders furnishing, when required to do so by the Warrant Trustee, funds sufficient for commencing or continuing the act, action or proceeding and an indemnity reasonably satisfactory to the Warrant Trustee to protect and hold harmless the Warrant Trustee against any costs, charges, expenses and liabilities to be incurred thereto and any loss, damage or liability it may suffer by reason thereof.

(d) No provision of this Indenture will require the Warrant Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

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

(f) Every provision of this Indenture that relieves the Warrant Trustee of liability or entitles it to rely on any evidence submitted to it is subject to the provisions of Applicable Legislation, of this Section and of Section 8.3.

8.3 Evidence, Experts and Advisers.

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

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

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

(d) Any such statutory declaration may be made by any one or more of the President, Chief Executive Officer, Chief Financial Officer, Vice President, Finance or Secretary of the Corporation.

(e) The Warrant Trustee may employ or retain such counsel, accountants, engineers, appraisers or other experts or advisers as it reasonably requires for the purpose of discharging its duties hereunder and may pay reasonable remuneration for all services so performed by any of them, without taxation of costs of any counsel, and will not be responsible for any misconduct or negligence on the part of any of them who have been selected with due care by the Warrant Trustee. For greater certainty, the cost of such services will be borne by the Corporation and the Corporation shall pay or indemnify the Warrant Trustee, upon its request, for the costs associated therewith.

8.4 Documents, Money, Etc. held by the Warrant Trustee.

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

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

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

(ii) with the consent of the Corporation, invested in securities issued or guaranteed by the government of Canada or a province thereof or in obligations, maturing not more than one year from the date of investment, of any Canadian chartered bank or loan or trust company.

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

8.5 Action by the Warrant Trustee to Protect Interests.

The Warrant Trustee will have power to institute and to maintain such actions and proceedings as it considers necessary or expedient to protect or enforce its interests and the interests of the Warrantholders.

8.6 Warrant Trustee not Required to Give Security.

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

8.7 Protection of the Warrant Trustee.

By way of supplement to the provisions of any law from time to time applicable to trustees, it is expressly declared and agreed that:

(a) the Warrant Trustee will not be liable for or by reason of, or required to substantiate, any statement of fact or recital in this Indenture or in the Warrant Certificates (except the representation contained in Section 8.11 or in the Warrant Certificates), but all such statements or recitals are and will be deemed to be made by the Corporation;

(b) nothing contained in this Indenture will impose on the Warrant Trustee any obligation to see to, or to require evidence of, the registration (or renewal thereof) of this Indenture or any instalment ancillary or supplemental hereto;

(c) the Warrant Trustee will not be bound to give notice to any person of the execution hereof; and

(d) the Warrant Trustee will not incur any liability or responsibility whatever or be in any way responsible for the consequence of any breach by the Corporation of any obligation contained in this Indenture or of any act of any Director, officer, employee or agent of the Corporation.

8.8 Warrant Trustee not Required to Act.

The Warrant Trustee shall not be bound to give any notice or to do or take any act, action or proceeding by virtue of the powers hereby conferred on it unless and until it has been required to do so under the terms hereof nor shall the Warrant Trustee be required to take notice of any default of the Corporation hereunder unless and until notified in writing of the default (which notice must specify the nature of the default) and, in the absence of that notice, the Warrant Trustee may for all purposes hereunder conclusively assume that no default by the Corporation hereunder has occurred. The giving of any notice shall in no way limit the discretion of the Warrant Trustee hereunder as to whether any action is required to be taken in respect of any default hereunder.

