WARRANT INDENTURE

Providing for the Issue of
Warrants

between

MARATHON PGM CORPORATION

- and -

CIBC MELLON TRUST COMPANY

dated as of April 17, 2008

TABLE OF CONTENTS

TABLE OF CONTENTS

Page

THIS WARRANT INDENTURE is made as of the 17th day of April, 2008, between:

MARATHON PGM CORPORATION, a corporation governed under the laws of Canada (the "**Corporation**")

- and -

CIBC MELLON TRUST COMPANY, a trust company existing under the laws of Canada (the "**Warrant Agent**").

WHEREAS:

A. the Corporation is proposing to issue Warrants in the manner herein set forth;

B. each one whole Warrant shall, subject to adjustment, entitle the holder thereof to purchase one Common Share at a cost of Cdn.$6.00 upon the terms and conditions herein set forth; and

C. all acts and deeds necessary have been done and performed 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.

AND WHEREAS the foregoing recitals are made as representations and statements of fact by the Corporation and not by the Warrant Agent.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as set forth below.

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Indenture, including the recitals and schedules hereto, and in all indentures supplemental hereto, unless the context otherwise requires, the following terms have the meanings set forth below.

"**Act**" means the *Canada Business Corporations Act* as from time to time amended;

"**Applicable Legislation**" means the provisions of the Act, and any statute of Canada or a province or territory thereof, and the regulations under any such named or other statute, relating to trust indentures or to the rights, duties and obligations of trustees and warrant agents and of corporations under trust indentures, to the extent that such provisions are at the time in force and applicable to this Indenture;

"**Auditor**" means a firm of chartered accountants duly appointed as auditor of the Corporation;

"**Business Day**" means a day which is not a Saturday, Sunday or legal holiday in Toronto, Ontario;

"**Common Shares**" means fully paid and non-assessable common shares in the share capital of the Corporation as presently constituted, provided that in the event of any adjustment pursuant to Article 4 shall thereafter mean the shares or other securities or property resulting from such adjustment;

"**Counsel**" means a barrister or solicitor or a firm of barristers and solicitors retained by the Warrant Agent or the Corporation (who may be counsel to the Corporation) acceptable to the Warrant Agent;

"**Current Market Price**" has the meaning ascribed thereto in subsection 4.2(e);

"**Director**" means a director of the Corporation for the time being and, unless otherwise specified herein, reference to action "**by the Directors**" means action by the directors of the Corporation as a board or, whenever duly empowered, action by any committee of such board;

"**Dividend paid in the ordinary course**" means dividends, whether in cash or in shares of the capital stock of the Corporation, paid in any fiscal year of the Corporation to the extent that the aggregate of such cash or the amount determined by the Directors to be the fair market value of such shares does not in such fiscal year exceed the greater of 100% of the:

(a) aggregate amount of dividends paid by the Corporation on the Common Shares in the period of 12 consecutive months ended immediately prior to the first day of such fiscal year; and

(b) consolidated net earnings of the Corporation, before extraordinary items, for the period of 12 consecutive months ended immediately prior to the first day of such fiscal year (such consolidated net earnings to be as shown in the audited consolidated financial statements of the Corporation for such period of 12 consecutive months or, if there are no audited consolidated financial statements in respect of such period, computed in accordance with generally accepted accounting principles in Canada consistent with those applied in the preparation of the most recent consolidated audited financial statements of the Corporation);

"**Effective Date**" means April 17, 2008;

"**Exchange**" means the Toronto Stock Exchange or other stock exchange on which the Common Shares are listed;

"**Exercise Date**" means, with respect to any Warrant, the date on which the Warrant Certificate representing such Warrant is surrendered for exercise in accordance with the provisions of Article 3;

"**Exercise Price**" means Cdn.$6.00 per Common Share, subject to any adjustment pursuant to Article 4;

"**Expiry Time**" means 5:00 p.m. (Toronto time) on April 17, 2010;

"**Extraordinary Resolution**" shall have the meaning ascribed to such term in subsection 7.11(a);

"**Indenture**" means this warrant indenture, as amended from time to time after the date hereof in the manner herein provided. The terms "**herein**", "**hereto**", "**hereof**", "**hereunder**", "**hereby**" and similar terms mean and refer to this Indenture and not, unless a particular provision is expressly stipulated, to any particular provision, and the terms "**Article**", "**section**", "**subsection**", "**paragraph**" and "**Schedule**" followed by a letter, number or character or a combination thereof mean and refer to the specified Article, section, subsection or paragraph of, or Schedule to, this Indenture;

"**Original U.S. Purchaser**" means the institutional accredited investor (being an accredited investor as that term is defined in Rule 501(a)(1), (2), (3), or (7) or an entity in which all of the equity owners are "accredited investors" as that term is defined in Rule 501(a)(1), (2), (3) or (7) under the U.S. Securities Act who first purchased the Warrants;

"**Person**" means an individual, sole proprietorship, body corporate, partnership, limited partnership, limited liability partnership, firm, entity, limited liability company, unlimited liability company, trust, trustee, warrant agent, executor, administrator, legal representative, unincorporated organization, unincorporated syndicate, unincorporated association, or governmental, regulatory or court authority;

"**Regulation D**" means Regulation D under the U.S. Securities Act;

"**Regulation S**" means Regulation S under the U.S. Securities Act;

"**Shareholder**" means a holder of record of one or more Common Shares;

"**Subsidiary**" means a corporation, a majority of the outstanding voting shares of which are owned, directly or indirectly, by the Corporation or by one or more subsidiaries of the Corporation and, as used in this definition, "**voting shares**" means shares having voting power to elect a majority of the directors of a corporation irrespective of whether or not shares of any other class or classes shall have or might have voting power by reason of the happening of any contingency;

"**Successor Corporation**" shall have the meaning ascribed to such term in section 8.2;

"**Trading Day**" means a day on which the Exchange is open for the transaction of business;

"**U.S. Person**" has the meaning given to such term in Regulation S;

"**U.S. Securities Act**" means the United States *Securities Act* of 1933, as amended, of the United States and the regulations promulgated thereunder;

"**United States**" has the meaning given to such term in Regulation S;

"**Warrant Agent**" means CIBC Mellon Trust Company or its successor from time to time in the trust hereby created;

"**Warrants**" means the warrants created, issued and certified hereunder, and for the time being outstanding, entitling the holder thereof to acquire one Common Share for each whole Warrant held;

"**Warrant Certificate**" means a certificate issued on or after the Effective Date to evidence Warrants;

"**Warrantholders**" or "**holders**", without reference to Common Shares, means the Persons who, on and after the Effective Date, are registered owners of Warrant Certificates;

"**Warrantholders' Request**" means an instrument, signed in one or more counterparts by Warrantholders entitled to acquire in the aggregate not less than 25% of the aggregate number of Common Shares which could be acquired pursuant to all Warrants then unexercised and outstanding, requesting that the Warrant Agent take some action or proceeding specified therein; and

"**Written order of the Corporation**", "**written request of the Corporation**", "**written consent of the Corporation**" **and** "**certificate of the Corporation**" mean, respectively, a written order, request, consent or certificate signed in the name of the Corporation by one of its chairman, president, a vice-president or chief financial officer and may consist of one or more instruments so executed.

1.2 Gender, Number and Parties

Unless herein otherwise expressly provided or unless the context otherwise requires, words importing the singular include the plural and *vice versa* and words importing gender include both genders and the neuter. Unless the context otherwise requires, any reference to a "**party**" herein is a reference to a party hereto.

1.3 Interpretation not Affected by Division or Headings

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

1.4 Day 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 such action shall be required to be taken at or before the requisite time on the next succeeding day that is a Business Day.

1.5 Time of the Essence

Time shall be of the essence of this Indenture.

1.6 Applicable Law

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

1.7 Attornment

The parties hereby irrevocably and unconditionally consent to and submit to the courts of the Province of Ontario for any actions, suits or proceedings arising out of or relating to this Indenture or the matters contemplated hereby (and agree to not commence any action, suit or proceeding relating thereto except in such courts) and further agree that service of any process, summons, notice or document by single registered mail to the addresses of the parties set forth in this Indenture shall be effective service of process for any action, suit or proceeding brought against either party in such court. The parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Indenture or the matters contemplated hereby in the courts of the Province of Ontario and hereby further irrevocably and unconditionally waive and agree to not plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.

1.8 Amendment

This Indenture shall not be varied or amended in its terms otherwise than by an express instrument in writing dated subsequent to the date hereof, executed by duly authorized representatives of the parties.

1.9 Currency

Unless otherwise stated, all references to currency herein are references to Canadian currency.

1.10 Schedules

The following is a list of the designated letter and reference names of the Schedules attached to and forming part of this Indenture:

(a) Schedule A – Warrant Certificate;

(b) Schedule B – Transfer of Warrants;

(c) Schedule C – Form of Declaration for Removal of Legend;

(d) Schedule D – Form of Letter to be Delivered upon Transfer or Exercise of Warrants; and

(e) Schedule E – Certificate of Institutional Accredited Investor Status

ARTICLE 2
ISSUE OF WARRANTS

2.1 Issue of Warrants

There are hereby authorized and created 2,501,250 Warrants each of which entitles the holder thereof to purchase one Common Share. Warrant Certificates representing such number of Warrants shall be executed by the Corporation, certified by or on behalf of the Warrant Agent and delivered upon written order of the Corporation.

2.2 Form and Terms of Warrants

(a) The Warrant Certificates (including all replacements issued in accordance with this Indenture) shall be issued in registered form and shall be substantially in the form set out in Schedule A, with such additions, variations and deletions as may be permitted by the provisions of this Indenture or as may be agreed upon between the Corporation and the Warrant Agent, numbered in such manner as the Corporation with the approval of the Warrant Agent may prescribe and shall be issuable in any denomination. All Warrant Certificates shall be dated the Effective Date and shall, save as to denominations, be of like tenor and effect. Warrant Certificates shall be issuable in any whole number denomination.

(b) Each Warrant authorized to be issued hereunder shall, subject to Article 4, entitle the holder thereof to purchase one Common Share at any time after the Effective Date until the Expiry Time. The price at which Common Shares may be purchased upon the exercise of the Warrants shall be the Exercise Price.

(c) No fractional Warrants shall be issued or otherwise provided for hereunder.

2.3 Warrantholder not a Shareholder

A Warrantholder shall not, as such, be deemed to be, or be considered as, a shareholder of the Corporation nor shall such Warrantholder be entitled to any right or interest except as expressly provided for in this Indenture.

2.4 Warrants to Rank Pari Passu

All Warrants shall rank *pari passu*, whatever may be the actual date of issue thereof.

2.5 Signing of Warrant Certificates

The Warrant Certificates shall be signed by any one Director or one officer of the Corporation. The signature of such Director or officer may be mechanically reproduced in facsimile and Warrant Certificates bearing such facsimile signatures shall be binding upon the Corporation as if they had been manually signed by such Director or officer. Notwithstanding that any Person whose manual or facsimile signature appears on any Warrant Certificate as a Director or officer may no longer hold office at the date of such Warrant Certificate or at the date of certification or delivery thereof, any Warrant Certificate signed as aforesaid shall, subject to section 2.6, be valid and binding upon the Corporation and the holder thereof shall be entitled to the benefits of this Indenture.

2.6 Certification by the Warrant Agent

(a) No Warrant Certificate shall be issued or, if issued, shall be valid for any purpose or entitle the registered holder to the benefit hereof, until it has been certified by manual signature by or on behalf of the Warrant Agent in the form of certificate set out in Schedule A and such certification by or on behalf of the Warrant Agent upon any Warrant Certificate shall be conclusive evidence as against the Corporation that the Warrant Certificate so certified has been duly issued hereunder and that the holder is entitled to the benefits of this Indenture.

(b) The certification of the Warrant Agent on Warrant Certificates issued hereunder shall not be construed as a representation or warranty by the Warrant Agent as to the validity of this Indenture or the Warrant Certificates (except the due certification thereof) as to the performance of the Corporation of its obligations under this Indenture and the Warrant Agent shall in no respect be liable or answerable for the use made of the Warrant Certificates, or any of them, or of the consideration therefore except as otherwise specified herein.

2.7 Issue in Substitution for Warrant Certificates Lost, etc.

(a) In case any of the Warrant Certificates shall become mutilated or be lost, destroyed or stolen, the Corporation, subject to applicable law, shall issue, and thereupon the Warrant Agent shall certify and deliver, a new Warrant Certificate of like tenor to the one mutilated, lost, destroyed or stolen in exchange for and in place of and upon cancellation of such mutilated Warrant Certificate, or in lieu of and in substitution for such lost, destroyed or stolen Warrant Certificate, and the substituted Warrant Certificate shall be in a form approved by the Warrant Agent and the Warrants evidenced thereby shall be entitled to the benefits hereof and shall rank equally with all other Warrants issued or to be issued hereunder.