8.9 Indemnification.

Without limiting any protection or indemnity of the Warrant Trustee under any other provision hereof, or otherwise at law, the Corporation hereby agrees to indemnify and hold harmless the Warrant Trustee, its directors, officers, employees and agents (collectively, the "Indemnified Parties") from and against any and all liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements, including reasonable legal or advisor fees and disbursements, of whatever kind and nature which may at any time be imposed on, incurred by or asserted against the Indemnified Parties in connection with the performance of its duties and obligations hereunder, other than such liabilities, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements arising by reason of the gross negligence or fraud of the Indemnified Parties. This provision shall survive the resignation of the Warrant Trustee, or the termination of the Indenture. The Indemnified Parties shall not be under any obligation to prosecute or to defend any action or suit in respect of the relationship which, in the opinion of their counsel, may involve them in expense or liability, unless the Corporation shall, so often as required, furnish the Indemnified Parties with satisfactory indemnity and funding against such expense or liability.

8.10 Replacement of the Warrant Trustee.

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

(b) The Warrantholders by Special Resolution may, at any time, remove the Warrant Trustee and appoint a new Warrant Trustee.

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

(d) Failing such appointment by the Corporation, the retiring Warrant Trustee or any Warrantholder may, at the Corporation's expense, apply to a court of competent jurisdiction in British Columbia, on such notice as the Court directs, for the appointment of a new Warrant Trustee.

(e) Any new Warrant Trustee so appointed by the Corporation or by the Court will be subject to removal as aforesaid by the Warrantholders and by the Corporation.

(f) Any new Warrant Trustee appointed under any provision of this Section must be a corporation authorized to carry on the business of a trust company in British Columbia, Alberta and Ontario and, if required by the Applicable Legislation of any other province, in such other province.

(g) On any such appointment the new Warrant Trustee will be vested with the same powers, rights, duties and responsibilities as if it had been originally named in this Indenture as Warrant Trustee without any further assurance, conveyance, act or deed, but there will be immediately executed, at the expense of the Corporation, all such conveyances or other instruments as, in the opinion of counsel, are necessary or advisable for the purpose of assuring such powers, rights, duties and responsibilities to the new Warrant Trustee.

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

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

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

8.11 Conflict of Interest.

(a) The Warrant Trustee represents to the Corporation that at the time of the execution and delivery hereof no material conflict of interest exists between its role as a fiduciary hereunder and its role in any other capacity and if a material conflict of interest arises hereafter it will, within 45 days after ascertaining that it has such material conflict of interest, either eliminate the conflict of interest or resign its trusts hereunder; and

(b) Subject to subsection 8.11(a), the Warrant Trustee, in its personal or any other capacity, may act as registrar and transfer agent for the Common Shares and trustee for the Warrants under this Indenture and generally may contract and enter into financial transactions with the Corporation or any subsidiary of the Corporation, all without being liable to account for any profit made thereby.

8.12 Acceptance of the Trust.

The Warrant Trustee hereby accepts the trusts in this Indenture declared and provided for and agrees to perform them on the terms and conditions set forth in this Indenture.

8.13 Warrant Trustee Not to be Appointed Receiver

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

8.14 Authorization to Carry on Business

The Warrant Trustee represents to the Corporation that it is duly authorized and qualified to carry on the business of a warrant trustee in each of the provinces and territories of Canada. If the Warrant Trustee ceases to be so authorized to carry on business, the validity and enforceability of this Indenture and the Warrants issued hereunder shall not be affected in any manner whatsoever by reason only of such event, but the Warrant Trustee shall within 60 days after ceasing to be so authorized, either become so authorized or resign as Warrant Trustee in the manner and with the effect specified in Section 8.10.

ARTICLE 9

PROCEEDS OF CRIME

9.1 Third Party Interests.

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

9.2 Not Bound to Act.

The Warrant Trustee shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Warrant Trustee, in its sole judgment, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, should the Warrant Trustee, in its sole judgment, determine at any time that its acting under this Indenture has resulted in its being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 30 days written notice to the Corporation, provided (i) that the Warrant Trustee's written notice shall describe the circumstances of such non-compliance; and (ii) that if such circumstance are rectified to the Warrant Trustee's satisfaction within such 30 day period, then such resignation shall not be effective.

ARTICLE 10

PRIVACY PROVISIONS

10.1 Protection of Privacy.

The parties acknowledge that federal and/or provincial legislation that addresses the protection of individuals' personal information (collectively, "Privacy Laws") applies to obligations and activities under this Indenture. Despite any other provision of this Indenture, neither party shall take or direct any action that would contravene, or cause the other to contravene, applicable Privacy Laws. The Corporation shall, prior to transferring or causing to be transferred personal information to the Warrant Trustee, obtain and retain required consents of the relevant individuals to the collection, use and disclosure of their personal information, or shall have determined that such consents either have previously been given upon which the parties can rely or are not required under the Privacy Laws. The Warrant Trustee shall use commercially reasonable efforts to ensure that its services hereunder comply with Privacy Laws. Specifically, the Warrant Trustee agrees: (a) to have a designated chief privacy officer; (b) to maintain policies and procedures to protect personal information and to receive and respond to any privacy complaint or inquiry; (c) to use personal information solely for the purposes of providing its services under or ancillary to this Indenture and not to use it for any other purpose except with the consent of or direction from the Corporation or the individual involved; (d) not to sell or otherwise improperly disclose personal information to any third party; and (e) to employ administrative, physical and technological safeguards to reasonably secure and protect personal information against loss, theft, or unauthorized access use or modification.

ARTICLE 11

GENERAL

11.1 Notice to the Corporation and to the Warrant Trustee.

Unless otherwise expressly provided herein, a notice to be given hereunder to the Corporation or the Warrant Trustee will be in writing and may be given by telecopier, regular mail or by courier and will, in the case of notice to the Corporation, be addressed and telecopied or delivered to:

If to the Corporation:

Skygold Ventures Ltd.
615-800 West Pender Street
Vancouver, BC, V6C 2V6

Attention: Brian Groves

Telephone: (604) 484-6317
Facsimile: (604) 684-0279

with a copy to:

Davis LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

Attention: Don Collie

Telephone: (604) 643-6472
Facsimile: (604) 605-3797

and in the case of the Warrant Trustee, be addressed and telecopied or delivered to:

Computershare Trust Company of Canada
2nd Floor, 510 Burrard Street
Vancouver, BC V6C 3B9

Attention: Manager, Corporate Trust

The Corporation and the Warrant Trustee may change their respective addresses for notice by notice given in the manner referred to above.

11.2 Notice to the Warrantholders.

(a) Unless otherwise expressly provided herein, a notice to be given hereunder to Warrantholders will be deemed to be validly given:

(i) if the notice is sent by ordinary mail or air mail, postage prepaid, addressed to the Warrantholders or delivered (or so mailed to certain Warrantholders and so delivered to other Warrantholders) at their respective addresses appearing on any of the registers of holders described in Section 3.1, and if in the case of joint holders of any Warrant more than one address appears on such registers in respect of the joint holding, the notice must be addressed or delivered, as the case may be, only to the first address so appearing; or

(ii) if, by reason of strike, lockout or other work stoppage, actual or threatened, involving Canadian postal employees, any notice to be given to the Warrantholders could reasonably be considered unlikely to reach or likely to be delayed in reaching its destination, the notice will be valid and effective only if it is published once in the Report on Business section in the national edition of The Globe and Mail newspaper, or, if there is a disruption of circulation of such newspaper, once in newspapers in the English language of general circulation and approved by the Warrant Trustee in the city of Vancouver, British Columbia, in the provinces of

Ontario and Alberta and, in the case of notice convening a meeting of Warrantholders, with such additional publications, in the same or in other cities or both, and if a daily newspaper of general circulation is not, for any reason, published at the time in the English language in any such city, such notice may be published in such other publication available in such city as is acceptable to the Warrant Trustee.

(b) A notice so given by mail or so delivered will be deemed to have been given on the second business day after it has been mailed or on the day which it has been delivered, as the case may be, and a notice so given by publication will be deemed to have been given on the day on which it has been published in all of the cities in which publication was required (or first published in all such cities if more than one publication in any of them is required). In determining under any provision hereof the date when notice of a meeting or other event must be given, the date of giving notice or accidental failure to mail notice to any Warrantholders will not invalidate any action or proceeding founded thereon.