(b) The applicant for the issue of a new Warrant Certificate pursuant to this section 2.7 shall bear the cost of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to the Corporation and to the Warrant Agent such evidence of ownership and of the loss, destruction or theft of the Warrant Certificate so lost, destroyed or stolen as shall be satisfactory to the Corporation and to the Warrant Agent, each in their sole discretion, and such applicant shall also be required to furnish an indemnity or security in amount and form satisfactory to the Corporation and the Warrant Agent, each in their sole discretion and shall pay the reasonable charges of the Corporation and the Warrant Agent in connection therewith.

2.8 Exchange of Warrant Certificates

(a) Warrant Certificates representing any number of Warrants may, on compliance with the reasonable requirements of the Warrant Agent and subject to subsection 2.2(c), be exchanged for another Warrant Certificate or Warrant Certificates representing the same aggregate number of Warrants as represented by the Warrant Certificate or Warrant Certificates so exchanged.

(b) Warrant Certificates may be exchanged only at the office of the Warrant Agent or at any other place that is designated by the Corporation with the approval of the Warrant Agent. Any Warrant Certificate tendered for exchange shall be surrendered to and cancelled by the Warrant Agent.

2.9 Charges for Exchange or Transfer

Except as otherwise herein provided, the Warrant Agent may charge to the holder requesting an exchange or transfer of a Warrant Certificate or Warrant Certificates, a reasonable sum for each new Warrant Certificate issued in exchange for or upon transfer of such Warrant Certificate or Warrant Certificates, and payment of such charges and reimbursement of the Warrant Agent and the Corporation for any and all stamp taxes or governmental or other charges required to be paid shall be made by such holder as a condition precedent to such exchange or transfer.

2.10 Transfer and Ownership of Warrants

(a) The Warrants may only be transferred on the register kept by the Warrant Agent at its office in Toronto, Ontario by the holder, or its legal representatives or its attorney duly appointed by an instrument in writing in form and execution satisfactory to the Warrant Agent only upon delivering to the Warrant Agent a signed transfer form, in substantially the form as set forth in Schedule B, completed and executed in a manner acceptable to the Warrant Agent, surrendering to the Warrant Agent the Warrant Certificates representing the Warrants to be transferred and upon compliance with:

(i) the conditions herein;

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

(iii) all applicable securities legislation and requirements of the Exchange and other regulatory authorities,

and such transfer shall be duly noted thereon by the Warrant Agent.

(b) Upon compliance with the requirements set forth in subsection 2.10(a) and section 2.13, the Warrant Agent shall issue to the transferee a Warrant Certificate representing the Warrants transferred. The Warrant Agent shall mail or deliver the transferee's Warrant Certificate to the address indicated on the transfer form referred to in subsection 2.10(a), or if no addressee is indicated, the Warrant Agent shall hold such certificate for pickup at its office in Toronto, Ontario. The

Corporation and the Warrant Agent will deem and treat the registered owner of any Warrant as the beneficial owner thereof for all purposes and neither the Corporation nor the Warrant Agent shall be affected by any notice to the contrary. Subject to the provisions of this Indenture and applicable law, the Warrantholder shall be entitled to the rights and privileges attaching to the Warrants, and the issue of Common Shares by the Corporation, upon the exercise of Warrants by any Warrantholder in accordance with the terms and conditions herein contained, shall discharge all responsibilities of the Corporation and the Warrant Agent with respect to such Warrants and neither the Corporation nor the Warrant Agent shall be bound to inquire into the title of any such holder.

2.11 Registration and Transfer

(a) The Warrant Agent shall cause to be kept:

(i) by and at the office of the Warrant Agent in Toronto, Ontario a register of holders in which shall be entered in alphabetical order the names and addresses of the holders and particulars of the Warrants held by them; and

(ii) by and at the office in Toronto, Ontario of the Warrant Agent, a register of transfers in which all transfers of Warrants and the date and other particulars of each transfer shall be entered.

(b) No transfer of any Warrant will be valid unless duly entered on the appropriate register of transfers, upon the surrender to the Warrant Agent of the Warrant Certificate, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Warrant Agent executed by, the registered 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 Agent, and, upon compliance with such requirements and other reasonable requirements as the Warrant Agent may prescribe, such transfer will be duly noted on one of such registers of transfers by the Warrant Agent.

(c) The transferee of any Warrant will, after surrender to the Warrant Agent at its office in Toronto, Ontario, of the Warrant Certificate as required by subsection (a) and upon compliance with all other conditions in respect thereof required by this Indenture or by law, be entitled to be entered on the register as the owner of such Warrant free and clear from all equities or rights of set-off or counterclaim between the Corporation and the 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.

2.12 U.S. Legends

(a) The Warrant Agent understands and acknowledges that the Warrants and the Common Shares issuable upon exercise of the Warrants have not been and will not be registered under the U.S. Securities Act.

(b) Any Warrant Certificate, and all Warrant Certificates issued in exchange therefor or in substitution thereof, will bear the following legend:

> "THE WARRANT RIGHTS EVIDENCED BY THIS CERTIFICATE MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF A U.S. PERSON UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**") AND APPLICABLE STATE SECURITIES LAWS IS AVAILABLE, AND THE HOLDER THEREOF HAS (i) DELIVERED TO THE CORPORATION A WRITTEN OPINION OF COUNSEL SATISFACTORY TO THE CORPORATION TO SUCH EFFECT, AND (ii) DELIVERED TO THE CORPORATION AND TO THE WARRANT AGENT A PURCHASER'S LETTER IN A FORM ACCEPTABLE TO THE CORPORATION; PROVIDED, HOWEVER, THAT AN ORIGINAL PURCHASER OF UNITS IN THE U.S. PRIVATE PLACEMENT, UPON DELIVERY TO THE CORPORATION AND TO THE WARRANT AGENT OF AN INSTITUTIONAL ACCREDITED INVESTOR CERTIFICATE IN A FORM ACCEPTABLE TO THE CORPORATION, WILL NOT BE REQUIRED TO DELIVER AN OPINION OF COUNSEL IN CONNECTION WITH THE EXERCISE BY IT OF WARRANTS, WHETHER SUCH EXERCISE IS FOR ITS OWN ACCOUNT OR THE ACCOUNT OF ONE OR MORE BENEFICIAL PURCHASERS FOR WHICH UNITS WERE PURCHASED IN THE U.S. PRIVATE PLACEMENT."

(c) Any Warrant Certificate or any certificate representing Common Shares issued upon the exercise of the Warrants, and all certificates issued in exchange therefor or in substitution thereof, issued to any Person who is in the United States, who is a U.S. Person , or who is acting for the account or benefit of, a Person who is in the United States or is a U.S. Person will bear the following additional legend:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THESE SECURITIES, AGREES FOR THE BENEFIT OF MARATHON PGM CORPORATION (THE "**CORPORATION**") THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S ("**REGULATION S**") UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE CANADIAN LOCAL LAWS AND REGULATIONS, (C) IN ACCORDANCE WITH (1) RULE 144A UNDER THE U.S. SECURITIES ACT TO A PERSON THE SELLER REASONABLY

BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A) THAT IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS AND TO WHOM NOTICE IS GIVEN THAT THE OFFER, SALE, PLEDGE OR TRANSFER IS BEING MADE IN RELIANCE UPON RULE 144A, OR (2) RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OF THE UNITED STATES, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT: (1) IN THE CASE OF PROPOSED TRANSFERS PURSUANT TO (B) ABOVE, PROVIDING A DECLARATION TO CIBC MELLON TRUST COMPANY, IN THE FORM PRESCRIBED BY THE CORPORATION; AND (2) IN THE CASE OF TRANSFERS PURSUANT TO (C)(1), (C)(2) OR (D) ABOVE, A LEGAL OPINION REASONABLY SATISFACTORY IN FORM AND SUBSTANCE TO THE CORPORATION AND THE TRANSFER AGENT MUST FIRST BE PROVIDED.

DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA."

provided that if any Securities are being sold outside of the United States in accordance with Rule 904 of Regulation S and in compliance with Canadian local laws and regulations, and if the Corporation is a "foreign issuer" within the meaning of Regulation S at the time of sale, the legend may be removed by providing a declaration to CIBC Mellon Trust Company, as registrar and transfer agent, in the form attached hereto as Schedule C (or such other form as the Corporation may prescribe from time to time).

If any Securities are being resold in accordance with Rule 144, the legend may be removed by delivering to CIBC Mellon Trust Company and the Corporation an opinion of counsel of recognized standing reasonably satisfactory in form and substance to the Corporation and the transfer agent, that the legend is no longer required under applicable requirements of the U.S. Securities Act and any applicable state securities laws.

2.13 <u>Certain Transfers</u>

(a) If a Warrant Certificate tendered for transfer bears the legend set forth in subsection 2.12(c), the Warrant Agent shall not register such transfer unless the transferor has provided the Warrant Agent with the Warrant Certificates and the transfer is being made (A) to the Corporation; (B) outside the United States in accordance with Rule 904 of Regulation S under the U.S. Securities Act and in compliance with applicable Canadian local laws and regulations; (C) in accordance with (i) Rule 144A under the U.S. Securities Act ("**Rule 144A**") to a person the seller reasonably believes is a "qualified institutional buyer", as defined in Rule 144A (a "**Qualified Institutional Buyer**"), that is purchasing for its own account or for the account of one or more Qualified Institutional Buyers and to whom notice is given that the offer, sale, pledge or transfer is being made in reliance upon Rule 144A, or (ii) Rule 144 under the U.S. Securities Act ("**Rule 144**'), if available, and in compliance with any applicable state securities laws of the United States; or (d) in another transaction that does not require registration under the U.S. Securities Act or any applicable state securities laws of the United States, after (i) in the case of proposed transfers pursuant to (B) above, providing a declaration to the Warrant Agent, in the form attached hereto as Schedule C (or such other form as the Corporation may prescribe from time to time), and (ii) in the case of proposed transfers pursuant to (C)(i), (C)(ii) or (D) above, providing the Warrant Agent and the Corporation an opinion of counsel of recognized standing reasonably satisfactory in form and substance to the Corporation, to the effect that the proposed transfer may be effected without registration under the U.S. Securities Act.

(b) If a Warrant Certificate tendered for transfer does not bear the legend set forth in subsection 2.12(c) hereof, the Warrant Agent shall not register such transfer if it has reason to believe that the transferee is a U.S. Person, is in the United States or is acquiring the Warrants evidenced thereby for the account or benefit of a U.S. Person or a person in the United States. The Warrant Agent shall be protected in acting and relying on the address provided for the purpose of determining whether the transferee is a U.S. Person.

ARTICLE 3
EXERCISE OF WARRANTS

3.1 <u>Method of Exercise of Warrants</u>

(a) The right to purchase Common Shares conferred by the Warrants may be exercised by the holder of a Warrant by surrendering the Warrant Certificate representing it, together with a duly completed and executed exercise form substantially in the form set out in Appendix 1 to Schedule A, and a certified cheque, bank draft or money order payable at par in lawful money of Canada or to the order of the Warrant Agent in Toronto, Ontario, or such other method of payment as the Warrant Agent and the Corporation in their discretion may accept, in the amount of the Exercise Price for each Common Share subscribed for, to the Warrant Agent or the Corporation. The Warrant Certificate, the aforementioned exercise form and the aggregate Exercise Price shall be deemed to be duly surrendered pursuant to this Section 3.1(a) only upon personal delivery thereof or, if sent by mail or other means of transmission, upon actual receipt thereof by the Warrant Agent or the Corporation.

(b) Any exercise form referred to in subsection 3.1(a) shall be signed by the Warrantholder and shall specify:

(i) the number of Common Shares which the holder wishes to purchase (being not more than those which the holder is entitled to acquire pursuant to the Warrant Certificate or Warrant Certificates surrendered);

(ii) the Person or Persons in whose name or names such Common Shares are to be issued and registered;

(iii) the address or addresses of such Persons;

(iv) the number of Common Shares to be issued to each such Person if more than one is so specified.

If any of the Common Shares subscribed for are to be issued to a Person or Persons other than the Warrantholder, the Warrantholder shall comply with such reasonable requirements as the Warrant Agent may prescribe and shall pay to the Corporation, or the Warrant Agent on behalf of the Corporation, all applicable transfer or similar taxes and the Corporation shall not be required to issue or deliver certificates evidencing Common Shares unless or until such Warrantholder shall have paid to the Corporation, or the Warrant Agent on behalf of the Corporation, the amount of such taxes or shall have established to the satisfaction of the Corporation that such taxes have been paid or that no taxes are due.

(c) In connection with the exchange or transfer of Warrant Certificates and exercise of Warrants and compliance with such other terms and conditions hereof as may be required, the Corporation has appointed the principal offices of the Warrant Agent in Toronto, Ontario as the place at which Warrant Certificates may be surrendered for exchange or transfer and at which Warrants may be exercised and the Warrant Agent has accepted such appointment. The Corporation, with the approval of the Warrant Agent, may designate another place for surrender, exchange or transfer.