11.3 Satisfaction and Discharge of the Indenture.

On the earlier of:

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

(b) the Expiry Time;

and if all certificates representing Common Shares required to be issued in compliance with the provisions hereof have been issued and delivered hereunder or to the Warrant Trustee in accordance with such provisions, this Indenture will cease to be of further effect and, on demand of and at the cost and expense of the Corporation and on delivery to the Warrant Trustee of a certificate of the Corporation stating that all conditions precedent to the satisfaction and discharge of this Indenture have been complied with and on payment to the Warrant Trustee of the fees and other remuneration payable to the Warrant Trustee, the Warrant Trustee will execute proper instruments acknowledging satisfaction of and discharging this Indenture.

11.4 Sole Benefit of the Parties and of the Warrantholders.

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

11.5 Discretion of the Directors.

Any matter provided in this Indenture to be determined by the Directors will be determined by the Directors in their sole discretion, and a determination so made will be conclusive.

11.6 Regulatory Compliance.

No change may be made to this Indenture or to the terms of the Warrants (including by way of supplemental indenture) unless such change may be made without the consent of any regulatory authority or is made with the consent of such regulatory authority, and is otherwise lawful.

11.7 Severability.

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

11.8 Counterparts and Formal Date.

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

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IN WITNESS WHEREOF the parties hereto have caused their respective corporate seals to be hereunto affixed attested by their signatures.

SKYGOLD VENTURES LTD.

Per: ____________________________
Authorized Signatory

COMPUTERSHARE TRUST COMPANY OF CANADA

Per: ____________________________
Authorized Signatory

Per: ____________________________
Authorized Signatory

SCHEDULE A
(FORM OF WARRANT CERTIFICATE)

[To be inserted in each Warrant Certificate originally issued to or for the account or benefit of a U.S. person or a person in the United States, and each Warrant Certificate issued in exchange therefor or in substitution thereof:]

THE SECURITIES REPRESENTED HEREBY [AND IF A WARRANT, THE FOLLOWING SHALL BE INCLUDED: AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF] HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT PROVIDED BY (i) RULE 144 UNDER THE 1933 ACT, IF AVAILABLE, OR (ii) RULE 144A UNDER THE 1933 ACT, IF AVAILABLE, AND, IN EACH CASE, IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE LAWS, AND WITH RESPECT TO SUBPARAGRAPHS (C)(i) AND (D) HEREOF, THE HOLDER HAS, PRIOR TO SUCH TRANSFER, FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

THESE WARRANTS AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THESE WARRANTS MAY NOT BE EXERCISED IN THE UNITED STATES OR BY, OR FOR THE ACCOUNT OR BENEFIT OF, A PERSON IN THE UNITED STATES OR A U.S. PERSON UNLESS THESE WARRANTS AND THE COMMON SHARES ISSUABLE UPON EXERCISE OF THESE WARRANTS HAVE BEEN REGISTERED UNDER THE 1933 ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED IN REGULATION S UNDER THE 1933 ACT.

THIS WARRANT WILL BE VOID AND OF NO VALUE UNLESS EXERCISED ON OR BEFORE 4:00 P.M. (VANCOUVER TIME) ON [insert date that is twenty-four months after the Distribution Date].

SKYGOLD VENTURES LTD.

(Incorporated under the laws of Alberta and continued into British Columbia)

Warrant Certificate No.: W08-1/[•] Right to Purchase • Common Shares

WARRANT CERTIFICATE FOR PURCHASE OF COMMON SHARES

THIS WARRANT CERTIFICATE ("Warrant Certificate") CERTIFIES THAT ______________________ (the "holder") is the registered holder of the number of warrants ("Warrants") of Skygold Ventures Ltd. (the "Corporation") specified above and is thereby entitled, to be issued (subject to adjustment) one common share in the capital of the Corporation (a "Common Share") for each Warrant by surrendering to Computershare Trust Company of Canada (the "Warrant Trustee"), at one of its principal offices in the City of Vancouver, British Columbia or in the City of Toronto, Ontario during the exercise period referred to below, this Warrant Certificate together with a notice of exercise in the form set forth below duly completed and executed and payment (subject to adjustment) of Cdn $• per Common Share, by certified cheque, bank draft or money order payable to or to the order of the Corporation. The holder of this Warrant Certificate may purchase less than the number of Common Shares which the holder is entitled to purchase on the exercise of the Warrants represented by this Warrant Certificate, in which event a new Warrant Certificate representing the Warrants not then exercised will be issued to the holder.

Surrender of this Warrant Certificate will be deemed to have been effected only on personal delivery thereof to, or, if sent by mail or other means of transmission, on actual receipt hereof by, the Warrant Trustee at the office specified above.

This Warrant Certificate evidences Warrants issued or issuable under the provisions of an Indenture (which indenture, together with all instruments supplemental or ancillary thereto, is herein referred to as the "Indenture") dated as of ♦, 2008 between the Corporation and the Warrant Trustee, as Warrant Trustee thereunder. Reference is hereby made to the Indenture for particulars of the rights of the holders of the Warrants and of the Corporation and of the Warrant Trustee in respect thereof and of the terms and conditions upon which the Warrants are issued and held, all to the same effect as if the provisions of the Indenture were herein set forth, to all of which the holder, by acceptance hereof, assents. The Corporation will furnish to the holder on request and without charge, a copy of the Indenture. Unless otherwise defined herein, capitalized terms will have the meanings set forth in the Indenture.

The Warrants evidenced by this Warrant Certificate may be exercised by the holder during the period commencing on the day this Warrant is issued and ending at 4:00 p.m. (Vancouver time) on *[Insert date that is 24 months after the Closing Date]*.

On and after the date of any exercise of the Warrants evidenced by this Warrant Certificate, the holder will have no rights hereunder except to receive certificates representing the Common Shares thereby issued to the holder upon surrender of this Warrant Certificate to the Warrant Trustee at its principal offices in Vancouver, British Columbia at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9 or Toronto, Ontario at 100 University Ave., 11th Floor, Toronto, ON M5J 2Y1.

To the extent that any Warrant evidenced hereby confers the right to be issued a fraction of a Common Share such right may be exercised in respect of such fraction only in combination with another Warrant Certificate or other Warrant Certificates which in the aggregate entitle the holder to be issued a whole number of Common Shares, and under no circumstances is the Corporation obligated to issue any fractional Common Share or to make any payment in respect of such a fraction.

No Common Share will be issued pursuant to the exercise of any Warrant if the issuance of such Common Share would constitute a violation of the securities laws of any jurisdiction.

These Warrants and the Common Shares have not been registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state of the United States. These Warrants may not be exercised in the United States or by or on behalf of, or for the account or benefit of, a person in the United States or a U.S. person unless these Warrants and the Common Shares have been registered under the 1933 Act and the applicable securities legislation of any such state or an exemption from such registration requirements is available. "United States" and "U.S. person" are as defined by Regulation S under the 1933 Act.

The Indenture provides for adjustments to the rights of the holders of Warrants, including the number of Common Shares issuable upon the exercise or deemed exercise hereof, on the happening of certain stated events, including the subdivision or consolidation of the outstanding common shares in the capital of the Corporation ("Common Shares"), certain distributions of Common Shares, or of securities convertible into or exchangeable for Common Shares or of other securities or assets of the Corporation, certain offerings of rights, warrants or options and certain capital reorganizations.

The Indenture contains provisions making binding on all holders of Warrants outstanding thereunder resolutions passed at meetings of such holders held in accordance with such provisions and instruments in writing signed by holders of a specified majority of all outstanding Warrants.

On presentation at the principal offices of the Warrant Trustee in Vancouver, British Columbia or in Toronto, Ontario, subject to the provisions of the Indenture and on compliance with the reasonable requirements of the Warrant Trustee, one or more Warrant Certificates may be exchanged for one or more Warrant Certificates of different denomination evidencing in the aggregate the same number of Warrants as the Warrant Certificate or Warrant Certificates being exchanged.