3.2 <u>Effect of Exercise of Warrants</u>

(a) Upon compliance by the holder of any Warrant Certificate with the provisions of section 3.1, and subject to section 3.3, the Common Shares subscribed for shall be deemed to have been issued and the Person or Persons to whom such Common Shares are to be issued shall be deemed to have become the holder or holders of record of such Common Shares on the Exercise Date, unless the transfer registers of the Corporation shall be closed on such date, in which case the Common Shares subscribed for shall be deemed to have been issued, and such Person or Persons shall be deemed to have become the holder or holders of record of such Common Shares, on the date on which such transfer registers are reopened.

(b) Subject to receipt of the Warrant Certificate and a duly completed and executed exercise form referred to in section 3.1 and payment of the Exercise Price, within three Business Days after the Exercise Date of a Warrant as set forth above, the

Corporation shall cause to be mailed to the Person or Persons in whose name or names the Common Shares so subscribed for have been issued, as specified in such exercise form, at the address specified in such exercise form or, if so specified in such exercise form, cause to be delivered to such Person or Persons at the place where the Warrant Certificate was surrendered, a share certificate or certificates for the appropriate number of Common Shares so subscribed.

3.3 Partial Exercise of Warrants; Fractions

(a) The holder of any Warrant Certificate(s) may purchase a number of Common Shares less than the number which the holder is entitled to purchase pursuant to the surrendered Warrant Certificate or Warrant Certificates; *provided that*, in no event shall fractional Common Shares be issued with regard to Warrants exercised. In the event of any acquisition of a number of Common Shares less than the number which the holder is entitled to purchase, the holder of the Warrant Certificate(s) upon exercise thereof shall, in addition, be entitled to receive, without charge therefor, a new Warrant Certificate or Warrant Certificates in respect of the balance of the Common Shares which such holder was entitled to purchase pursuant to the surrendered Warrant Certificate or Warrant Certificates and which were not then purchased.

(b) Notwithstanding anything herein contained, including any adjustment provided for in Article 4, 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 no cash or other consideration will be paid in lieu of fractional Common Shares. Any subscription for fractional Common Shares will be deemed to be a subscription for the next smallest whole number of Common Shares.

3.4 Expiration of Warrants

Immediately after the Expiry Time, all rights under any Warrant to purchase Common Shares, in respect of which the right of acquisition herein and therein provided shall not have been exercised, shall cease and terminate and such Warrant shall be void and of no further force or effect. All provisions of this Indenture, other than section 10.5 are subject to this section 3.4.

3.5 Cancellation of Surrendered Warrants

All Warrant Certificates surrendered pursuant to sections 2.7, 2.8, 2.10, 3.1, 3.3 and 5.1 shall be returned to the Warrant Agent for cancellation and, after the expiry of any period of retention prescribed by law, destroyed by the Warrant Agent and, upon written request by the Corporation, the Warrant Agent shall furnish to the Corporation a destruction certificate identifying the Warrant Certificates so destroyed.

3.6 Accounting and Recording

(a) The Warrant Agent shall promptly account to the Corporation with respect to Warrants exercised. Any securities or other instruments from time to time received by the Warrant Agent shall be received, and shall be segregated and kept apart by the Warrant Agent, in trust for the Corporation.

(b) The Warrant Agent shall record the particulars of Warrants exercised which shall include the names and addresses of the Persons who become holders of Common Shares on exercise and the Exercise Date. Within five Business Days of each Exercise Date, the Warrant Agent shall provide such particulars in writing to the Corporation.

3.7 Securities Restrictions

Notwithstanding anything herein contained, the Common Shares will only be issued pursuant to the exercise of any Warrant in compliance with the securities laws of any applicable jurisdiction. The certificates representing the Common Shares issued hereunder may bear such legends as in the opinion of Counsel to the Corporation, may be necessary in order to avoid a violation of any securities laws of any province in Canada or other applicable jurisdiction (including the United States) 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 the holder's 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 legend.

3.8 Prohibition on Exercise by U. S. Persons

None of the Warrants issued in the Offering may be exercised in the United States or by or on behalf of a U.S. Person unless an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available, and the holder thereof has: (i) delivered to the Corporation a written opinion of counsel satisfactory to the Corporation to such effect, and (ii) delivered to the Corporation and to the Warrant Agent a purchaser's letter in the form attached hereto as Schedule D, with such changes as counsel to the Corporation may deem reasonably necessary to reflect changes in applicable law; provided, however, that an original purchaser in the U.S. private placement, upon delivery to the Corporation and the Warrant Agent an institutional accredited investor certificate in the form attached hereto as Schedule E, with such changes as counsel to the Corporation may deem reasonably necessary to reflect changes in applicable law, will not be required to deliver an opinion of counsel in connection with the exercise of the Warrants purchased by it in the U.S. private placement by such original purchaser, on its own behalf or on behalf of the original beneficial purchaser of such Warrants.

ARTICLE 4
ADJUSTMENT OF SUBSCRIPTION RIGHTS

4.1 Adjustment of Number of Common Shares

The subscription rights in effect at any date attaching to the Warrants shall be subject to adjustment from time to time as set forth below.

(a) If and whenever, at any time from the date hereof and prior to the Expiry Time, the Corporation shall:

(i) subdivide, redivide or change its outstanding Common Shares into a greater number of shares;

(ii) reduce, combine or consolidate its outstanding Common Shares into a smaller number of shares; or

(iii) issue Common Shares or securities convertible or exchangeable into Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend (other than the issue of Common Shares or securities convertible or exchangeable into Common Shares to such holders in lieu of an equivalent cash dividend paid in the ordinary course),

any Warrantholder who has not exercised its right of acquisition prior to the effective date of the events referred to in (i), (ii) or (iii) above, upon the exercise of such right thereafter, shall be entitled to receive and shall accept, in lieu of the number of Common Shares then sought to be purchased by him, the number of Common Shares obtained by multiplying the number of Common Shares in effect on such effective date by a fraction of which the numerator shall be the total number of Common Shares outstanding immediately after such date (including securities convertible or exchangeable into Common Shares issued pursuant to (iii) above, if applicable) and the denominator of which shall be the total number of Common Shares outstanding immediately prior to such date.

(b) If and whenever, at any time from the date hereof and prior to the Expiry Time, there is a reclassification of the Common Shares or a capital reorganization of the Corporation other than as described in subsection 4.1(a) or a consolidation, amalgamation, business combination or merger of the Corporation with or into any other Person, or a sale or conveyance of the property and assets of the Corporation as an entirety or substantially as an entirety to any other Person, any Warrantholder who has not exercised its right of acquisition prior to the effective date of such reclassification, capital reorganization, consolidation, amalgamation, business combination, merger, sale or conveyance, upon the exercise of such right thereafter, shall be entitled to receive and shall accept, in lieu of the number of Common Shares then sought to be purchased by him, the number of shares or other securities or property of the Corporation or of the Person resulting from such reclassification, capital reorganization, consolidation, amalgamation, arrangement, business combination or merger, or to which such sale or conveyance may be made, as the case may be, that such Warrantholder would have been entitled to receive on such reclassification, capital reorganization, consolidation, amalgamation, arrangement, business combination, merger, sale or conveyance, 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 receivable upon the exchange of Warrants then held.

(c) If determined appropriate by the Directors to give effect to or to evidence the provisions of subsection 4.1(b), the Corporation, its successor, or a purchasing Person referenced under subsection 4.1(b), as the case may be, shall, prior to or contemporaneously with any such reclassification, capital reorganization, consolidation, amalgamation, arrangement, business combination, merger, sale or conveyance, enter into an indenture which shall provide, to the extent possible, for the application of the provisions set forth in this Indenture with respect to the rights and interests thereafter of the Warrantholders to the end that the provisions set forth in this Indenture shall thereafter correspondingly be made applicable, as nearly as may reasonably be possible, with respect to any shares, other securities or property to which a Warrantholder is entitled on the exercise of its acquisition rights thereafter.

(d) Any indenture entered into between the Corporation and the Warrant Agent pursuant to the provisions of this section 4.1 shall be a supplemental indenture entered into pursuant to the provisions of Article 8. Any indenture entered into between the Corporation, any successor to the Corporation or a purchasing Person referenced under subsection 4.1(b), and the Warrant Agent shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this section 4.1 and which shall apply to successive reclassifications, capital reorganizations, amalgamations, arrangements, consolidations, business combinations, mergers, sales or conveyances.

(e) If any adjustment in the Exercise Price shall occur as a result of: (A) the fixing by the Corporation of a record date for an event referred to in subsection 4.2(b); or (B) the fixing by the Corporation of a record date for an event referred to in either of paragraph 4.2(c)(i) or 4.2(c)(ii), then the number of Common Shares to which the holder of any Warrant is entitled to receive upon any subsequent exercise of such Warrant shall be simultaneously adjusted by multiplying the number of Common Shares to which the holder of any Warrant was entitled to receive upon the exercise of the Warrant immediately prior to such adjustment by a fraction which shall be the reciprocal of the respective fraction employed in the adjustment of the Exercise Price. To the extent that any adjustment in subscription rights occurs pursuant to this subsection 4.1(e) as a result of the fixing by the Corporation of a record date for the distribution of rights, options or warrants referred to in subsection 4.2(b), the number of Common Shares to which the holder of any Warrant is entitled upon exercise of the Warrant shall be readjusted immediately after the expiration of any relevant exchange, conversion or exercise right to the number of Common Shares which would be purchasable based upon the number of Common Shares actually issued immediately after such expiration, and shall be further readjusted in such manner upon expiration of any further such right. To the extent that any adjustment in subscription rights occurs pursuant to this subsection 4.1(e) as a result of the fixing by the Corporation of a record date for the distribution of exchangeable or convertible securities or rights, options or warrants referred to in subsection 4.2(c), the number of Common Shares to which the holder of any Warrant is entitled upon exercise of the Warrant shall be readjusted immediately after the expiration of any relevant exchange, conversion or exercise right to the number to which the holder would be entitled to receive pursuant to this Section if the aggregate fair market value of such securities or such rights, options or warrants had been determined for purposes of the adjustment pursuant to this subsection on the basis of the number of Common Shares issued immediately after such expiration.

(f) The adjustments provided for in this Article 4 in the number of Common Shares and classes of securities which are to be received on the exercise of Warrants are cumulative. After any adjustment pursuant to this section 4.1, the term "**Common Shares**" where used in this Indenture shall be interpreted to mean shares of any class or classes, other securities or property which, as a result of such adjustment and all prior adjustments pursuant to this section 4.1, the Warrantholder is entitled to receive upon the exercise of its Warrants, and the number of Common Shares indicated by any exercise made pursuant to a Warrant shall be interpreted to mean the number of shares of any class or classes, other securities or property a Warrantholder is entitled to receive, as a result of such adjustment and all prior adjustments pursuant to this section 4.1, upon the full exercise of a Warrant.

4.2 Adjustment of Exercise Price

The Exercise Price in effect at any date shall be subject to adjustment from time to time as set forth below.

(a) If and whenever at any time prior to the Expiry Time, the Corporation shall:

(i) subdivide, redivide or change its outstanding Common Shares into a greater number of shares;

(ii) reduce, combine or consolidate its outstanding Common Shares into a lesser number of shares; or

(iii) issue Common Shares or securities convertible or exchangeable into Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend (other than the issue of Common Shares or securities convertible or exchangeable into Common Shares to such holders in lieu of an equivalent cash dividend paid in the ordinary course), then the Exercise Price shall be adjusted immediately after the effective date of the events referred to in (i), (ii) or (iii) above by multiplying the Exercise Price in effect on such effective date by a fraction of which the numerator shall be the total number of Common Shares outstanding immediately prior to such date and the denominator of which shall be the total number of Common Shares outstanding immediately after such date (including securities convertible or exchangeable into Common Shares issued pursuant to (iii) above, if applicable). Such adjustment shall be made successively whenever any event referred to in this subsection 4.2(a) 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 the stock dividend for the purpose of calculating the number of outstanding Common Shares under subsections (a) and (c) of this section. In the case of any reclassification of, or other change in, the Common Shares other than subdivision, reduction, combination or consolidation, the Exercise Price shall be adjusted in such manner, if any, and at such time, as the directors, acting in good faith, determine to be appropriate on a basis consistent with this section 4.2.

(b) If and whenever at any time prior to the Expiry Time, the Corporation shall fix a record date for the issuance of rights, options or warrants (other than the Warrants) to all or substantially all the holders of the outstanding Common Shares entitling them, for a period expiring not more than 45 days after such record date, to subscribe for or purchase Common Shares (or securities convertible or exchangeable into Common Shares) at a price per share (or having a conversion or exchange price per share) less than 95% of the Current Market Price on such record date, the Exercise Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator 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 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 on such record date and of which the denominator shall be the total number of Common Shares outstanding on such record date plus the total number of additional Common Shares offered for subscription or purchase (or into which the convertible or exchangeable securities so offered are convertible or exchangeable), and 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 shall be made successively whenever such a record date is fixed, to the extent that any rights, options or warrants are not so issued or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or to the Exercise Price which would then be in effect based upon the number and aggregate price of Common Shares or securities convertible into Common Shares actually issued upon the exercise of such rights, options or warrants, as the case may be.