The Warrants evidenced by this Warrant Certificate may only be transferred, upon compliance with the conditions prescribed in the Indenture, on the register of transfers to be kept at the principal offices of the Warrant Trustee in Vancouver, British Columbia and Toronto, Ontario by the holder or his executors, administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and execution satisfactory to the Warrant Trustee, and, upon compliance with such requirements and such other reasonable requirements as the Warrant Trustee may prescribe, such transfer will be duly notified on such register of transfers by the Warrant Trustee. Notwithstanding the foregoing, the Corporation will be entitled, and may direct the Warrant Trustee, to refuse to permit and record any transfer of any Warrant on such register if such transfer would constitute a violation of the securities laws of any jurisdiction.

The holding of this Warrant Certificate will not constitute the holder a shareholder of the Corporation or entitle the holder to any right or interest in respect thereof except as otherwise provided in the Indenture.

The Warrants and the Indenture shall be governed by and performed, construed and enforced in accordance with the laws of the Province of British Columbia and the federal laws applicable therein and shall be treated in all respects as British Columbia documents. Time shall be of the essence hereof and of the Indenture.

This document is drawn up in English at the express wish of the parties, including the initial holder of this Warrant Certificate. Les parties aux présentes confirment leur consentement à ce que cette convention de même que tous les documents ainsi que tout avis s'y rattachant soient rédigés an anglais.

This Warrant Certificate will not be valid for any purpose until it has been certified by or on behalf of the Warrant Trustee under the Indenture.

IN WITNESS WHEREOF SKYGOLD VENTURES LTD. has caused this Warrant Certificate to be signed by its duly authorized officer as of •, 2008.

This Warrant Certificate is one of the Warrant Certificates referred to in the Indenture.

SKYGOLD VENTURES LTD.

By: ______________________________
Authorized Signing Officer

COMPUTERSHARE TRUST COMPANY OF CANADA

By: ______________________________
Authorized Signing Officer

EXERCISE FORM

(ONE WARRANT IS REQUIRED TO SUBSCRIBE FOR EACH COMMON SHARE)

TO: Skygold Ventures Ltd.., c/o Computershare Trust Company of Canada, 510 Burrard Street, Vancouver, British Columbia V6C 3B9 *OR* 100 University Ave., 11th Floor, Toronto, ON M5J 2Y1, Attn.: Manager, Corporate Trust (the "Warrant Trustee")

1. The undersigned holder of this Warrant Certificate hereby exercises the right to acquire ______________________________ Common Shares (the "Common Shares") of Skygold Ventures Ltd. (the "Corporation") (or such number of shares or other securities or property to which this Warrant entitles the undersigned in lieu thereof or in addition thereto under the provisions of the Indenture referred to in this Warrant Certificate) at the price determined under, and on the terms specified in, the Warrant Certificate and Indenture and encloses herewith a certified cheque, bank draft or money order payable at par in the City of Vancouver or the City of Toronto to or to the order of the Corporation in payment of the purchase price in full therefor.

2. The undersigned hereby irrevocably directs that the said Common Shares hereby subscribed for be issued and delivered as follows:

Name(s) in full*	Address(es)**	No. of Shares
______________________	______________________________	_______
______________________	______________________________	_______

* Please print full name(s) in which share certificates are to be issued, stating whether Mr., Mrs., Miss or Ms.