(c) If and whenever at any time prior to the Expiry Time, the Corporation shall fix a record date for the making of a distribution to all or substantially all the holders of its outstanding Common Shares of:

(i) shares of any class other than Common Shares, whether of the Corporation or any other corporation (other than those referred to in paragraph 4.2(c)(iii) and shares distributed to holders of Common Shares in lieu of an equivalent cash dividend paid in the ordinary course on the Common Shares);

(ii) rights, options or warrants (excluding rights exercisable for no more than 45 days after the record date therefor);

(iii) evidences of its indebtedness; or

(iv) assets (excluding a dividend paid in the ordinary course),

then, and in each such case, the Exercise Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date multiplied by the Current Market Price on such record date, less the aggregate fair market value (as determined by the Directors, which determination shall be conclusive) of such shares, rights, options, warrants, evidences of indebtedness or assets so distributed, and of which the denominator shall be the total number of Common Shares outstanding on such record date multiplied by such Current Market Price, and 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 shall be made successively whenever such a record date is fixed, and to the extent that such distribution is not so made, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or to the Exercise Price which would then be in effect based upon such shares, rights, options, warrants, evidences of indebtedness or assets actually distributed, as the case may be.

(d) If and whenever, at any time from the date hereof and prior to the Expiry Time, there is a reclassification of the Common Shares or a capital reorganization of the Corporation other than as described in subsection 4.2(a) or a consolidation, amalgamation, business combination or merger of the Corporation with or into any other Person, or a sale or conveyance of the property and assets of the Corporation as an entirety or substantially as an entirety to any other Person, then the Exercise Price shall be adjusted immediately after the effective date of such event(s) to be the amount determined by multiplying the Exercise Price in effect immediately prior to the event by the number of Common Shares issuable upon exercise of a Warrant immediately prior to the event, and dividing the product thereof by the number of shares or other securities to which the holder of that number of Common Shares (issuable upon exercise of a Warrant immediately prior to the event) would have been entitled to by reason of such event.

(e) For the purpose of any computation under subsections (b) and (c) of this section 4.2, the "**Current Market Price**" at any date shall mean the price per share equal to the volume weighted average trading price at which the Common Shares have traded on the Toronto Stock Exchange or, if the Common Shares are not then listed on the Toronto Stock Exchange, on such other Canadian stock exchange as may be selected by the directors of the Corporation for such purpose or, if the Common Shares are not then listed on any Canadian stock exchange, in the over-the-counter market, during the period of any 20 consecutive trading days ending not more than five Business Days before such date; provided that the weighted average trading price shall be determined by dividing the aggregate sale price of all Common Shares sold on the said exchange or market, as the case may be, during the said 20 consecutive trading days by the total number of Common Shares so sold; and provided further that if the Common Shares are not then listed on any Canadian stock exchange or traded in the over-the-counter market, then the Current Market Price shall be determined by a firm of independent chartered accountants selected by the Directors.

(f) In any case in which this section 4.2 shall require that an adjustment shall become effective immediately after a record date for an event referred to herein, the Corporation may defer, until the occurrence of such event, issuing to the holder of any Warrant exercised after such record date and before the occurrence of such event the additional Common Shares issuable upon such exercise by reason of the adjustment required by such event; *provided, however*, that the Corporation shall deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional Common Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on such additional Common Shares declared in favour of the holders of record of Common Shares on and after the Exercise Date or such later date as such holder would, but for the provisions of this subsection 4.2(f), have become the holder of record of such additional Common Shares pursuant to section 3.2.

(g) The adjustments provided for in this section 4.2 are cumulative, and shall, in the case of adjustments to the Exercise Price, be computed to the nearest one-tenth of one cent and shall apply (without duplication) to successive subdivisions, consolidations, distributions, issuances or other events resulting in any adjustment under the provisions of this section 4.2; *provided that*, notwithstanding any other provision of this section 4.2, no adjustment of the Exercise Price shall be required:

(i) unless the cumulative effect of such adjustment would require an increase or decrease of at least 1% in the Exercise Price then in effect (*provided, however*, that any adjustments which by reason of this subsection 4.2(g) are not required to be made shall be carried forward and taken into account in any subsequent adjustment);

(ii) if the issue of Common Shares or the granting of the right to acquire Common Shares is being made pursuant to this Indenture; or

(iii) if the issue of Common Shares is being made pursuant to the exercise of stock options, warrants existing at the Effective Date or the Corporation's incentive stock option plan, as amended from time to time.

4.3 Entitlement to Shares on Exercise of Warrant

All shares of any class, other securities or property which a Warrantholder is at the time in question entitled to receive on the exercise of its Warrant, whether or not as a result of adjustments made pursuant to this Article 4, shall, for the purposes of the interpretation of this Indenture, be deemed to be shares or securities which such Warrantholder is entitled to acquire pursuant to such Warrant.

4.4 Determination by Auditor

In the event of any question arising with respect to the adjustments provided for in this Article 4, such question shall be conclusively determined by the Auditor who shall have access to all necessary records of the Corporation, and such determination shall be binding upon the Corporation, the Warrant Agent, all Warrantholders and all other Persons interested therein.

4.5 Proceedings Prior to any Action Requiring Adjustment

As a condition precedent to the taking of any action which would require an adjustment in any of the acquisition rights pursuant to any of the Warrants, including the exercise price and number of Common Shares which are to be received upon the exercise thereof, the Corporation shall take any corporate action which may be necessary in order that the Corporation has unissued and reserved in its authorized capital and may validly and legally issue, as fully paid and non-assessable, all the Common Shares which the holders of such Warrants are entitled to receive on the full exercise thereof in accordance with the provisions hereof.

4.6 Certificate of Adjustment

The Corporation shall, from time to time immediately after the occurrence of any event which requires an adjustment or readjustment as provided in this Article 4, deliver a certificate of the Corporation to the Warrant Agent specifying the nature of the event requiring the same and the amount of the adjustment necessitated thereby and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based, which certificate shall be supported by a certificate of the Auditor verifying such calculation.

4.7 Protection of Warrant Agent

Except as provided in section 9.2, the Warrant Agent shall not:

(a) at any time be under any duty or responsibility to any Warrantholder to determine whether any facts exist which may require any adjustment contemplated by sections 4.1or 4.2, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed in making the same;

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

(c) be responsible for any failure of the Corporation to issue, transfer or deliver Common Shares or certificates for the same upon the surrender of any Warrants for the purpose of the exercise of such rights or to comply with any of the covenants contained in this Article 4; or

(d) incur any liability or responsibility whatsoever or be in any way responsible for the consequences of any breach on the part of the Corporation of any of the representations, warranties or covenants herein contained or of any acts of the agents or servants of the Corporation.

ARTICLE 5
RIGHTS OF THE CORPORATION AND COVENANTS

5.1 Optional Purchases by the Corporation

Subject to compliance with applicable securities legislation, the Corporation may from time to time purchase Warrants on any stock exchange, in the open market, by private agreement or otherwise. Any such purchase may be made in such manner, from such persons, at such prices and on such terms as the Corporation in its sole discretion may determine. Warrant Certificates representing Warrants purchased pursuant to this section 5.1 shall be surrendered to the Warrant Agent for cancellation and shall be accompanied by a direction of the Corporation to cancel the Warrants represented thereby.

5.2 General Covenants

The Corporation covenants with the Warrant Agent that so long as any Warrants remain outstanding:

(a) it will reserve and keep available a sufficient number of Common Shares for the purpose of enabling it to satisfy its obligations to issue Common Shares upon the exercise of the Warrants;

(b) it will cause the Common Shares and the certificates representing the Common Shares from time to time purchased pursuant to the exercise of the Warrants to be duly issued and delivered in accordance with the Warrant Certificates and the terms hereof;

(c) all Common Shares which shall be issued upon exercise of the right to acquire provided for herein and in the Warrant Certificates, upon payment of the Exercise Price herein provided for, shall be fully paid and non-assessable;

(d) it will use its best efforts to maintain its corporate existence and carry on its business in a proper and efficient manner;

(e) it will use its reasonable commercial efforts to ensure that the Common Shares and Warrants continue to be or are listed and posted for trading on the Exchange; and

(f) it will make all requisite filings under applicable Canadian securities legislation, including those necessary to remain a reporting issuer not in default in such of the provinces of Canada in which it is presently a reporting issuer.

5.3 Warrant Agent's Remuneration and Expenses

The Corporation covenants that it will pay to the Warrant Agent from time to time reasonable remuneration for its services hereunder and will pay or reimburse the Warrant Agent upon its request for all reasonable expenses, disbursements and advances incurred or made by the Warrant Agent in the administration or execution of the trusts hereby created (including the reasonable compensation and the disbursements of Counsel and all other advisors and assistants not regularly in its employ) both before any default hereunder and thereafter until all duties of the Warrant Agent hereunder shall be finally and fully performed, except any such expense, disbursement or advance as may arise out of or result from the Warrant Agent's negligence, wilful misconduct or bad faith.

5.4 Securities Qualification Requirements

The Corporation or, if required by the Corporation, the Warrant Agent will give notice of the issue of Common Shares pursuant to the exercise of Warrants, in such detail as may be required, to each securities commission or similar regulatory authority in each jurisdiction in Canada in which there is legislation or regulation permitting or requiring the giving of any such notice in respect of such issue of Common Shares.

5.5 Performance of Covenants by Warrant Agent

If the Corporation shall fail to perform any of its covenants contained in this Indenture, the Warrant Agent may notify the Warrantholders of such failure on the part of the Corporation or may itself perform any of the covenants capable of being performed by it but, subject to section 9.2, shall be under no obligation to perform said covenants or to notify the Warrantholders of such performance by it. All sums expended or advanced by the Warrant Agent in so doing shall be repayable as provided in section 5.3. No such performance, expenditure or advance by the Warrant Agent shall relieve the Corporation of any default hereunder or of its continuing obligations under the covenants herein contained.

5.6 Notice

(a) The Corporation covenants with the Warrant Agent that so long as any Warrants remain outstanding it will give to the Warrant Agent, and to holders of Warrants, in the manner provided in section 10.2, notice of its intention to fix a record date for any event referred to in section 4.1 or in subsections (a), (b) or (c) of section

4.2 which may give rise to an adjustment of the Exercise Price or the number of Common Shares issuable upon exercise of the Warrant and, in each case, such notice shall specify the particulars of such event and the record date and the effective date for such event; *provided that* the Corporation shall only be required to specify in such notice such particulars of such event as shall have been fixed and determined on the date on which such notice is given. Such notice shall be given at least 14 days prior to the record date or effective date, as the case may be, of such event.

(b) The Corporation covenants with the Warrant Agent that it will not close its transfer books or take any other action which might deprive the holder of a Warrant of the opportunity of exercising the holder's right of purchase pursuant thereto during the period of 10 days after the giving of the notice required by subsection 5.6(a) or unduly restrict such opportunity.

ARTICLE 6
ENFORCEMENT

6.1 Suits by Warrantholders

Subject to Applicable Legislation all or any of the rights conferred upon any Warrantholder by any of the terms of the Warrant Certificate or of this Indenture, or of both, may be enforced by the Warrantholder by appropriate proceedings, but without prejudice to the right which is hereby conferred upon the Warrant Agent to proceed in its own name to enforce each and all of the provisions herein contained for the benefit of the Warrantholders.

6.2 Immunity of Shareholders, etc.

The Warrant Agent and, by the acceptance of the Warrant Certificates and as part of the consideration for the issue of the Warrants, the Warrantholders hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any incorporator or any past, present or future shareholder, director, officer, employee or agent of the Corporation or of any Successor Corporation for the issue of the Common Shares pursuant to any Warrant or on any covenant, agreement, representation or warranty by the Corporation herein or contained in the Warrant Certificates.

6.3 Limitation of Liability

The obligations hereunder are not personally binding upon, nor shall resort hereunder be had to, the private property of any of the past, present or future directors or shareholders of the Corporation or of any successor to the Corporation or any of the past, present or future officers, employees or agents of the Corporation or of any Successor Corporation, but only the property of the Corporation or any Successor Corporation shall be bound in respect hereof.

6.4 Waiver of Default

Upon the happening of any default hereunder:

(a) the holders of not less than 50.1% of the Warrants then outstanding shall have power (in addition to the powers exercisable by Extraordinary Resolution as provided in section 7.10) by requisition in writing to instruct the Warrant Agent to waive any default hereunder and the Warrant Agent shall thereupon waive the default upon such terms and conditions as shall be prescribed in such requisition; or

(b) the Warrant Agent shall have power to waive any default hereunder upon such terms and conditions as the Warrant Agent may deem advisable if, in the Warrant Agent's opinion, the same shall have been cured or adequate provision made therefor,

provided that no delay or omission of the Warrant Agent or of the Warrantholders to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein and *provided further that* no act or omission either of the Warrant Agent or of the Warrantholders in the premises shall extend to or be taken in any manner whatsoever to affect any prior or subsequent default hereunder or the rights resulting therefrom.