** **Certificates representing Common Shares will not be registered or delivered to an address in the United States unless Box 3B or Box 3C below is checked.**

3. The undersigned, by signing below, represents, warrants and certifies to the Corporation as follows (one of the following must be checked):

A. ☐ the undersigned is not a U.S. person, did not execute or deliver this exercise form in the United States, and is not exercising the Warrants for the account or benefit of a U.S. person or a person in the United States; or

B. ☐ the undersigned is tendering with this exercise form a written opinion of counsel reasonably satisfactory to the Corporation to the effect that the Common Shares to be delivered upon exercise of the Warrants are not required to be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or the securities laws of any applicable states of the United States; or

C. ☐ the undersigned purchased the Warrants from the Corporation pursuant to a U.S. subscription agreement in connection with a private placement of units of the Corporation that closed on •, 2008 on its own behalf or on behalf of a beneficial purchaser, and on the date of purchase, it and such beneficial purchaser, if any, were "accredited investors", as defined in Rule 501 of Regulation D under the 1933 Act ("Accredited Investors") or, if it is in the State of New York, it is an institutional accredited investor that satisfies one or more of the criteria set forth in Rule 501(a)(1), (2), (3) or (7) of Regulation D under 1933 Act (an "Institutional Accredited Investor"), is exercising the Warrants on its own behalf or on behalf of such beneficial purchaser, and on the date hereof, it and such beneficial purchaser, if any, are Accredited Investors (or, if it or the beneficial purchaser, if any, is in the State of New York, it and such beneficial purchaser, if any, are Institutional Accredited Investors).

"United States" and "U.S. person" are as defined in Regulation S under the 1933 Act.

The undersigned holder understands that unless box 3A above is checked, the certificate representing the Common Shares will bear a legend restricting transfer without registration under the 1933 Act and applicable state securities laws unless an exemption from registration is available.

(If any Common Shares are to be issued to a person or persons other than the holder, the holder must pay to the Warrant Trustee all eligible transfer taxes or other government charges, if any.)

DATED this _____ day of __________, _____. Signature of Subscriber*______________________

Name of Subscriber ______________________________.

Address of Subscriber (include postal or zip code)____

* This signature must correspond exactly with the name as it appears on the face page of the Warrant Certificate. Please check box if the share certificates are to be delivered at the office where this Warrant Certificate is surrendered, failing which the certificates will be mailed.

FORM OF TRANSFER

THE WARRANTS REPRESENTED BY THIS WARRANT CERTIFICATE MAY NOT BE TRANSFERRED TO OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON OR A PERSON IN THE UNITED STATES WITHOUT REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), AND ALL APPLICABLE STATE SECURITIES LAWS, OR AN EXEMPTION THEREFROM

FOR VALUE RECEIVED, the undersigned transferor hereby sells, assigns and transfers unto (name)

____

(address) ____, (Social Insurance number) ____________________ (number of warrants) __________________ Warrants of Skygold Ventures Ltd. (the "Corporation") registered in the name of the undersigned on the records of the Corporation represented by this Warrant Certificate.

DATED THIS ________ DAY OF ________________, 20___.

____
Signature of Warrantholder

____
Signature Guaranteed

____
Name of Warrantholder (please print)

The following must be completed by the transferee:

In connection with this transfer, the undersigned transferee hereby certifies that (check the appropriate box):

A. ☐ The undersigned transferee (i) is not at the time of the transfer in the United States, (ii) is not a U.S. Person and is not acquiring the securities on behalf of a U.S. Person, and (iii) did not execute or deliver the transfer form for such securities in the United States; or

B. ☐ The undersigned transferee is providing (A) a written opinion of counsel of recognized standing reasonably satisfactory to the Corporation to the effect that (i) that the securities have been registered under the 1933 Act and applicable state securities laws, or (ii) an exemption thereunder is available for the transfer of such securities, or (B) other evidence of exemption reasonably satisfactory to the Corporation.

"United States" and "U.S. Person" are as defined in Regulation S under the 1933 Act.

The undersigned transferee understands that unless box A above is checked, the certificate representing the securities will bear a legend restricting transfer without registration under the 1933 Act and applicable state securities laws unless an exemption from registration is available and an opinion of counsel or other evidence of exemption will be required as described in B above.

If the Warrant Certificate includes a restrictive legend relating to the 1933 Act, this form of transfer must be accompanied by either (a) a completed and executed Declaration for Removal of Legend in the form attached to the Warrant Certificate together with such additional evidence of exemption as the Corporation may from time to time prescribe, or (b) an opinion of counsel or other evidence satisfactory to the Corporation to the effect that such transfer is exempt from the registration requirements of the 1933 Act and applicable state securities laws.