ARTICLE 7
MEETINGS OF WARRANTHOLDERS

7.1 Right to Convene Meetings

The Warrant Agent may at any time and from time to time, and shall on receipt of a written request of the Corporation or of a Warrantholders' Request, and upon being indemnified and funded to its reasonable satisfaction by the Corporation or by the Warrantholders signing such Warrantholders' Request against the cost which may be incurred in connection with the calling and holding of such meeting, call and convene a meeting of the Warrantholders. In the event of the Warrant Agent failing to so call a meeting within seven days after receipt of such written request of the Corporation or such Warrantholders' Request and indemnity and funding, given as aforesaid, the Corporation or such Warrantholders, as the case may be, may call and convene such meeting. Every such meeting shall be held in Toronto, Ontario or at such other place as may be approved or determined by the Warrant Agent and approved by the Corporation, acting reasonably.

7.2 Notice

At least 10 days' prior notice of any meeting of Warrantholders shall be given to the Warrantholders in the manner provided for in section 10.2 and a copy of such notice shall be sent by mail to the Warrant Agent (unless the meeting has been called by the Warrant Agent) and to the Corporation (unless the meeting has been called by the Corporation). Such notice shall state the time when, and the place where, the meeting is to be held, shall state briefly the general nature of the business to be transacted thereat and shall contain such information as is reasonably necessary to enable the Warrantholders to make a reasoned decision on the matter, but it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article 7.

7.3 Chairman

An individual (who need not be a Warrantholder) designated in writing by the Warrant Agent shall be chairman of the meeting and if no individual is so designated, or if the individual so designated is not present within 15 minutes from the time fixed for the holding of the meeting, the Warrantholders present in person or by proxy shall choose some individual present to be chairman.

7.4 Quorum

Subject to the provisions of section 7.11, at any meeting of the Warrantholders a quorum shall consist of Warrantholders present in person or by proxy and entitled to purchase at least 10% of the aggregate number of Common Shares which could be purchased pursuant to all the then outstanding Warrants, *provided that* at least two Persons entitled to vote thereat are personally present. If a quorum of the Warrantholders shall not be present within 30 minutes from the time fixed for holding any meeting, the meeting, if summoned by the Warrantholders or on a Warrantholders' Request, shall be dissolved, but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day, in which case it shall be adjourned to the next following Business Day) at the same time and place and no notice of the adjournment need be given. Any business may be brought before or dealt with at an adjourned meeting which might have been dealt with at the original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting unless a quorum be present at the commencement of business. At the adjourned meeting, the Warrantholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened, notwithstanding that they may not be entitled to purchase at least 10% of the aggregate number of Common Shares which may be purchased pursuant to all the then outstanding Warrants.

7.5 Power to Adjourn

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

7.6 Show of Hands

Every question submitted to a meeting shall be decided in the first place by a majority of the votes given on a show of hands, except that votes on an Extraordinary Resolution shall be given in the manner hereinafter provided. At any such meeting, 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 shall be conclusive evidence of the fact.

7.7 Poll and Voting

On every Extraordinary Resolution and on any other question submitted to a meeting and after a vote by show of hands when demanded by the chairman or by one or more of the Warrantholders acting in person or by proxy and entitled to acquire in the aggregate at least 5% of the aggregate number of Common Shares which could be purchased pursuant to the exercise of all the Warrants then outstanding, a poll shall be taken in such manner as the chairman shall direct. Questions other than those required to be determined by Extraordinary Resolution shall be decided by a majority of the votes cast on the poll. On a show of hands, every Person who is present and entitled to vote, whether as a Warrantholder or as proxy for one or more absent Warrantholders, or both, shall have one vote. On a poll, each Warrantholder present in person or represented by a proxy duly appointed by instrument in writing shall be entitled to one vote in respect of each whole Common Share which it is entitled to purchase pursuant to the exercise of the Warrant or Warrants then held or represented by it. A proxy need not be a Warrantholder. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Warrants, if any, held or represented by him.

7.8 Regulations

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

(a) the setting of the record date for a meeting for the purpose of determining Warrantholders entitled to receive notice of and to vote at a meeting;

(b) the deposit of instruments appointing proxies at such place and time as the Warrant Agent, the Corporation or the Warrantholders convening the meeting, as the case may be, may in the notice convening the meeting direct;

(c) the deposit of 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 instruments appointing proxies to be mailed, cabled or telecopied before the meeting to the Corporation or to the Warrant Agent at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting;

(d) the form of the instrument of proxy; and

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

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide and, subject to the provisions of section 7.9, the only Persons who shall be recognized at any meeting as a Warrantholder, or be entitled to vote or be present at the meeting in respect thereof shall be Warrantholders or their counsel, or duly appointed proxies.

7.9 Corporation and Warrant Agent May be Represented

The Corporation and the Warrant Agent, by their respective directors, officers, employees and the Counsel for the Corporation and for the Warrant Agent may attend any meeting of the Warrantholders, but shall have no vote as such unless in their capacity as a Warrantholder.

7.10 Powers Exercisable by Extraordinary Resolution

In addition to all other powers conferred upon them by any other provisions of this Indenture or by law, the Warrantholders at a meeting shall, subject to the provisions of section 7.11 and subject to the consent by the Warrant Agent in respect of any proposed changes to the rights of the Warrant Agent under this Indenture, have the power, exercisable from time to time by Extraordinary Resolution to:

(a) agree to any modification, abrogation, alteration, compromise or arrangement of the rights of Warrantholders or the Warrant Agent in its capacity as Warrant Agent hereunder, subject to the consent of the Warrant Agent or on behalf of the Warrantholders against the Corporation, whether such rights arise under this Indenture or the Warrant Certificates or otherwise;

(b) amend, alter or repeal any Extraordinary Resolution previously passed or sanctioned by the Warrantholders;

(c) direct or to authorize the Warrant Agent to enforce any of the covenants on the part of the Corporation contained in this Indenture or the Warrant Certificates or to enforce any of the rights of the Warrantholders in any manner specified in such Extraordinary Resolution or to refrain from enforcing any such covenant or right;

(d) waive, and to direct the Warrant Agent to waive, any default on the part of the Corporation in complying with any provisions of this Indenture or the Warrant Certificates either unconditionally or upon any conditions specified in such Extraordinary Resolution;

(e) restrain any Warrantholder from taking or instituting any suit, action or proceeding against the Corporation for the enforcement of any of the covenants on the part of the Corporation in this Indenture or the Warrant Certificates or to enforce any of the rights of the Warrantholders;

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

(g) assent to any change in or omission from the provisions contained in this Indenture or the Warrant Certificates or any ancillary or supplemental instrument which may be agreed to by the Corporation and to authorize the Warrant Agent to concur in and execute any ancillary or supplemental indenture embodying the change or omission;

(h) remove the Warrant Agent or its successor in office and to appoint a new trustee or warrant agent or trustees or warrant agents to take the place of the Warrant Agent so removed; and

(i) assent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with holders of any shares or other securities of the Corporation.

7.11 Meaning of Extraordinary Resolution

(a) The expression "**Extraordinary Resolution**" when used in this Indenture means, subject as hereinafter provided in this section 7.11 and in section 7.14, a resolution proposed at a meeting of Warrantholders duly convened for that purpose and held in accordance with the provisions of this Article 7 at which there are present in person or by proxy Warrantholders entitled to acquire at least 10% of the aggregate number of Common Shares which may be purchased pursuant to the exercise of all the then outstanding Warrants and passed by the affirmative votes of Warrantholders entitled to purchase not less than 66-2/3% of the aggregate number of Common Shares which may be purchased pursuant to the exercise of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution.

(b) If, at any meeting called for the purpose of passing an Extraordinary Resolution, Warrantholders entitled to purchase at least 10% of the aggregate number of Common Shares which may be purchased pursuant to the exercise of all the then outstanding Warrants are not present in person or by proxy within 30 minutes after the time appointed for the meeting, then the meeting, if convened by Warrantholders or on a Warrantholders' Request, shall be dissolved; but in any other case it shall stand adjourned to such day, being not less than 15 or more than 60 days later, and to such place and time as may be appointed by the chairman. Not less than 10 days' prior notice shall be given of the time and place of such adjourned meeting in the manner provided for in section 10.2. Such notice shall state that at the adjourned meeting the Warrantholders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting the Warrantholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by the requisite vote as provided in subsection 7.11(a) shall be an Extraordinary Resolution within the meaning of this Indenture notwithstanding that Warrantholders entitled to purchase at least 10% of the aggregate number of Common Shares which may be purchased pursuant to the exercise of all the then outstanding Warrants are not present in person or by proxy at such adjourned meeting.

(c) Votes on an Extraordinary Resolution shall always be given on a poll and no demand for a poll on an Extraordinary Resolution shall be necessary.

7.12 Powers Cumulative

Any one or more of the powers or any combination of the powers in this Indenture stated to be exercisable by the Warrantholders by Extraordinary Resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers or any combination of powers from time to time shall not be deemed to exhaust the right of the Warrantholders to exercise such power or powers or combination of powers then or thereafter from time to time.

7.13 Minutes

Minutes of all resolutions and proceedings at every meeting of Warrantholders shall be made and duly entered in books to be provided from time to time for that purpose by the Warrant Agent at the expense of the Corporation, and any such minutes as aforesaid, if signed by the chairman or the secretary of the meeting at which such resolutions were passed or proceedings had, shall 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 shall have been made shall be deemed to have been duly convened and held, and all resolutions passed thereat or proceedings taken shall be deemed to have been duly passed and taken.

7.14 Instruments in Writing

All actions which may be taken and all powers that may be exercised by the Warrantholders at a meeting held as provided in this Article 7 may also be taken and exercised by Warrantholders entitled to acquire at least 66-2/3% of the aggregate number of Common Shares which may be purchased pursuant to all the then outstanding Warrants by an instrument in writing signed in one or more counterparts by such Warrantholders in person or by attorney duly appointed in writing, and the expressions "**resolution**", "**ordinary resolution**" or "**Extraordinary Resolution**" when used in this Indenture shall include an instrument so signed.

7.15 Binding Effect of Resolutions

Every resolution and every Extraordinary Resolution passed in accordance with the provisions of this Article 7 at a meeting of Warrantholders shall be binding upon all the Warrantholders, whether present at or absent from such meeting, and every instrument in writing signed by Warrantholders in accordance with section 7.14 shall be binding upon all the Warrantholders, whether signatories thereto or not, and each and every Warrantholder and the Warrant Agent (subject to the provisions for indemnity herein contained) shall be bound to give effect accordingly to every such resolution and instrument in writing.

7.16 Holdings by Corporation Disregarded

In determining whether Warrantholders holding Warrant Certificates evidencing the entitlement to purchase the required number of Common Shares are present at a meeting of Warrantholders for the purpose of determining a quorum or have concurred in any consent, waiver, Extraordinary Resolution, Warrantholders' Request or other action under this Indenture, Warrants owned legally or beneficially by the Corporation or any Subsidiary shall be disregarded in accordance with the provisions of section 10.8.

ARTICLE 8
SUPPLEMENTAL INDENTURES

8.1 Provision for Supplemental Indentures for Certain Purposes

From time to time the Corporation (when authorized by action of the Directors) and the Warrant Agent may, subject to the provisions hereof, and they shall, when so directed in accordance with the provisions hereof, execute and deliver by their proper officers, indentures or instruments supplemental hereto, which thereafter shall form part hereof, for any one or more or all of the following purposes:

(a) setting forth any adjustments resulting from the application of the provisions of Article 4;

(b) adding to the provisions hereof such additional covenants and enforcement provisions as, in the opinion of Counsel, are necessary or advisable in the premises, provided that the same are not, in the opinion of the Warrant Agent, on advice of Counsel, prejudicial to the interests of the Warrantholders;

(c) giving effect to any Extraordinary Resolution passed as provided in Article 7;

(d) making such provisions not inconsistent with this Indenture as may be necessary or desirable with respect to matters or questions arising hereunder or for the purpose of obtaining a listing or quotation of the Warrants on any stock exchange, provided that such provisions are not, in the opinion of the Warrant Agent, on advice of Counsel, prejudicial to the interests of the Warrantholders;

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

(f) modifying any of the provisions of this Indenture, including relieving the Corporation from any of the obligations, conditions or restrictions herein contained, provided that such modification or relief shall be or become operative or effective only if, in the opinion of the Warrant Agent, on advice of Counsel, such modification or relief in no way prejudices any of the rights of the Warrantholders or of the Warrant Agent, and provided further that the Warrant Agent may in its sole discretion decline to enter into any such supplemental indenture which in its opinion may not afford adequate protection to the Warrant Agent when the same shall become operative; and

(g) for any other purpose not inconsistent with the terms of this Indenture, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions herein, provided that, in the opinion of the Warrant Agent, on advice of Counsel, the rights of the Warrant Agent and of the Warrantholders are in no way prejudiced thereby.