____
Signature of Transferee

DATED THIS _____ DAY OF _____________, 20___.

____
Name of Transferee (please print)

TERMS AND CONDITIONS

The Warrants are issued subject to the terms and conditions of the Indenture. A copy of the Indenture may be obtained, free of charge, at the offices of Computershare Trust Company of Canada, 3rd Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9.

Signature Guarantee:
The signature on this assignment must correspond with the name as written upon the face of the certificate(s), in every particular, without alteration or enlargement, or any change whatsoever and must be guaranteed by a major Canadian Schedule I chartered bank, a major trust company in Canada or a member of an acceptable Medallion Signature Guarantee Program (STAMP, SEMP, MSP). The Guarantor must affix a stamp bearing the actual words "Signature Guaranteed".

In the USA, signature guarantees must be done by members of a "Medallion Signature Guarantee Program" only.

Signature guarantees are not accepted from Treasury Branches, Credit Unions or Caisses Populaires unless they are members of the Stamp Medallion Program.

Computershare Trust Company of Canada's Privacy Notice:

In the course of providing services to you and our corporate clients, Computershare Trust Company of Canada receives non-public personal information about you - your name, address, social insurance number, securities holdings, transactions, etc. We use this to administer your account, to better serve your and our clients' needs and for other lawful purposes. We have prepared a Privacy Code to tell you more about our information practices and how your privacy is protected. It is available at our website, www.computershare.com, or by writing us at 510 Burrard Street, 2nd Floor, Vancouver, British Columbia V6C 3B9. *You are required to provide your SIN if you will receive income on these securities. We will use this number for income reporting. Computershare Trust Company of Canada may also ask for your SIN as an identification-security measure if you call or write to request service on your account; however you may decline this usage.

DECLARATION FOR REMOVAL OF LEGEND

To: Computershare Trust Company of Canada, as Warrant Trustee for the warrants of Skygold Ventures Ltd. (the "Corporation").

And to: The Corporation

The undersigned acknowledges that the sale of the securities of the Corporation to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "1933 Act"), and certifies that: (1) the undersigned is not an "affiliate" of the Corporation (as that term is defined in Rule 405 under the 1933 Act); (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States, or (b) the transaction was executed in, on or through the facilities of the TSX Venture Exchange or any other "designated offshore securities market" and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; (3) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged in any "directed selling efforts" in the United States in connection with the offer and sale of such securities; (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as that term is defined in Rule 144(a)(3) under the 1933 Act); (5) the seller does not intend to replace such securities with fungible unrestricted securities; and (6) the contemplated sale is not a transaction, or part of a series of transactions, which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the 1933 Act. Terms used herein have the meanings given to them by Regulation S under the 1933 Act.

Dated ________________________________, ________.

X________________________________

____

Signature of individual (if Seller **is** an individual)

X________________________________

____

Authorized signatory (if Seller is **not** an individual)

____

____

Name of Seller **(please print)**

____

____

Name of authorized signatory **(please print)**

____

____

Official capacity of authorized signatory **(please print)**

AFFIRMATION BY SELLER'S BROKER-DEALER

We have read the foregoing representations of our customer, ________________________ (the "Seller") dated ____________________, with regard to our sale, for such Seller's account, of the ________________ represented by certificate number _____________ (the "Securities") of the Corporation described therein, and on behalf of ourselves we certify and affirm that (A) we have no knowledge that the transaction had been or will be prearranged with a buyer in the United States, (B) the transaction was or will be executed in, on or through the facilities of the TSX Venture Exchange or another "designated offshore securities market", and (C) neither we, nor any person acting on our behalf, has or will engage in any "directed selling efforts" in connection with the offer and sale of such Securities. Terms used herein have the meanings given to them by Regulation S under the 1933 Act.

____
Name of Firm

By:___________________________________
Authorized Signatory

Date: ________________________________