8.2 Successor Corporations

In the case of the consolidation, amalgamation, merger, business combination or transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation (a "**Successor Corporation**"), the Successor Corporation resulting from such consolidation, amalgamation, arrangement, business combination, merger or transfer (if not the Corporation) shall expressly assume, by supplemental indenture satisfactory in form to the Warrant Agent and executed and delivered to the Warrant Agent, the due and punctual performance and observance of each and every covenant and condition of this Indenture to be performed and observed by the Corporation.

ARTICLE 9
CONCERNING THE WARRANT AGENT

9.1 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, such mandatory requirement shall prevail.

(b) The Corporation and the Warrant Agent agree that 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.

9.2 Rights and Duties of Warrant Agent

(a) In the exercise of the rights and duties prescribed or conferred by the terms of this Indenture, the Warrant Agent shall exercise that degree of care, diligence and skill that a prudent warrant agent would exercise in comparable circumstances. No provision of this Indenture shall be construed to relieve the Warrant Agent from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct or bad faith.

(b) The obligation of the Warrant Agent to commence or continue any act, action or proceeding for the purpose of enforcing any rights of the Warrant Agent or of the Warrantholders hereunder shall be conditional upon the Warrantholders furnishing, when required by notice given by the Warrant Agent, sufficient funds to commence or to continue such act, action or proceeding and an indemnity reasonably satisfactory to the Warrant Agent to protect and to hold harmless the Warrant Agent against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof. None of the provisions contained in this Indenture shall require the Warrant Agent to expend or to risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified as aforesaid.

(c) The Warrant Agent 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 Agent the Warrants held by them, for which Warrants the Warrant Agent shall issue receipts.

(d) Every provision of this Indenture that by its terms relieves the Warrant Agent of liability or entitles it to rely upon any evidence submitted to it is subject to the provisions of Applicable Legislation, of this section 9.2 and of section 9.3.

9.3 <u>Evidence, Experts and Advisers</u>

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

(b) In the exercise of its rights and duties hereunder, the Warrant Agent may, if it is acting in good faith, act and rely as to the truth of the statements and the accuracy of the opinions expressed in opinions, statutory declarations, resolutions, reports, written requests, consents, certificates or orders of the Corporation or other evidence furnished to the Warrant Agent pursuant to any provision hereof or of Applicable Legislation or a request of the Warrant Agent, *provided that* such evidence complies with Applicable Legislation and that the Warrant Agent complies with Applicable Legislation and that the Warrant Agent examines the same and determines that such evidence complies with the applicable requirements of this Indenture.

(c) Whenever it is provided in this Indenture or under Applicable Legislation that the Corporation shall deposit with the Warrant Agent opinions, statutory declarations, resolutions, reports, written requests, consents, certificates, orders or other documents, it is intended that the truth, accuracy and good faith on the effective date thereof and the facts and opinions stated in all such documents so deposited shall, in each and every such case, be conditions precedent to the right of the Corporation to have the Warrant Agent take the action to be based thereon. The Warrant Agent may act and rely and shall be protected in acting and relying on all such documentation.

(d) Proof of the execution of an instrument in writing, including a Warrantholders' Request, by any Warrantholder may be made by the certificate of a notary public, or other officer with similar powers, that the Person signing such instrument acknowledged to it the execution thereof, or by an affidavit of a witness to such execution or in any other manner which the Warrant Agent may consider adequate.

(e) The Warrant Agent may employ or retain such counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of determining or 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 shall not be responsible for any misconduct or negligence on the part of any such experts or advisers who have been appointed with due care by the Warrant Agent.

(f) The Warrant Agent may employ or retain such counsel, accountants, appraisers, engineers or other experts or advisors as it reasonably requires for the purpose of determining and 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 shall not be responsible for any misconduct on the part of any of them. Any remuneration so paid by the Warrant Agent shall be repaid to the Warrant Agent in accordance with Article 5.

(g) The Warrant Agent may act and rely and shall be protected in acting and relying in good faith on the opinion or advice of or information obtained from any counsel, accountant, appraiser, engineer or other expert or advisor, whether retained or employed by the Corporation or by the Warrant Agent, in relation to any matter arising in connection with its duties hereunder.

9.4 Documents, Monies, etc. Held by Warrant Agent

The Warrant Agent may retain any cash balance held in connection with this Indenture and may, but need not, hold the same in its deposit department or the deposit department of one of its Affiliates; but the Warrant Agent and its Affiliates shall not be liable to account for any profit to the Corporation or any other person or entity other than at a rate, if any, established from time to time by the Warrant Agent or its Affiliates. For the purpose of this section, "**Affiliate**" means affiliated companies within the meaning of the Act; and includes Canadian Imperial Bank of Commerce, CIBC Mellon Global Securities Services Company and Mellon Bank, N.A. and each of their Affiliates within the meaning of the Act.

9.5 Actions by Warrant Agent to Protect Interest

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

9.6 Warrant Agent Not Required to Give Security

The Warrant Agent shall 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.

9.7 Protection of Warrant Agent

By way of supplement to the provisions of any law for the time being relating to warrant agents it is expressly declared and agreed that the Warrant Agent and its officers, directors, employees and agents:

(a) shall not at any time be under any duty or responsibility to any Warrantholder to determine whether any facts exist which may require any adjustment contemplated by sections 4.1 or 4.2 or, with respect to the nature or extent of any such adjustment when made, or with respect to the method employed in making the same;

(b) shall not be liable for or by reason of any statements of fact or recitals in this Indenture or in the Warrant Certificates (except the representation contained in section 9.9 or in the certificate of the Warrant Agent on the Warrant Certificates) or be required to verify the same, but all such statements or recitals are and shall be deemed to be made by the Corporation;

(c) shall not have any obligation to see to or to require evidence of the registration or filing (or renewal thereof) of this Indenture or any instrument ancillary or supplemental hereto;

(d) shall not be bound to give notice to any Person or Persons of the execution hereof;

(e) shall not incur any liability or responsibility whatever or be in any way responsible for the consequences of any breach on the part of the Corporation of any of the representations, warranties or covenants herein contained or of any acts of any Directors, officers, employees, agents or servants of the Corporation; and

(f) is hereby indemnified and held harmless by the Corporation from and against any and all liabilities, losses, damages, penalties, fines, claims, actions, suits, costs, expenses and disbursements, including legal fees and disbursements of whatever kind and nature which may at any time be imposed on, incurred by or asserted against the Warrant Agent, whether groundless or otherwise, arising from or out of any act, omission or error of the Warrant Agent made in good faith in the conduct of its duties hereunder, *provided that* the Warrant Agent has met the standard of care, diligence and skill provided for in subsection 9.2(a) and, *provided further that*, the Corporation shall not be required to indemnify the Warrant Agent in the event of the negligence or wilful misconduct of the Warrant Agent as provided in subsection 9.2(a), and the provisions of this subsection 9.7(f) shall survive the resignation or removal of the Warrant Agent or the termination of this Indenture.

9.8 Replacement of Warrant Agent; Successor by Merger

(a) The Warrant Agent may resign its trust and be discharged from all further duties and liabilities hereunder, subject to this section 9.8, by giving to the Corporation not less than 60 days' prior notice in writing or such shorter prior notice as the Corporation may accept as sufficient. The Warrantholders by Extraordinary Resolution shall have power at any time to remove the existing Warrant Agent and to appoint a new warrant agent. In the event of the Warrant Agent resigning or being removed as aforesaid or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, the Corporation shall forthwith appoint a new warrant agent unless a new warrant agent has already been appointed by the Warrantholders; failing such appointment by the

Corporation, the retiring Warrant Agent or any Warrantholder may at the Corporation's expense apply to a court of competent jurisdiction in the Province of Ontario on such notice as such justice may direct, for the appointment of a new warrant agent; but any new warrant agent so appointed by the Corporation or by the court shall be subject to removal as aforesaid by the Warrantholders. Any new warrant agent appointed under any provision of this section 9.8 shall be a corporation authorized to carry on the business of a trust company in the Province of Ontario and, if required by the Applicable Legislation of any other provinces, in such other provinces. On any such appointment the new warrant agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as warrant agent hereunder.

(b) On any such appointment the new Warrant Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Warrant Agent without 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 may, in the opinion of counsel, be necessary or advisable for the purpose of assuring such powers, rights duties and responsibilities of the new Warrant Agent, provided that, any resignation or removal of the Warrant Agent and appointment of a successor Warrant Agent shall have executed an appropriate instrument accepting such appointment and, at the request of the Corporation, the predecessor Warrant Agent, upon payment of its outstanding remuneration and expenses, shall execute and deliver to the successor Warrant Agent an appropriate instrument transferring to such successor Warrant Agent all rights and powers of the Warrant Agent hereunder.

(c) Upon the appointment of a successor warrant agent, the Corporation shall promptly notify the Warrantholders thereof in the manner provided for in section 10.2.

(d) Any corporation into or with which the Warrant Agent may be merged or consolidated or amalgamated, or any corporation resulting therefrom to which the Warrant Agent shall be a party, or any corporation succeeding to the trust business of the Warrant Agent shall be the successor to the Warrant Agent hereunder without any further act on its part or any of the parties, *provided that* such corporation would be eligible for appointment as a successor warrant agent under subsection 9.8(a).

(e) Any Warrant Certificates certified but not delivered by a predecessor warrant agent may be certified by the successor warrant agent in the name of the predecessor or successor warrant agent.

9.9 <u>Conflict of Interest</u>

(a) The Warrant Agent represents to the Corporation that, at the time of execution and delivery hereof, no material conflict of interest exists between its role as a warrant agent hereunder and its role in any other capacity and agrees that in the event of a material conflict of interest arising hereafter it will, within 90 days after ascertaining that it has such material conflict of interest, either eliminate the same or assign its trust hereunder to a successor trustee or warrant agent approved by the Corporation and meeting the requirements set forth in subsection 9.8(a). Notwithstanding the foregoing provisions of this subsection 9.9(a), if any such material conflict of interest exists or hereafter shall exist, the validity and enforceability of this Indenture and the Warrant Certificate shall not be affected in any manner whatsoever by reason thereof.

(b) Subject to subsection 9.9(a), the Warrant Agent, in its personal or any other capacity, may buy, lend upon and deal in securities of the Corporation and generally may contract and enter into financial transactions with the Corporation without being liable to account for any profit made thereby.

9.10 Appointment and Acceptance of Trust

The Corporation hereby appoints the Warrant Agent as warrant agent under the terms and conditions set forth in this Indenture. The Warrant Agent hereby accepts the trusts in this Indenture declared and provided for and agrees to perform the same upon the terms and conditions herein set forth.

9.11 Warrant Agent Not to be Appointed Receiver

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

9.12 Authority to Carry on Business

The Warrant Agent represents to the Corporation that it is authorized to carry on the business of a trust company in all of the Provinces of Canada.

ARTICLE 10
GENERAL

10.1 Notice to the Corporation and the Warrant Agent

All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by facsimile transmission (with confirmation from the sending machine) or mailed by first class insured mail, postage prepaid, or delivered by courier to the parties at the following addresses (or at such other address for a party as shall be specified by like notice); provided that notice of a change of address shall be effective only upon receipt thereof:

(a) if to the Corporation:

Marathon PGM Corporation
330 Bay Street, Suite 1505,
Toronto, Ontario M5H 2S8

Attention: President
Telecopy: (416) 861-1925

(b) if to the Warrant Agent:

CIBC Mellon Trust Company
320 Bay Street, P.O. Box 1
Toronto, Ontario M5H 4A6

Attention: Vice President, Client Services
Telecopy: (416) 643-5570

Any notice or other communication so given shall be deemed given when actually received at the aforesaid address, which shall be the date of transmission in the case of any facsimile transmission unless such transmission is completed on a day other than a Business Day or after 5:00 p.m. local time at the place of receipt on a Business Day, in which case it shall be deemed received on the next Business Day at the place of receipt.

10.2 Notice to Warrantholders

Unless otherwise expressly provided herein, a notice to be given hereunder to Warrantholders will be deemed to be validly given if the notice is sent by first class mail, postage prepaid, addressed to the Warrantholders at their respective addresses appearing on any of the registers of Warrantholders described in Section 2.11. Any notice so mailed shall be deemed to have been received on the third Business Day following the date of the postmark on such notice. Accidental error or omission in giving notice or accidental failure to mail notice to any holder will not invalidate any action or proceeding founded thereon. All notices may be given to whichever one of the Warrantholders (if more than one) is named first in the appropriate register hereinbefore mentioned and any notice so given shall be sufficient notice to all Warrantholders of and any persons (if any) interested in such Warrants.

10.3 Ownership and Transfer of Warrants

The Corporation and the Warrant Agent may deem and treat the registered owner of any Warrant Certificate as the absolute owner of the Warrant represented thereby for all purposes, and the Corporation and the Warrant Agent shall not be affected by any notice or knowledge to the contrary except where the Corporation or the Warrant Agent is required to take notice by statute or by order of a court of competent jurisdiction. A Warrantholder shall be entitled to the rights evidenced by its Warrant Certificate free from all equities or rights of set off or counterclaim between the Corporation and the original or any intermediate holder thereof and all Persons may act accordingly and the receipt of any such Warrantholder of the Common Shares which may be purchased pursuant thereto shall be a good discharge to the Corporation and the Warrant Agent for the same and neither the Corporation nor the Warrant Agent shall be bound to inquire into the title of any such holder except where the Corporation or the Warrant Agent is required to take notice by statute or by order of a court of competent jurisdiction.

10.4 Counterparts

This Indenture may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution they shall be deemed to be dated as of the date first written above. The parties shall be entitled to rely upon delivery of an executed facsimile copy of this Indenture and such facsimile copy shall be legally effective to create a valid and binding agreement between the parties.

10.5 Satisfaction and Discharge of Indenture

Upon the earlier of:

(a) the date by which there shall have been delivered to the Warrant Agent for exercise or destruction all Warrant Certificates theretofore certified hereunder; or

(b) the Expiry Time,

this Indenture shall cease to be of further effect and the Warrant Agent, on demand of and at the cost and expense of the Corporation and upon delivery to the Warrant Agent of a certificate of the Corporation stating that all conditions precedent to the satisfaction and discharge of this Indenture have been complied with, shall execute proper instruments acknowledging satisfaction of and discharging this Indenture. Notwithstanding the foregoing, the indemnities provided to the Warrant Agent, and the covenants made by the Corporation hereunder shall remain in full force and effect and survive the termination of this Indenture.

10.6 Provisions of Indenture and Warrants for the Sole Benefit of Parties and Warrantholders

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

10.7 Stock Exchange Consents

Any action provided for in this Indenture requiring the prior consent of any stock exchange upon which the Common Shares or Warrants may be listed shall not be completed until the requisite consent is obtained.

10.8 Common Shares or Warrants Owned by the Corporation or its Subsidiaries - Certificate to be Provided

For the purpose of disregarding any Warrants owned legally or beneficially by the Corporation in section 7.16, the Corporation shall provide to the Warrant Agent, upon request, a certificate of the Corporation setting forth as at the date of such certificate:

(a) the names (other than the name of the Corporation) of the registered holders of Warrants which, to the knowledge of the Corporation, are owned by or held for the account of the Corporation or any of its Subsidiaries; and

(b) the number of Warrants owned legally or beneficially by the Corporation, and the Warrant Agent, in making the computations in section 7.16, shall be entitled to rely on such certificate without any additional evidence.

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

MARATHON PGM CORPORATION

By: P.C. L/ ______________________ c/s

CIBC MELLON TRUST COMPANY

By: ______________________

By: ______________________ c/s

(a) the names (other than the name of the Corporation) of the registered holders of Warrants which, to the knowledge of the Corporation, are owned by or held for the account of the Corporation or any of its Subsidiaries; and

(b) the number of Warrants owned legally or beneficially by the Corporation, and the Warrant Agent, in making the computations in section 7.16, shall be entitled to rely on such certificate without any additional evidence.

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

MARATHON PGM CORPORATION

By: ______________________ c/s

CIBC MELLON TRUST COMPANY

By: ______________________ WARREN JANSEN
Authorized Signatory

By: ______________________ c/s

BRUCE CORNISH
Authorized Signatory

SCHEDULE A to a Warrant Indenture (the "**Indenture**") made as of April 17, 2008 between Marathon PGM Corporation and CIBC Mellon Trust Company, as warrant agent.

THE WARRANT RIGHTS EVIDENCED BY THIS CERTIFICATE MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF A U.S. PERSON UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") AND APPLICABLE STATE SECURITIES LAWS IS AVAILABLE, AND THE HOLDER THEREOF HAS (i) DELIVERED TO THE CORPORATION A WRITTEN OPINION OF COUNSEL SATISFACTORY TO THE CORPORATION TO SUCH EFFECT, AND (ii) DELIVERED TO THE CORPORATION AND TO THE WARRANT AGENT A PURCHASER'S LETTER IN A FORM ACCEPTABLE TO THE CORPORATION; PROVIDED, HOWEVER, THAT AN ORIGINAL PURCHASER OF UNITS IN THE U.S. PRIVATE PLACEMENT, UPON DELIVERY TO THE CORPORATION AND TO THE WARRANT AGENT OF AN INSTITUTIONAL ACCREDITED INVESTOR CERTIFICATE IN A FORM ACCEPTABLE TO THE CORPORATION, WILL NOT BE REQUIRED TO DELIVER AN OPINION OF COUNSEL IN CONNECTION WITH THE EXERCISE BY IT OF WARRANTS, WHETHER SUCH EXERCISE IS FOR ITS OWN ACCOUNT OR THE ACCOUNT OF ONE OR MORE BENEFICIAL PURCHASERS FOR WHICH UNITS WERE PURCHASED IN THE U.S. PRIVATE PLACEMENT.

[For Warrants issued in the United States or to U.S. Persons or persons who are acting for the account or benefit of a person who is in the United States or is U.S. Person, include the following:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THESE SECURITIES, AGREES FOR THE BENEFIT OF MARATHON PGM CORPORATION (THE "CORPORATION") THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S ("REGULATION S") UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE CANADIAN LOCAL LAWS AND REGULATIONS, (C) IN ACCORDANCE WITH (1) RULE 144A UNDER THE U.S. SECURITIES ACT TO A PERSON THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A) THAT IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS AND TO WHOM NOTICE IS GIVEN THAT THE OFFER, SALE, PLEDGE OR TRANSFER IS BEING MADE IN RELIANCE UPON RULE 144A, OR (2) RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OF THE UNITED STATES, OR (D) IN ANOTHER

TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT (1) IN THE CASE OF PROPOSED TRANSFERS PURSUANT TO (B) ABOVE, PROVIDING A DECLARATION TO CIBC MELLON TRUST COMPANY, IN THE FORM PRESCRIBED BY THE CORPORATION; AND (2) IN THE CASE OF TRANSFERS PURSUANT TO (C)(1), (C)(2) OR (D) ABOVE, A LEGAL OPINION REASONABLY SATISFACTORY IN FORM AND SUBSTANCE TO THE CORPORATION AND THE TRANSFER AGENT MUST FIRST BE PROVIDED.]

WARRANT CERTIFICATE

MARATHON PGM CORPORATION

(Incorporated under the *Canada Business Corporations Act*)

CUSIP # 565851144
ISIN # CA 5658511442

WARRANT
CERTIFICATE NO. _____ ________________WARRANTS

THIS IS TO CERTIFY THAT

[Name of holder]

(the "**holder**") is the registered holder of the number of Warrants stated above and is entitled to purchase in the manner and subject to the restrictions and adjustments set forth herein, at any time and from time to time until 5:00 p.m. Toronto time (the "**Expiry Time**") on April 17, 2010, (the "**Expiry Date**"), one fully paid and non-assessable common share ("**Common Share**") in the share capital of Marathon PGM Corporation (the "**Corporation**") at a subscription price of Cdn.$6.00 per Common Share for each Warrant represented hereby.

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

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

(b) surrendering this warrant certificate (the "**Warrant Certificate**"), with the Exercise Form, to CIBC Mellon Trust Company (the "**Warrant Agent**") at 199 Bay Street, Commerce Court West, Securities Level, Toronto, Ontario, M5L 1G9 if delivered by hand or by courier and if delivered by mail at CIBC Mellon Trust Company, Corporate Restructures, P.O. Box 1036 Adelaide Street Postal Station, Toronto, Ontario M5K 2K4 together with a certified cheque or money order payable to or to the order of CIBC Mellon Trust Company in the amount of Cdn.$6.00 per Common Share.

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

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

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

The Warrants represented by this certificate are issued under and pursuant to a warrant indenture (the "**Indenture**") made as of April 17, 2008, between the Corporation and the Warrant Agent. Reference is made to the Indenture and any instruments supplemental thereto for a full description of the rights of the holders of the Warrants and the terms and conditions upon which the Warrants are, or are to be, issued and held, with the same effect as if the provisions of the Indenture and all instruments supplemental thereto were herein set forth. By acceptance hereof, the holder assents to all provisions of the Indenture.

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

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

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

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

The Indenture provides that all holders of Warrant Certificates shall be bound by any resolution passed at a meeting of the holders held in accordance with the provisions of the Indenture and by any resolution signed by the holders of Warrants entitled to purchase a specified majority of the Common Shares which may be purchased pursuant to all the then outstanding Warrant Certificates.

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

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

Time shall be of the essence hereof.

IN WITNESS WHEREOF the Corporation has caused this Warrant Certificate to be signed by its duly authorized officer as of the 17th day of April, 2008.

MARATHON PGM CORPORATION

By: ____________________________________

Certified by:

CIBC MELLON TRUST COMPANY, as Warrant Agent

By:

APPENDIX 1 to a Warrant Certificate of Marathon PGM Corporation dated as of April 17, 2008.

EXERCISE FORM

TO: MARATHON PGM CORPORATION
AND TO: CIBC MELLON TRUST COMPANY

The undersigned registered holder of the within Warrants hereby irrevocably subscribes for the number of Common Shares of Marathon PGM Corporation as indicated below at a price of Cdn.$6.00 per share upon the terms applicable to these Warrants.

NUMBER OF COMMON SHARES SUBSCRIBED FOR: ______________

TOTAL PRICE: $ ______________

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

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

Name: ______________________________

Address in Full: ______________________________

____

Telephone: ______________________________

SIN: ______________________________

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

A. To the registered address above ☐

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

C. To the following address below: ☐

____

____

____

DATED this _____ day of ______________, 20______.

Signature Guaranteed	Signature (Signature of Warrantholder to be the same as appears on the face of the Warrant Certificate)
	(Name in Full - Please print)
	(Address)
	(Telephone Number)

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

In connection with this subscription (**check one**):

☐ The undersigned hereby certifies that (i) it is not a U.S. Person (as defined in Regulation S promulgated under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**")), (ii) at the time of exercise it is not within the United States, and (iii) it is not exercising any of the Warrants represented by this Warrant Certificate by or on behalf of any U.S. Person or Person within the United States; **OR**

☐ The undersigned is delivering a written opinion of counsel of recognized standing in form and substance satisfactory to the Corporation to the effect that the Shares to be delivered upon exercise hereof have been registered under the U.S. Securities Act and the regulations promulgated thereunder and any applicable state securities laws or are exempt from registration thereunder and delivering to the Corporation the Purchaser's Letter attached as Schedule D to the Indenture with such changes as counsel to the Corporation may deem reasonably necessary to reflect changes in applicable law; **OR**

☐ The undersigned is an original purchaser in the U.S. private placement, on its own behalf or on behalf of the original beneficial purchaser of such Warrant and is delivering to the Corporation and the Warrant Agent an Accredited Investor Certificate attached as Schedule E to the Indenture with such changes as counsel to the Corporation may deem reasonably necessary to reflect changes in applicable law.

SCHEDULE B to a Warrant Indenture of April 17, 2008 between Marathon PGM Corporation and CIBC Mellon Trust Company, as warrant agent.

TRANSFER OF WARRANTS

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

Name: ____

Address in full: ____

____

_________________ Warrants of Marathon PGM Corporation (the "**Corporation**") registered in the name of the undersigned on the records of the Corporation represented by the Warrant Certificate attached hereto and irrevocably appoints CIBC Mellon Trust Company (the "**Warrant Agent**") the attorney of the undersigned to transfer the said securities on the books or register with full power of substitution.

In connection with this transfer (**check one**):

☐ The undersigned hereby certifies that (i) it is not a U.S. Person (as defined in Regulation S promulgated under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**")), and (ii) at the time of making or receiving the offer to purchase or otherwise acquire the attached Warrant Certificate and at the time of transfer (including signature and delivery of this Transfer of Warrants form) it was not and is not within the United States, and (iii) it is not receiving any of the Warrants represented by this Warrant Certificate for or on behalf of any U.S. Person or Person within the United States; **OR**

☐ The undersigned is delivering a written opinion of counsel of recognized standing in form and substance satisfactory to the Corporation to the effect that the Warrant Shares to be delivered upon exercise hereof has been registered under the U.S. Securities Act and the regulations promulgated thereunder and any applicable state securities laws or is exempt from registration thereunder and the transferee delivering to the Corporation and the Warrant Agent a purchaser's letter attached as Schedule D to the Indenture with such changes as counsel to the Corporation may deem reasonably necessary to reflect changes in applicable law

DATED the ______ day of _______________, 20___.

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

____
(Signature of Transferee)

______________________________ ______________________________
Date Name of Transferee (please print)

The Warrants and the common shares issuable upon exercise of the Warrants shall only be transferable in accordance with applicable laws. The Warrants may only be exercised in the manner required by the certificate representing the Warrants and the Warrant Exercise Form attached thereto. Any common shares acquired pursuant to this Warrant shall be subject to applicable hold periods and any certificate representing such common shares will bear restrictive legends.

Instructions:

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

2. The signature on this Transfer Form must be guaranteed by a Canadian Schedule 1 chartered bank, a major trust company in Canada, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada and the United States, members of the Investment Dealers Association of Canada, members of the Financial Industry Regulatory Authority of banks and trust companies in the United States.

3. **Warrants shall only be transferable in accordance with applicable laws.**

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

SCHEDULE C to a Warrant Indenture (the "**Indenture**") made as of April 17, 2008 between Marathon PGM Corporation and CIBC Mellon Trust Company, as warrant agent.

FORM OF DECLARATION FOR REMOVAL OF LEGEND

TO: CIBC MELLON TRUST COMPANY

AND TO: MARATHON PGM CORPORATION

The undersigned:

- acknowledges that the sale of the securities of Marathon PGM Corporation to which this declaration relates is being made in reliance on Rule 904 of Regulation S ("**Regulation S**") under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and

- certifies that:

1. it is not an affiliate of Marathon PGM Corporation (as defined in Rule 405 under the U.S. Securities Act);

2. the offer of the securities was not made to a person in the United States or to a U.S. Person, as defined in Regulation S (a "**U.S. Person**"), and either (A) at the time the buy order was originated, the buyer was outside the United States and was not a U.S. Person, or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States and was not a U.S. Person, or (B) the transaction was executed on or through the facilities of the Toronto Stock Exchange or another 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 or a U.S. Person;

3. neither the seller nor any affiliate of the seller nor any person acting on any of their behalves has engaged or will engage in any "directed selling efforts" (as such term is defined in Regulation S) in the United States in connection with the offer and sale of the securities;

4. the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as that term is defined in Rule 144(a)(3) under the U.S. Securities Act);

5. the seller does not intend to replace the securities sold in reliance on Rule 904 of Regulation S with fungible unrestricted securities; and

6. the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the U.S. Securities Act.

Unless otherwise indicated, terms used in this declaration have the meanings given to them in Regulation S.

Dated: ______________

By:_____________________________
Name:
Title:

Affirmation by Seller's Broker-Dealer

We have read the foregoing representations of our customer, _________________________ (the "Seller") dated _______________________, with regard to the sale, for such Seller's account, of the _________________ represented by certificate number ______________ of the Corporation described therein, and we hereby affirm that, to the best of our knowledge and belief, the facts set forth therein are full, true and correct.

____
Name of Firm

By: ____
Authorized Officer

Date: ______________________________________

SCHEDULE D to a Warrant Indenture (the "**Indenture**") made as of April 17, 2008 between Marathon PGM Corporation and CIBC Mellon Trust Company, as warrant agent.

TO: Marathon PGM Corporation

TO: CIBC Mellon Trust Company
as warrant agent for the warrants of
Marathon PGM Corporation

Defined terms used but not defined herein shall have the meaning ascribed to such terms in the Warrant Indenture (the "**Indenture**"), among Marathon PGM Corporation (the "**Corporation**"), and CIBC Mellon Trust Company (the "**Warrant Agent**"), for the issuance of common share purchase warrants of the Corporation (the "**Warrants**"), each whole Warrant entitling the holder thereof to purchase one common share of the Corporation (each, a "**Common Share**") at a price per share of Cdn.$6.00 on or before April 17, 2010. The Warrants and the Common Shares issuable upon the exercise of the Warrants together shall be referred to herein as the "Securities".

The undersigned hereby represents, warrants, certifies and covenants that:

1. it is an "accredited investor" as defined in Rule 501(a)(1), (2), (3), or (7) or an entity in which all of the equity owners are "accredited investors" as that term is defined in Rule 501(a)(1), (2), (3) or (7) under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") because the undersigned is (check each applicable category):

☐ A bank as defined in Section 3(a)(2) of the U.S. Securities Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the U.S. Securities Act whether acting in its individual or fiduciary capacity;

☐ Any broker or dealer registered pursuant to Section 15 of the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Securities Exchange Act**");

☐ Any insurance company as defined in Section 2(a)(13) of the U.S. Securities Act;

☐ Any investment company registered under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**");

☐ A business development company as defined in Section 2(a)(48) of U.S. Investment Company Act;

☐ Any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the U.S. Small Business Investment Act of 1958;

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

☐ Any employee benefit plan within the meaning of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of US$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are "accredited investors", as defined in Rule 501(a) under the U.S. Securities Act;

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

☐ An organization described in Section 501(c)(3) of the U.S. Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of US$5,000,000;

☐ A trust, with total assets in excess of US$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the U.S. Securities Act; or

☐ An entity in which all of the equity owners are "accredited investors" as that term is defined in Rule 501(a)(1), (2), (3) or (7) of the U.S. Securities Act.

2. it (a) has such knowledge and experience in financial and business matters as to be capable of evaluating the risks and merits of an investment in the Securities and (b) has the financial ability to bear the economic risk, and sustain a complete loss, of such investment in the Securities;

3. it is aware that the Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States (as such term is defined in Regulation S ("**Regulation S**") under the U.S. Securities Act), except pursuant to a transaction exempt from the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws;

4. it is aware that the Securities are "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act;

5. it is receiving or exercising the Warrants for its own account for investment purposes, and not with a view to any resale, distribution or other disposition of the Securities;

6. it is not receiving or exercising the Warrants as a result of any general solicitation or general advertising (as such terms are defined in Regulation D under the U.S. Securities Act) including, but not limited to, any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;

7. it (a) in connection with its decision to acquire or exercise the Warrants, has conducted its own investigation with respect to the Common Shares and the Corporation, (b) has had access to such financial and other information concerning the Corporation as it has considered necessary to make a decision to acquire or exercise the Warrants, (c) it has made its own assessment concerning the relevant tax, legal and other economic considerations relevant to its investment in the Securities, and (d) is relying solely on such investigation, assessment and information in connection with its purchase;

8. it understands and agrees that the Securities may not be reoffered, resold, pledged or otherwise transferred, except (a) to the Corporation; (b) outside the United States in accordance with Rule 904 of Regulation S ("**Regulation S**") under the U.S. Securities Act and in compliance with applicable Canadian local laws and regulations; (c) in accordance with (i) Rule 144A under the U.S. Securities Act ("**Rule 144A**") to a person the seller reasonably believes is a "qualified institutional buyer", as defined in Rule 144A (a "**Qualified Institutional Buyer**"), that is purchasing for its own account or for the account of one or more Qualified Institutional Buyers and to whom notice is given that the offer, sale, pledge or transfer is being made in reliance upon Rule 144A, or (ii) Rule 144 under the U.S. Securities Act ("**Rule 144**"), if available, and in compliance with any applicable state securities laws of the United States; or (d) in another transaction that does not require registration under the U.S. Securities Act or any applicable state securities laws of the United States, after (i) in the case of proposed transfers pursuant to (b) above, providing a declaration to the Warrant Agent, in the form prescribed by the Corporation, and (ii) in the case of proposed transfers pursuant to (c)(i), (c)(ii) or (d) above, providing to Warrant Agent and the Corporation an opinion of counsel of recognized standing reasonably satisfactory in form and substance to the Corporation and the transfer agent, to the effect that the proposed transfer may be effected without registration under the U.S. Securities Act;

9. it understands and acknowledges that the share certificates representing the Securities, will bear the following legend until the legend is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities laws:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING THESE SECURITIES, AGREES FOR THE BENEFIT OF MARATHON PGM CORPORATION (THE "**CORPORATION**") THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE CANADIAN LOCAL LAWS AND REGULATIONS, (C) IN ACCORDANCE WITH (1) RULE 144A UNDER THE U.S. SECURITIES ACT TO A PERSON THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A) THAT IS

PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS AND TO WHOM NOTICE IS GIVEN THAT THE OFFER, SALE, PLEDGE OR TRANSFER IS BEING MADE IN RELIANCE UPON RULE 144A, OR (2) RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OF THE UNITED STATES, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT: (1) IN THE CASE OF PROPOSED TRANSFERS PURSUANT TO (B) ABOVE, PROVIDING A DECLARATION TO CIBC MELLON TRUST COMPANY, IN THE FORM PRESCRIBED BY THE CORPORATION; AND (2) IN THE CASE OF TRANSFERS PURSUANT TO (C)(1), (C)(2) OR (D) ABOVE, A LEGAL OPINION REASONABLY SATISFACTORY IN FORM AND SUBSTANCE TO THE CORPORATION AND THE TRANSFER AGENT MUST FIRST BE PROVIDED.

DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA."

If any Common Shares are being sold outside of the United States in accordance with Rule 904 of Regulation S and in compliance with Canadian local laws and regulations, and if the Corporation is a "foreign issuer" within the meaning of Regulation S at the time of sale, the legend may be removed by providing a declaration to CIBC Mellon Trust Company, as registrar and transfer agent, in the form attached to the Indenture as Schedule C (or such other form as the Corporation may prescribe from time to time).

If any Common Shares are being resold within the United States in accordance with Rule 144, the legend may be removed by delivering to CIBC Mellon Trust Company and the Corporation an opinion of counsel of recognized standing reasonably satisfactory in form and substance to the Corporation and the transfer agent, that the legend is no longer required under applicable requirements of the U.S. Securities Act and any applicable state securities laws.

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

11. it understands and acknowledges that the Corporation (i) is not obligated to remain a "foreign issuer" within the meaning of Regulation S, (ii) may not, at the time any of the Securities are resold by it or at any other time, be a foreign issuer, and (iii) may engage in one or more transactions which could cause the Corporation not to be a foreign issuer;

12. it acknowledges that the addressees of this certificate and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties, certifications and agreements, and irrevocably authorizes the addressees of this certificate to produce the same or a copy hereof to any interested party in any administrative or legal proceeding or official enquiry with respect to the matters set forth herein. It further agrees that if any of the acknowledgements, representations, warranties or agreements made herein is no longer accurate, it shall promptly notify the Corporation;

13. it, or the beneficial purchaser, if any, for whom it is acting as trustee or agent, has a relationship with the Corporation pre-existing the offer of the Securities to it, such that the Corporation is in a position to determine that it, or beneficial purchaser, if any, for whom it is acting as trustee or agent, has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its investment in the Securities;

14. if required by applicable securities legislation, regulatory policy or order or by any securities commission, stock exchange or other regulatory authority, it will execute, deliver and file and otherwise assist the Corporation in filing reports, questionnaires, undertakings and other documents with respect to the acquisition or exercise of the Warrants and the issue of the Common Shares; and

15. it understands and acknowledges that the Corporation is not obligated to file and has no present intention of filing with the United States Securities and Exchange Commission or with any state securities administrator any registration statement in respect of resales of any of the Securities in the United States.

The undersigned acknowledges that the acknowledgments, representations, warranties, certifications and agreements contained herein are made by it with the intent that they may be relied upon by you in determining its eligibility or (if applicable) the eligibility of others on whose behalf it is contracting hereunder to acquire or exercise the Warrants. By this letter the undersigned represents and warrants that the foregoing acknowledgments, representations, warranties and certifications are true on the date hereof and shall be true at the closing time with the same force and effect as if they had been made by it at the closing time and that they shall survive the acquisition or exercise by it of the Warrants and shall continue in full force and effect notwithstanding any subsequent disposition by the undersigned of any of the Securities.

Dated: _______________

By:______________________________
Name:
Title:

SCHEDULE E to a Warrant Indenture (the "**Indenture**") made as of April 17, 2008 between Marathon PGM Corporation and CIBC Mellon Trust Company, as warrant agent.

CERTIFICATE OF
INSTITUTIONAL ACCREDITED INVESTOR STATUS

In connection with the purchase by the undersigned of the common shares (the "**Common Shares**") of Marathon PGM Corporation (the "**Corporation**"), the undersigned hereby certifies and agrees for the benefit of the Corporation that the undersigned is an "accredited investor", as that term is defined in Rule 501(a)(1), (2), (3), and (a)(7) or an entity in which all of the equity owners are "accredited investors" as that term is defined in Rule 501(a)(1), (2), (3) or (7) under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), because the undersigned is (check each applicable category):

A bank as defined in Section 3(a)(2) of the U.S. Securities Act, or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the U.S. Securities Act whether acting in its individual or fiduciary capacity;

Any broker or dealer registered pursuant to Section 15 of the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Securities Exchange Act**");

Any insurance company as defined in Section 2(a)(13) of the U.S. Securities Act;

Any investment company registered under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**");

A business development company as defined in Section 2(a)(48) of U.S. Investment Company Act;

Any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the U.S. Small Business Investment Act of 1958;

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

Any employee benefit plan within the meaning of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of US$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are "accredited investors", as defined in Rule 501(a) under the U.S. Securities Act;

A private business development company as defined in Section 202(a)(22) of the U.S. Investment Advisers Act of 1940;

An organization described in Section 501(c)(3) of the U.S. Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of US$5,000,000;

A trust, with total assets in excess of US$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the U.S. Securities Act; or

An entity in which all of the equity owners are "accredited investors" as that term is defined in Rule 501(a)(1), (2), (3) or (7) of the U.S. Securities Act.

Dated: ______________

By:_____________________________
Name:
Title: