AGENCY AGREEMENT

October 26,2007

Blue Note Mining Inc.
1 Place Ville Marie, Suite 2125
Montréal, Québec
H3B 2C6

Attention: Michael Judson, President and Chief Executive Officer

Dear Sir:

Desjardins Securities Inc. (the "**Lead Agent**") and Salman Partners Inc. (together with the Lead Agent, the "**Agents**") understand that Blue Note Mining Inc. (the "**Corporation**") proposes to issue and sell up to 71,500,000 units (the "**Units**") at a price of $0.56 per Unit (the "**Issue Price**").

Each Unit shall consist of one Common Share (as defined herein) and one-half of one Common Share purchase warrant of the Corporation (each whole Common Share purchase warrant, a "**Warrant**"). The Warrants shall be created and issued pursuant to a warrant indenture (the "**Warrant Indenture**") to be dated as of the Closing Date (as defined herein) between the Corporation and CIBC Mellon Trust Company (the "**Warrant Agent**"), in its capacity as warrant agent thereunder. Each Warrant will entitle the holder thereof to purchase one additional Common Share (each a "**Warrant Share**") at an exercise price of $0.67 per Warrant Share at any time prior to 5:00 p.m. (Toronto time) on the date that is twenty-four months following the Closing Date.

The Agents also understand that the Corporation proposes to grant to the Agents an option (the "**Over-Allotment Option**") to arrange for the issuance and sale of up to an additional 10,725,000 Common Shares (the "**Over-Allotment Shares**") at a price of $0.51 per Common Share (the "**Over-Allotment Share Price**") and/or up to an additional 5,362,500 Warrants (the "**Over-Allotment Warrants**") at a price of $0.10 per Warrant (the "**Over-Allotment Warrant Price**", and together with the Over-Allotment Share Price, the "**Over-Allotment Price**"), as hereinafter provided in this Agreement (the Over-Allotment Shares and Over-Allotment Warrants are collectively referred to herein as the "**Over-Allotment Units**"), for the purposes of covering over-allotments, if any, and for purposes of market stabilization in connection with the Offering (as more particularly described in section 15 hereof). The Units and Over-Allotment Units are collectively referred to herein, collectively, as the "**Offered Units**".

The Agents further understand that the Corporation has prepared and filed a preliminary short form prospectus with respect to the qualification for the distribution to the public of the Offered Units in each of the Qualifying Provinces (as defined herein) and will prepare and file a (final) short form prospectus and all other necessary documents in order to qualify the Offered Units for distribution to the public in each of the Qualifying Provinces.

Based on the foregoing, and subject to the terms and conditions contained in this Agreement, the Corporation hereby appoints the Agents to act as the sole and exclusive agents to the Corporation, and the Agents hereby severally agree to act as the agents of the Corporation, to effect the sale of the Offered Units on behalf of the Corporation on a reasonable commercial efforts basis to Purchasers (as defined herein) resident in the Qualifying Provinces and in those jurisdictions outside of Canada as may be agreed to by the Corporation and the Agents, acting reasonably. In addition, the Corporation hereby agrees to issue and sell the Over-Allotment Units to the extent the Over-Allotment Option granted to the Agents pursuant to this Agreement is exercised by the Agents. It is understood and agreed that the Agents are under no obligation to purchase any of the Offered Units, although the Agents may subscribe for Offered Units if they so desire. The Corporation hereby acknowledges that from the date of the Engagement Letter until the date hereof the activities of the Agents constitute reasonable commercial efforts in connection with the Offering.

In consideration of the services to be rendered by the Agents in connection with the sale of the Offered Units hereunder, the Corporation agrees to pay to the Agents cash commission (the "**Commission**") equal to 6% of the gross proceeds of the Offering (as defined herein). The Commission shall be due and payable at the Closing Time (as defined herein) and shall be allocated among the Agents as provided for in the Engagement Letter (as hereinafter defined). As additional compensation for the services to be rendered by the Agents in connection with this Agreement, the Corporation shall grant to the Agents compensation warrants (the "**Additional Warrants**") to purchase up to such number of Units (the "**Broker Units**") as is equal to 6% of the total number of Units sold pursuant to this Agreement and, in addition, in the event the Over-Allotment Option is exercised, the Corporation shall grant to the Agents compensation warrants (the "**Over-Allotment Broker Warrants**" and together with the Additional Warrants, the "**Brokers Warrants**") to purchase such number of Common Shares (the "**OA Shares**") and such number of Warrants (the "**OA Warrants**") as is equal 6% of the Over-Allotment Shares and Over-Allotment Warrants, respectively. Each Broker Unit shall consist of one Common Share (together with the OA Shares, the "**Broker Shares**") and one half of one Warrant (each whole such Warrant, together with the OA Warrant, an "**Underlying Broker Warrant**"). The Broker Warrants may be exercised, in whole or in part, during the currency thereof, at an exercise price per Broker Warrant equal to the Issue Price or the Over-Allotment Price, as the case may be, at any time during the period commencing on the Closing Date and ending on the date that is two years following the Closing Date. The Corporation shall execute and deliver to the Agents at the Closing Time certificates evidencing the Broker Warrants and the Over-Allotment Broker Warrants (collectively, the "**Broker Warrant Certificates**") to which the Agents are entitled in a form to be agreed upon by the Agents and the Corporation, acting reasonably.

Terms and Conditions

The following are additional terms and conditions of this Agreement between the Corporation and the Agents:

1. (a) **Definitions**

Where used in this Agreement or in any amendment hereto, the following terms shall have the following meanings, respectively:

"**Agreement**" means the agreement resulting from the acceptance by the Corporation of the offer made hereby;

"**Asset Purchase Agreement**" means the asset purchase agreement between the Corporation and CanZinco Ltd. dated July 26, 2006 for the acquisition of the Caribou and Restigouche Properties;

"**Authors**" has the meaning ascribed thereto in subsection 8(k) hereof;

"**best of knowledge**" or "**to the knowledge**" means the knowledge of the Corporation after due inquiry;

"**Broker Warrant Shares**" means Common Shares issuable upon exercise of the Underlying Broker Warrants;

"**Business Day**" means a day, other than a Saturday, a Sunday or a day on which chartered banks are not open for business in Toronto, Ontario;

"**Caribou and Restigouche Properties**" means the properties located within the Restigouche County in the north eastern portion of the province of New Brunswick, Canada, all as more particularly described in the Prospectus;

"**Closing**" means the completion of the issue and sale by the Corporation of the Offered Units and the purchase by the Purchasers of the Units pursuant to this Agreement;

"**Closing Date**" means the date on which the Units are issued and sold, which is anticipated to occur on November 6, 2007 (or such other date as the Corporation and the Lead Agent may agree), or in the case of the exercise of the Over-Allotment Option, means any date or dates on which Over-Allotment Units are issued and sold;

"**Closing Time**" means 8:00 a.m., (Toronto time) on the Closing Date or such other time on the Closing Date as the Corporation and the Lead Agent may agree;

"**Common Shares**" means the common shares in the capital of the Corporation;

"**Corporation's Auditors**" means such firm of chartered accountants as the Corporation may have appointed or may from time to time appoint as auditors of the Corporation, including prior auditors of the Corporation, as applicable;

"**Documents Incorporated by Reference**" means all financial statements, management information circulars, annual information forms, business acquisition reports, material change reports, technical reports or other documents issued by the Corporation, whether before or after the date of this Agreement, that are required to be incorporated by reference into the Prospectus;

"**due inquiry**" means after inquiries have been made by the appropriate officers, employees, and directors of the Corporation who may reasonably be expected to have knowledge of facts which are material with respect to the facts in question;

"**Employee Plans**" has the meaning ascribed thereto in subsection 8(vv) hereto;

"**Engagement Letter**" means the letter agreement dated as of October 9, 2007 between the Corporation and the Lead Agent relating to the Offering;

"**Environmental Laws**" has the meaning ascribed thereto in subsection 8(pp) hereto;

"**Fern Trust Litigation**" means the claim made by the Corporation and the Subsidiary (as plaintiff and defendant by counterclaim) and Merlin Securities Inc., in its capacity as trustee of the Fern Trust (as the defendant and plaintiff by counterclaim), in the Court of Queen's Bench of New Brunswick, Trial Division, Judicial District of Moncton, known as Cause No. M/C/0265/07, for 10% NPI in the Caribou mine under the NPI Instrument;

"**Final Prospectus**" means the (final) short form prospectus, including all of the Documents Incorporated by Reference (in both the English and French languages, unless the context indicates otherwise), prepared by the Corporation and relating to the distribution of the Offered Units;

"**Financial Information**" has the meaning ascribed thereto in subsection 5(a)(v) hereof;

"**Financial Statements**" means the financial statements of the Corporation included in the Documents Incorporated by Reference, including the notes to such statements and the related auditors' report on such statements;

"**Governmental Authority**" means and includes, without limitation, any national or federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing;

"**InnovExplo Report**" means the technical report prepared by Carl Pelletier, B.Sc., P. Geo and Christine Beausoleil, B.Sc., P. Geo entitled "NI 43-101 Technical Report on the Caribou and Restigouche Properties" dated January 31, 2006;

"**Leased Premises**" has the meaning ascribed thereto in subsection 8(ll) hereof;

"**Micon Report**" means the technical report prepared by David Hendricks, P. Eng., Christopher Jacobs, M.B.A., C.Eng, William Lewis, B.Sc, P.Geo, Carl Pelletier, B.Sc., P. Geo, and Peter Pheeney, P.Eng. entitled "Technical Report on the Business Plan for the Acquisition and Re-Opening of the Caribou and Restigouche Mines" dated March 23, 2006 and revised on August 4, 2006;

"**Material Adverse Effect**" when used in connection with an entity means any change (including a decision to implement such a change made by the board of directors or by senior management who believe that confirmation of the decision by the board of directors is probable), event, violation, inaccuracy, circumstance or effect that is materially adverse to the business, assets (including intangible assets), capitalization, financial condition or results of operations of such entity and its parent (if applicable) or subsidiaries, taken as a whole;

"**misrepresentation**", "**material fact**", "**material change**", "**affiliate**", "**associate**", and "**distribution**" shall have the respective meanings ascribed thereto in the *Securities Act* (Ontario);

"**MRRS**" means the mutual reliance review system procedures provided under NP 43-201;

"**Mutual Reliance Procedures**" means the mutual reliance review system procedures provided for under NP 43-201;

"**NI 43-101**" means National Instrument 43-101- *Standards of Disclosure for Mineral Projects*;

"**NP 43-201**" means National Policy 43-201 - *Mutual Reliance Review System for Prospectuses and Annual Information Forms*;

"**NPI**" means net profits interest;

"**NPI Instrument**" means the instrument dated August 9, 1990 whereby East West Caribou Mining Limited granted East West Minerals N.L. the 10% NPI in the Caribou mine;

"**Offering**" means the issuance and sale of the Units and, if applicable, the Over-Allotment Units by the Corporation pursuant to the Over-Allotment Option;

"**Offering Documents**" has the meaning ascribed thereto in subsection 6(a)(ii) hereof;

"**Over-Allotment Notice**" has the meaning ascribed thereto in subsection 15(a) hereof;

"**person**" shall be broadly interpreted and shall include any individual, corporation, partnership, joint venture, association, trust or other legal entity;

"**Preliminary Prospectus**" means the preliminary short form prospectus of the Corporation, including all of the Documents Incorporated by Reference (in both the English and French languages, unless the context indicates otherwise), prepared by the Corporation and relating to the distribution of the Offered Units, dated as of October 23, 2007;

"**Property Rights**" has the meaning ascribed thereto in subsection 8(f) hereof;

"**Prospectus**" means, collectively, the Preliminary Prospectus and the Final Prospectus;

"**Purchasers**" means, collectively, each of the purchasers of the Offered Units pursuant to the Offering including, if applicable, the Agents;

"**Qualifying Provinces**" means, collectively, all of the provinces in Canada;

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

"**Securities Laws**" means, unless the context otherwise requires, all applicable securities laws in each of the Qualifying Provinces, the United States and the applicable securities laws of all other jurisdictions other than the Qualifying Provinces and the United States in which the Offered Units are offered, as applicable, and the respective regulations made thereunder, together with

applicable published fee schedules, prescribed forms, policy statements, national or multilateral instruments, orders, blanket rulings and other regulatory instruments of the securities regulatory authorities in such jurisdictions, including the rules and policies of the TSXV, the TSX or such other recognized stock exchange, as applicable;

"**Selling Firm**" has the meaning ascribed thereto in subsection 3(b) hereof;

"**Securities Regulators**" means, collectively, the securities regulators or other securities regulatory authorities in the Qualifying Provinces, the United States and any other jurisdictions in which the Offered Units are offered, as the case may be;

"**Standard Listing Conditions**" has the meaning ascribed thereto in subsection 5(a)(viii) hereof;

"**subsidiary**" has the meaning ascribed thereto in the *Canada Business Corporations Act*;

"**Subsidiary**" has the meaning ascribed thereto in subsection 8(b) hereof;

"**Supplementary Material**" means, collectively, any amendment to the Preliminary Prospectus and/or the Final Prospectus, any amendment or supplemental prospectus or ancillary materials that may be filed by or on behalf of the Corporation under the Securities Laws relating to the distribution of the Offered Units thereunder;

"**Taxes**" has the meaning ascribed thereto is subsection 8(t) hereof;

"**TSX**" means the Toronto Stock Exchange;

"**TSXV**" means the TSX Venture Exchange;

"**U.S. Affiliate**" has the meaning ascribed thereto in subsection 4(e) hereof;

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

"**U.S. Private Placement Memorandum**" has the meaning ascribed thereto in subsection 5(a)(vii) hereof;

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

"**Unit Shares**" means Common Shares comprising the Offered Units; and

"**United States**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

(b) Capitalized terms used but not defined herein have the meanings ascribed to them in the Prospectus.

(c) Any reference in this Agreement to a section or subsection shall refer to a section or subsection of this Agreement.

(d) All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case required and the verb shall be construed as agreeing with the required word and/or pronoun.

(e) Any reference in this Agreement to $ or to dollars shall refer to the lawful currency of Canada, unless otherwise specified.

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

Schedule	**Title**
A	United States Offers and Sales

2. **Attributes of the Offered Units**

The Common Shares and the Warrants comprising the Offered Units to be issued and sold by the Corporation hereunder shall be duly and validly created and issued by the Corporation and, when issued and sold by the Corporation hereunder, such Common Shares and Warrants shall have the rights, privileges, restrictions and conditions that conform in all material respects to the rights, privileges, restrictions and conditions set forth in the Prospectus, subject to such modifications or changes (if any) prior to the Closing Date as may be agreed to in writing by the Corporation and the Agents.

3. **The Offering**

(a) The sale of the Offered Units to the Purchasers is to be effected in a manner that is in compliance with applicable Securities Laws and upon the terms set out in the Prospectus and in this Agreement. The Agents will use their commercially reasonable best efforts to arrange for Purchasers for the Offered Units in the Qualifying Provinces and in those jurisdictions outside of Canada as may be agreed upon by the Corporation and the Agents, acting reasonably, in connection with the Offering; however, it is understood and agreed that the Agents shall have no obligation to purchase the Offered Units.

(b) The Corporation agrees that, subject to the prior written consent of the Corporation, such consent not to be unreasonably withheld, the Agents have the right to invite one or more duly registered investment dealers (each, a "**Selling Firm**") to form a selling group to participate in the soliciting of offers to purchase the Offered Units. The Agents have the exclusive right to control all compensation arrangements between the members of the selling group. The Corporation grants all of the rights and benefits of this Agreement to any Selling Firm so appointed by the Agents and appoints the Agents as trustee of such rights and benefits for such Selling Firms, and the Agents hereby accept such trust and agree to hold such rights and benefits for and on behalf of such Selling Firms. The Agents shall ensure that any Selling Firm appointed pursuant to the provisions of this subsection 3(b) or with whom the Agents have a contractual relationship with

respect to the Offering, if any, agree with the Agents to comply with the covenants and obligations given by the Agents herein.

(c) The Corporation represents and warrants to, and covenants and agrees with, the Agents that the Corporation has prepared and filed the Preliminary Prospectus and has obtained pursuant to the Mutual Reliance Procedures a MRRS decision document evidencing the issuance by the Canadian Securities Regulators of receipts for the Preliminary Prospectus and other related documents in respect of the proposed distribution of the Offered Units. The Corporation will prepare and file with the Canadian Securities Regulators, after the execution and delivery of this Agreement, an English language Final Prospectus in each of the Qualifying Provinces and French language Final Prospectus in the Province of Québec and such other ancillary documents as the Canadian Securities Regulators, may require under the Canadian Securities Laws, with such changes from the Preliminary Prospectus as the Corporation and the Agents may approve, and the Canadian Securities Regulators may require such approval to be evidenced by the signing of the Final Prospectus by the Corporation and the Agents, and the Corporation will use its best efforts to obtain a MRRS decision document from the Canadian Securities Regulators under the Mutual Reliance Procedures evidencing that a receipt has been issued for the Final Prospectus by each of the Canadian Securities Regulators in order to qualify the Offered Units for distribution in each of the Qualifying Provinces, as soon as possible, and in any event not later than 5:00 p.m. (Toronto time) on November 1, 2007 (or such other time and/or later date as the Corporation and the Agents may agree) and until the day on which the distribution of the Offered Units is completed, the Corporation will promptly take, or cause to be taken, all additional reasonable steps and proceedings that may from time to time be required under the Canadian Securities Laws to qualify the distribution of the Offered Units in the Qualifying Provinces.

(d) The Agents shall, upon the Corporation obtaining receipts for the Final Prospectus from each of the Canadian Securities Regulators, deliver one copy of the Final Prospectus (together with any amendments thereto) to all persons resident in the Qualifying Provinces who are to acquire the Offered Units.

(e) Prior to the filing of the Preliminary Prospectus, the Final Prospectus and the Closing, the Corporation shall have permitted the Agents to review each of the Preliminary Prospectus and the Final Prospectus and shall allow the Agents to conduct any due diligence investigations which they reasonably require in order to fulfill their obligations as agents under Canadian Securities Laws and in order to enable the Agents to responsibly execute the certificate in the Preliminary Prospectus and the Final Prospectus required to be executed by them.

4. **Distribution and Certain Obligations of the Agents**

(a) The Agents covenant, represent and warrant to the Corporation that they shall, and shall require any Selling Firm to agree to, comply with the Securities Laws in connection with the distribution of the Offered Units and shall offer the Offered

Units for sale to the public directly and through Selling Firms upon the terms and conditions set out in the Prospectus and this Agreement. The Agents shall, and shall require any Selling Firm to, offer for sale to the public and sell the Offered Units only in those jurisdictions where they may be lawfully offered for sale or sold. The Agents shall: (i) use all commercially reasonable best efforts to complete and cause each Selling Firm to complete the distribution of the Offered Units as soon as reasonably practicable; and (ii) promptly notify the Corporation when, in their opinion, the Agents and the Selling Firms have ceased distribution of the Offered Units and provide a breakdown of the number of Offered Units distributed in each of the Qualifying Provinces where such breakdown is required for the purpose of calculating fees payable to the Securities Regulators.

(b) The Agents covenant, represent and warrant to the Corporation that they shall, and shall require any Selling Firm to agree to, distribute the Offered Units in a manner which complies with and observes all applicable laws and regulations, including, for greater certainty, all Securities Laws, in each jurisdiction into and from which they may offer to sell the Offered Units or distribute the Prospectus, any Supplementary Material or the U.S. Private Placement Memorandum in connection with the distribution of the Offered Units and will not, directly or indirectly, offer, sell or deliver any Offered Units or deliver the Prospectus, any Supplementary Material or the U.S. Private Placement Memorandum to any person in any jurisdiction other than in the Qualifying Provinces except in a manner which will not require the Corporation to comply with the registration, prospectus, filing, continuous disclosure or other similar requirements under the applicable Securities Laws of such other jurisdictions or pay any additional governmental filing fees which relate to such other jurisdictions. Subject to the foregoing, the Agents and any Selling Firm shall be entitled to offer the Offered Units in the United States and to, or for the account or benefit of, U.S. Persons solely pursuant to an applicable exemption or exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws, and in other international jurisdictions in accordance with any applicable Securities Laws and other laws in the jurisdictions in which the Agents and/or Selling Firms offer the Offered Units. Any offer or sale of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons will be made in accordance with Schedule "A".

(c) For the purposes of this section 4, the Agents shall be entitled to assume that the Offered Units are qualified for distribution in any Qualifying Province where the Corporation has obtained a MRRS decision document issued under the Mutual Reliance Procedures evidencing that a receipt has been issued for the Final Prospectus by each of the Canadian Securities Regulators of the Qualifying Provinces in respect of the Offered Units unless otherwise notified in writing.

(d) The Corporation and the Agents agree that Schedule "A" to this Agreement entitled "United States Offers and Sales" is incorporated by reference in and shall form part of this Agreement.

(e) Notwithstanding the foregoing provisions of this section 4, an Agent will not be liable to the Corporation under this section 4 with respect to a default under this section 4 or Schedule "A" by another Agent or another Agent's duly registered broker-dealer affiliate in the United States (the "**U.S. Affiliate**"), as the case may be.

5. **Deliveries on Filing and Related Matters**

(a) Immediately prior to the filing of the Preliminary Prospectus or the Final Prospectus, as the case may be, the Corporation shall deliver to the Agents:

(i) a copy of the Preliminary Prospectus or the Final Prospectus, as the case may be, in the English language signed and certified as required by the Canadian Securities Laws applicable in the Qualifying Provinces other than Québec;

(ii) a copy of the Preliminary Prospectus or the Final Prospectus, as the case may be, in the French language signed and certified as required by the Canadian Securities Laws applicable in Québec;

(iii) a copy of any Supplementary Material required to be filed by the Corporation under the laws of each of the Qualifying Provinces in compliance with Canadian Securities Laws;

(iv) opinions of the Corporation's counsel addressed to the Agents, the Corporation and Aird & Berlis LLP in form and substance satisfactory to the Agents, acting reasonably, dated as of the date of the Preliminary Prospectus and the Final Prospectus, to the effect that the French language version of the Preliminary Prospectus and the Final Prospectus, as the case may be, including all Documents Incorporated by Reference, except for the Financial Statements, the section entitled "Consolidated Capitalization" in the Prospectus, the Auditor's consent included in each Prospectus and any names of companies or entities included in the Prospectus, as to which no opinion need be expressed, is in all material respects a complete and proper translation of the English language version thereof;

(v) opinions of the Corporation's Auditors addressed to the Agents, the directors of the Corporation, Aird & Berlis LLP and the Corporation's counsel dated as of the date of the Preliminary Prospectus and the Final Prospectus, as the case may be, to the effect that the French language version of the Financial Statements, the section entitled "Consolidated Capitalization" in the Prospectus and the Auditor's consent included in each Prospectus (collectively, the "**Financial Information**") include the same information and in all material respects carries the same meaning as the English language version of such Financial Information;

(vi) concurrently with the filing of the Final Prospectus with the Canadian Securities Regulators, a "long-form" comfort letter dated the date of the Final Prospectus, in form and substance satisfactory to the Agents, acting reasonably, addressed to the Agents and the directors of the Corporation from the Corporation's Auditors with respect to financial and accounting information relating to the Corporation contained in the Final Prospectus, which letter shall be based on a review by the Corporation's Auditors within a cut-off date of not more than two Business Days prior to the date of the letter, which letter shall be in addition to the auditors' consent letter and comfort letter addressed to the Canadian Securities Regulators;

(vii) as soon as practicable after the Preliminary Prospectus, the Final Prospectus and any Supplementary Material are prepared, the private placement memorandum incorporating the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as the case may be, prepared for use in connection with the offering for sale of the Offered Units in the United States (the "**U.S. Private Placement Memorandum**") and, forthwith after preparation, any amendment to the U.S. Private Placement Memorandum; and

(viii) prior to the filing of the Final Prospectus with the Canadian Securities Regulators, copies of correspondence indicating that the application for the listing and posting for trading on the TSXV or the TSX, as the case may be, of the Unit Shares, Warrant Shares, Broker Shares, and Broker Warrant Shares have been approved for listing subject only to satisfaction by the Corporation of customary post-closing conditions imposed by the TSXV or the TSX, as the case may be (the "**Standard Listing Conditions**").

(b) The Corporation shall also prepare and deliver promptly to the Agents signed copies of all Supplementary Material. Concurrently with the delivery of any Supplementary Material, the Corporation shall deliver to the Agents, with respect to such Supplementary Material, to the extent that such Supplementary Material contains any Financial Information, a comfort letter substantially similar to that referred to in subsection 5(a)(vi).

(c) Delivery of the Preliminary Prospectus, the Final Prospectus and any Supplementary Material by the Corporation shall constitute the representation and warranty of the Corporation to the Agents that, as at their respective dates of filing:

(i) all information and statements (except information and statements provided by the Agents relating solely to the Agents or any Selling Firm) contained and incorporated by reference in the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as the case may be, are true and correct, in all material respects, and

contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Corporation and the Offered Units as required by applicable Canadian Securities Laws in the Qualifying Provinces as at the date of each such document;

(ii) no material fact or information has been omitted therefrom (except facts or information provided by the Agents relating solely to the Agents or any Selling Firm) which is required to be stated in such disclosure or is necessary to make the statements or information contained in such disclosure not misleading in light of the circumstances under which they were made as at the date of each such document;

(iii) except with respect to any information provided by the Agents relating solely to the Agents or any Selling Firm, such documents comply fully with the requirements of the Canadian Securities Laws other than as to non-material matters as at the date of each such document; and

(iv) except as set forth or contemplated in the Prospectus or any Supplementary Material or as has otherwise been publicly disclosed, there has been no adverse material change (actual, anticipated, contemplated, proposed or threatened) in the business, affairs, business prospects, operations, assets, liabilities (contingent or otherwise), capital or ownership of the Corporation on a consolidated basis since the end of the period covered by the Financial Statements.

Such deliveries shall also constitute the Corporation's consent to the Agents' use of the Preliminary Prospectus, the Final Prospectus and any Supplementary Material in connection with the distribution of the Offered Units in the Qualifying Provinces in compliance with this Agreement and applicable Securities Laws unless otherwise advised in writing.

(d) The Corporation confirms that it has previously delivered to the Agents copies of the Preliminary Prospectus signed as required by Securities Laws in the Qualifying Provinces and such number of commercial copies of the Preliminary Prospectus and the preliminary U.S. Private Placement Memorandum as the Agents requested. The Corporation shall:

(i) cause commercial copies of the Preliminary Prospectus and any Supplementary Material to be delivered to the Agents without charge, in such numbers and at such locations in the Qualifying Provinces as the Agents may reasonably request by oral instructions to the Corporation's financial printer given forthwith after the Agents have been advised that a MRRS decision document has been issued for the Preliminary Prospectus. Such delivery shall be effected as soon as possible and, in any event, on or before a date which is one Business

Day after an MRRS decision document has been issued for the Preliminary Prospectus;

(ii) cause commercial copies of the Final Prospectus and any Supplementary Material to be delivered to the Agents without charge, in such numbers and at such locations in the Qualifying Provinces as the Agents may reasonably request by oral instructions to the Corporation's financial printer given forthwith after the Agents have been advised that a MRRS decision document has been issued for the Preliminary Prospectus. Such delivery shall be effected as soon as possible and, in any event, on or before a date which is one Business Day after a MRRS decision document has been issued for the Final Prospectus; and

(iii) cause to be delivered to the Agents, as soon as practicable after preparation thereof, without charge, in such numbers and at such locations as the Agents may reasonably request, commercial copies of the U.S. Private Placement Memorandum and any amendments thereto.

(e) During the period commencing on the date hereof and until completion of the distribution of the Offered Units, the Corporation will promptly provide to the Agents drafts of any press releases of the Corporation for review by the Agents and the Agents' counsel prior to issuance.

6. **Material Changes**

(a) During the period commencing on the date hereof up until such time as the Agents notify the Corporation of the completion of the distribution of the Offered Units under the Final Prospectus, the Corporation shall promptly inform the Agents (and if requested by the Agents, confirm such notification in writing) of the full particulars of:

(i) any material change (actual, anticipated, contemplated, threatened, financial or otherwise) in the assets, liabilities (contingent or otherwise), business, affairs, operations, capital or control of the Corporation and its Subsidiary taken as a whole;

(ii) any material fact which has arisen or has been discovered and would have been required to have been stated in the Preliminary Prospectus, the Final Prospectus or any Supplementary Material (collectively, the "**Offering Documents**") had the fact arisen or been discovered on, or prior to, the date of such documents; and

(iii) any change in any material fact contained in the Offering Documents or whether any event or state of facts has occurred after the date hereof, which, in any case, is, or may be, of such a nature as to render any of the Offering Documents untrue or misleading in any material

respect or to result in any misrepresentation in any of the Offering Documents, or which would result in the Final Prospectus or any Supplementary Material not complying (to the extent that such compliance is required) with the Canadian Securities Laws of any Qualifying Province.

(b) The Corporation will comply with Section 57 of the *Securities Act* (Ontario) and with the comparable provisions of the Canadian Securities Laws in the other Qualifying Provinces, and the Corporation will prepare and file promptly any Supplementary Material which may be necessary and will otherwise comply with all legal requirements necessary to continue to qualify the Offered Units for distribution in each of the Qualifying Provinces.

(c) In addition to the provisions of subsections 6(a) and 6(b) hereof, the Corporation shall in good faith discuss with the Agents any change, event or fact contemplated in subsections 6(a) and 6(b) which is of such a nature that there is or could be reasonable doubt as to whether notice should be given to the Agents under subsection 6(a) hereof and shall consult with the Agents with respect to the form and content of any amendment or other Supplementary Material proposed to be filed by the Corporation, it being understood and agreed that no such amendment or other Supplementary Material shall be filed with any Securities Regulator prior to the review thereof by the Agents and their counsel, acting reasonably and without delay.

(d) If during the period of distribution of the Offered Units there shall be any change in Canadian Securities Laws which, in the opinion of the Agents, acting reasonably, requires the filing of any Supplementary Material, upon written notice from the Agents, the Corporation shall, to the satisfaction of the Agents, acting reasonably, promptly prepare and file any such Supplementary Material with the appropriate Canadian Securities Regulators where such filing is required.

7. Covenants of the Corporation

The Corporation hereby covenants to the Agents that the Corporation:

(a) will advise the Agents, promptly after receiving notice thereof, of the time when the Preliminary Prospectus, the Final Prospectus and any Supplementary Material has been filed and receipts therefor have been obtained pursuant to the Mutual Reliance Procedures and will provide evidence reasonably satisfactory to the Agents of each such filing and copies of such receipts;

(b) will advise the Agents, promptly after receiving notice or obtaining knowledge thereof, of:

(i) the issuance by any Canadian Securities Regulators of any order suspending or preventing the use of the Preliminary Prospectus, the Final Prospectus or any Supplementary Material;

(ii) the suspension of the qualification of the Unit Shares and Warrants in any of the Qualifying Provinces or the institution, threatening or contemplation of any proceeding for any such purposes; or

(iii) any requests made by any Canadian Securities Regulators for amending or supplementing the Preliminary Prospectus or the Final Prospectus or for additional information, and will use its commercially reasonable efforts to prevent the issuance of any order referred to in (i) above and, if any such order is issued, to obtain the withdrawal thereof as quickly as possible;

(c) will use its best efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Canadian Securities Laws of at least one of the Qualifying Provinces which have such a concept to the date that is two years following the Closing Date, provided that this covenant shall not prevent the Corporation from completing any transaction which would result in the Corporation ceasing to be a "reporting issuer" so long as holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada or the holders of the Common Shares have approved the transaction in accordance with applicable Canadian Securities Laws;

(d) will use its best efforts to maintain the listing of the Common Shares on the TSXV or such other recognized stock exchange or quotation system as the Agents may approve, acting reasonably, for a period of two years following the Closing Date, provided that this covenant shall not prevent the Corporation from completing the transaction that would result in the Common Shares ceasing to be listed on the TSXV or such other recognized stock exchange, so long as holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada or the holders of the Common Shares have approved the transaction in accordance with applicable Canadian Securities Laws;

(e) will duly execute and deliver the Warrant Indenture and the Broker Warrant Certificates at the Closing Time, and comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Corporation;

(f) will ensure that the Unit Shares and the Warrant Shares upon issuance in accordance with the terms of the Warrant Indenture, the Broker Shares upon issuance in accordance with the terms of the Broker Warrants, and the Broker Warrant Shares, upon issuance in accordance with the terms of the Underlying Broker Warrants will, be duly issued as fully paid and non-assessable Common Shares;

(g) will ensure that at all times prior to the expiry thereof, sufficient Warrant Shares as well as Broker Shares and Broker Warrant Shares are allotted and reserved for issuance upon the due exercise of the Warrants, the Broker Warrants and Underlying Broker Warrants, respectively;

(h) will ensure that the Broker Warrants are duly and validly created, authorized and issued and shall have attributes corresponding in all material respects to the description set forth in this Agreement, the Prospectus and the Broker Warrant Certificates;

(i) will use the net proceeds of the Offering in the manner specified in the Final Prospectus under the heading "Use of Proceeds";

(j) to the extent that any Offered Units are sold in the United States or to, or for the account or benefit of, U.S. Persons pursuant to Regulation D, file a notice with the United States Securities and Exchange Commission on Form D in accordance with Rule 503 under the U.S. Securities Act forthwith upon being notified by the Agents that such has occurred; and

(k) provided that the Offering contemplated herein is completed, will cause such directors or officers of the Corporation to execute and deliver, and in the case of any shareholders owning, directly or indirectly, 10% or more of the outstanding shares of the Corporation, will use best efforts to obtain the delivery of, written undertakings in favour of the Agents agreeing not to sell, transfer, assign, pledge or otherwise dispose of any securities of the Corporation owned, directly or indirectly, by such directors, officers or shareholders for a period of 120 days from the Closing Date, without the prior written consent of the Lead Agent on behalf of the Agents, such consent not to be unreasonably withheld.

8. **Representations and Warranties of the Corporation**

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

(a) the Corporation and the Subsidiary are corporations duly incorporated, continued or amalgamated and validly existing under the laws of the jurisdiction in which they were incorporated, continued or amalgamated, as the case may be, have all requisite corporate power and authority to carry on their respective businesses as now conducted and to own, lease or operate its properties and assets, and no steps or proceedings have been taken by any person, voluntary or otherwise, requiring or authorizing its dissolution or winding up, and the Corporation has all requisite power and authority to enter into each of this Agreement, the Warrant Indenture and the Broker Warrant Certificates and to carry out its obligations hereunder and thereunder;

(b) the Corporation has no direct or indirect subsidiaries other than the following (the "**Subsidiary**"):

Subsidiary	**Corporate Jurisdiction**	**Direct or Indirect Percentage Ownership**

Subsidiary	Corporate Jurisdiction	Direct or Indirect Percentage Ownership
Blue Note Caribou Mines Inc.	New Brunswick	100%

(c) the Corporation owns, directly or indirectly, 100% of issued and outstanding shares of the Subsidiary, all of the issued and outstanding shares of the Subsidiary are issued as fully paid and non-assessable shares, other than as disclosed in the Prospectus, free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever and no person, firm or corporation has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement, for the purchase from the Corporation or the Subsidiary of any interest in any of the shares in the capital of the Subsidiary;

(d) other than the Subsidiary, the Corporation has no material subsidiaries nor any investment or proposed investment in any person which is or would be material to the business and affairs of the Corporation on a consolidated basis;

(e) the Corporation and its Subsidiary hold all necessary material licences, registrations, qualifications, permits and consents necessary or appropriate for carrying on its business as currently carried on and all such licences, registrations, qualifications, permits and consents are valid and subsisting and in good standing in all material respects except where the failure to hold or the lack of good standing in respect to such licences, registrations, qualifications, permits and consents in all material respects would not have a Material Adverse Effect on the Corporation or its Subsidiary;

(f) the Corporation or the Subsidiary is the absolute legal and beneficial owner of and holds either freehold title, leases, concessions, claims, options or participating interests or other conventional property or proprietary interests or rights, recognized in the jurisdiction in which a particular property is located (collectively, the "**Property Rights**"), in respect of the mining claims and minerals located in properties in which the Corporation or the Subsidiary have an interest as described in the Prospectus (including but not limited to the Caribou and Restigouche Properties) under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Corporation or the Subsidiary, to conduct mining explorations relating thereto, free and clear of any liens, charges or encumbrances except as disclosed in the Prospectus and no material commission, royalty, licence fee or similar payment to any person with respect to the properties is payable, except as disclosed in the Prospectus;

(g) all property, options, leases or claims in which the Corporation or the Subsidiary hold an interest or right (including, but not limited to the Caribou and Restigouche

Properties) have been validly located and recorded in accordance in all material respects with all applicable laws and are valid and subsisting except where the failure to be so would not have a Material Adverse Effect on the Corporation or the Subsidiary; the Corporation or the Subsidiary have or will obtain all necessary surface rights, access rights and other necessary rights and interests relating to the properties in which the Corporation or the Subsidiary have an interest granting the Corporation or the Subsidiary the right and ability to explore for mineral deposits as are appropriate in view of the rights and interests therein of the Corporation or such Subsidiary, with only such exceptions as do not interfere with the use made by the Corporation or the Subsidiary of the rights or interest so held; and each of the proprietary interests or rights and each of the documents, agreements and instruments and obligations relating thereto referred to above is currently in good standing in the name of the Corporation or the Subsidiary, as applicable;

(h) the Property Rights of the Corporation and its Subsidiary, as disclosed in the Prospectus and the Documents Incorporated by Reference, constitute a description of all material Property Rights held by the Corporation and its Subsidiary, and no other property or assets are necessary for the conduct of the business of the Corporation and its Subsidiary as currently conducted; the Corporation does not know of any claim or the basis for any claim that might or could materially and adversely affect the right thereof to use, transfer or conduct mining explorations on such properties or assets and, except as disclosed in the Prospectus, the Corporation and its Subsidiary hold interests in such natural resource properties free and clear of any liens, charges or encumbrances and no material commission, royalty, licence fee or similar payment to any person with respect to the properties is payable;

(i) the Corporation has no reason to believe that the Micon Report and the InnovExplo Report prepared in compliance with National Instrument 43-101 were not true, correct and accurate in all material respects as at the dates stated therein;

(j) since the date of preparation of the Micon Report and the InnovExplo Report there has been no change of which the Corporation is aware that would disaffirm any aspect of the Micon Report and the InnovExplo Report in any material respect, except as disclosed in the Prospectus;

(k) the Corporation made available to the authors of the Micon Report and the InnovExplo Report (the "**Authors**"), prior to the issuance of the Micon Report and the InnovExplo Report, respectively, for the purpose of preparing such report, all information requested by the Authors, which information, to the best knowledge of the Corporation, did not contain any material misrepresentation at the time such information was so provided. The Corporation has no knowledge of a material change in any information provided to the Authors since that date;

(l) to the best of its knowledge, neither the Authors nor any other independent evaluator or consultant engaged by the Corporation has updated the Micon Report and the InnovExplo Report or independently evaluated the reserves of the

Corporation since the date of the Micon Report and the InnovExplo Report and there has been no material change in the reserve estimates since the effective date of the Micon Report and the InnovExplo Report, respectively;

(m) except for any non-compliance (alone or in the aggregate) which the Corporation does not believe, after due inquiry and consideration, would have a Material Adverse Effect, the Corporation is in compliance with NI 43-101 in connection with the properties in which the Corporation or its Subsidiary hold interests or rights;

(n) the Corporation is a reporting issuer under the Securities Laws of each of the provinces of British Columbia, Alberta, Ontario and Québec, is not in default of any requirement of such Canadian Securities Laws and the Corporation is not included on a list of defaulting reporting issuers maintained by the Securities Regulators of such provinces;

(o) each of the execution and delivery of this Agreement, the Warrant Indenture and the Broker Warrant Certificates, the performance by the Corporation of its obligations hereunder or thereunder, the issue and sale of the Offered Units hereunder and the consummation of the transactions contemplated in this Agreement, including the issuance and delivery of the Unit Shares and Warrants, the issuance and delivery of the Broker Warrants, the issuance and delivery of the Warrant Shares upon exercise of the Warrants, the issuance and delivery of the Broker Units upon the exercise of the Broker Warrants, and the issuance and delivery of the Broker Warrant Shares upon exercise of the Underlying Broker Warrants, respectively, do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, (whether after notice or lapse of time or both), (i) any statute, rule or regulation applicable to the Corporation including, without limitation, the Canadian Securities Laws and the rules and regulations of the TSXV or TSX (as the case may be); (ii) the constating documents or resolutions of the directors or shareholders of the Corporation, which are in effect at the date hereof; (iii) any material mortgage, note, indenture, contract, agreement, joint venture, partnership, instrument, lease or other document to which the Corporation is a party or by which it is bound; or (iv) any judgment, decree or order binding the Corporation or the Subsidiary or a material portion of the property or assets thereof;

(p) the Corporation is in compliance with its timely and continuous disclosure obligations under Canadian Securities Laws and the rules and regulations of the TSXV, has provided all such documents as requested by the Canadian Securities Regulators of the Qualifying Provinces and, without limiting the generality of the foregoing, there has not occurred any material change, financial or otherwise, in the assets, liabilities (contingent or otherwise), business, financial condition, capital or prospects of the Corporation and the Subsidiary (taken as a whole) since December 31, 2006 which has not been publicly disclosed on a non-confidential

basis and the Corporation has not filed any confidential material change reports since the date of such statements which remains confidential as at the date hereof;

(q) the Corporation has applied to list the Common Shares on the TSX;

(r) except as disclosed in the Prospectus, none of the Corporation or the Subsidiary has approved, has entered into any binding agreement in respect of, or has any knowledge of:

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

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

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

(s) the Financial Statements, including the notes and the related auditors' reports thereto, in each case as incorporated by reference in the Prospectus, have been prepared in accordance with generally accepted accounting principles in Canada and present fully, fairly and correctly in all material respects, the financial condition of the Corporation on a consolidated basis as at the dates thereof and the results of the operations and the changes in the financial position of the Corporation on a consolidated basis for the periods then ended, and there has been no change in accounting policies or practices of the Corporation or the Subsidiary since December 31, 2006, except as has been publicly disclosed in the Documents Incorporated by Reference;

(t) except as disclosed in the Financial Statements, all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable by the Corporation and the Subsidiary have been paid, except where the failure to pay such taxes would not constitute an adverse material fact in respect of the Corporation or the Subsidiary or have a Material Adverse Effect on the Corporation or the Subsidiary. All tax returns, declarations, remittances and filings required to be filed by the Corporation and the Subsidiary have been filed with all appropriate Governmental Authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any

of them misleading, except where the failure to file such documents would not constitute an adverse material fact in respect of the Corporation or have a Material Adverse Effect on the Corporation or the Subsidiary. To the best of the knowledge of the Corporation, no examination of any tax return of the Corporation or the Subsidiary is currently in progress and there are no issues or disputes outstanding with any Governmental Authority respecting any taxes that have been paid, or may be payable, by the Corporation or the Subsidiary, in any case, except where such examinations, issues or disputes would not constitute an adverse material fact in respect of the Corporation or have a Material Adverse Effect on the Corporation or the Subsidiary;

(u) the Corporation's Auditors who audited the financial statements of the Corporation for the year ended December 31, 2006 and December 31, 2005 and who provided their audit report thereon are independent public accountants as required under applicable Canadian Securities Laws and there has never been a reportable event (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) between the Corporation and the Corporation's Auditors or, to the knowledge of the Corporation, any former auditors of the Corporation;

(v) other than as set out in the Prospectus and herein, no person, firm or corporation has or will have at the Closing Time any agreement or option, or right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase from the Corporation of any unissued shares or securities of the Corporation;

(w) other than as set out in the Prospectus, there is no agreement in force or effect which in any manner affects or will affect the voting or control of any of the securities of the Corporation or of the Subsidiary;

(x) other than as set out in the Prospectus, to the best knowledge of the Corporation, none of the officers or employees of the Corporation or of the Subsidiary, any person who owns, directly or indirectly, more than 10% of any class of securities of the Corporation or securities of any person exchangeable for more than 10% of any class of securities of the Corporation, or any associate or affiliate of any of the foregoing, had or has any material interest, direct or indirect, in any transaction or any proposed transaction (including, without limitation, any loan made to or by any such person) with the Corporation or the Subsidiary which, as the case may be, materially affects, is material to or will materially affect the Corporation on a consolidated basis;

(y) other than as set out in the Prospectus, there are no actions, suits, judgments, investigations, inquires or proceedings of any kind whatsoever outstanding (whether or not purportedly on behalf of the Corporation or the Subsidiary), pending or, to the knowledge of the Corporation, threatened against or affecting the Corporation, the Subsidiary or their respective directors or officers, at law or in equity or before or by any commission, board, bureau or agency of any kind whatsoever and neither the Corporation nor the Subsidiary is subject to any

judgment, order, writ, injunction, decree, award, rule, policy or regulation of any Governmental Authority which, either separately or in the aggregate, may have a Material Adverse Effect on the Corporation or the Subsidiary or would adversely affect the ability of the Corporation to perform its obligations under this Agreement;

(z) no legal or governmental proceedings or inquiries are pending to which the Corporation, or the Subsidiary, is a party or to which its property is subject that would result in the revocation or modification of any material certificate, authority, permit or licence necessary to conduct the business now owned or operated by the Corporation and the Subsidiary which, if the subject of an unfavourable decision, ruling or finding would have a Material Adverse Effect on the Corporation or the Subsidiary and, to the knowledge of the Corporation, no such legal or governmental proceedings or inquiries have been threatened against or are contemplated with respect to the Corporation, the Subsidiary or with respect to their properties and assets;

(aa) no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority or other person is required of the Corporation in connection with the execution and delivery of or with the performance by the Corporation of this Agreement except (i) as disclosed in the Prospectus; (ii) in compliance with the Canadian Securities Laws with regard to the distribution of the Offered Units in the Qualifying Provinces; (iii) a notice filing pursuant to Regulation D and related notice filings under applicable United States state securities laws; (iv) those which are required in connection with the distribution of the Offered Units in jurisdictions other than the Qualifying Provinces and the United States; and (v) those which have been obtained and provided to the Agents or their counsel;

(bb) neither the Corporation nor the Subsidiary is in violation of its constating documents or in default of the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, trust deed, mortgage, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it or its property may be bound;

(cc) to the best of its knowledge, the Corporation and the Subsidiary own or have the right to use under licence, sub-licence or otherwise all material intellectual property used by the Corporation and the Subsidiary in its business, including copyrights, industrial designs, trade marks, trade secrets, know how and proprietary rights, free and clear of any and all encumbrances;

(dd) to the best of its knowledge, none of the properties (or any interest in, or right to earn an interest in, any property) of the Corporation or the Subsidiary is subject to any right of first refusal or purchase or acquisition right which is not disclosed in the Prospectus;

(ee) all actions required to be taken by or on behalf of the Corporation, including the passing of all requisite resolutions of its directors, necessary to carry out its obligations hereunder, have been or will, by the Closing Time, be completed;

(ff) at the Closing Time, each of this Agreement, the Warrant Indenture and the Broker Warrant Certificates shall have been duly authorized and executed and delivered by the Corporation and upon such execution and delivery each shall constitute a valid and binding obligation of the Corporation and each shall be enforceable against the Corporation in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principals when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;

(gg) at the Closing Time, all necessary corporate action will have been taken by the Corporation to allot and authorize the issuance of the Unit Shares, the Warrants, the Warrant Shares, the Broker Units and Broker Warrant Shares and upon the due exercise of the Warrants, the Broker Warrants and the Underlying Broker Warrants in accordance with the respective provisions thereof, and the Warrant Shares, Broker Shares and the Broker Warrant Shares, when issued, will be validly issued as fully paid and non-assessable Common Shares;

(hh) the Common Shares are listed and posted for trading on the TSXV and all necessary notices and filings shall have been made with, and all necessary consents, approvals and authorizations obtained by the Corporation from, the TSXV to ensure that, subject to fulfilling the Standard Listing Conditions, the Unit Shares, the Warrant Shares, the Broker Shares and the Broker Warrant Shares will be listed and posted for trading on the TSXV upon their issuance;

(ii) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Corporation has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or, to the knowledge of the Corporation, are pending, contemplated or threatened by any regulatory authority;

(jj) the authorized capital of the Corporation consists of an unlimited number of Common Shares of which, as at the close of business on October 22, 2007, 287,108,148 Common Shares were issued and outstanding;

(kk) other than as set out in the Prospectus, neither the Corporation nor the Subsidiary has made any loans to or guaranteed the obligations of any person;

(ll) with respect to each premise of the Corporation or the Subsidiary which is material to the Corporation on a consolidated basis and which the Corporation or the Subsidiary occupies as tenant (the "**Leased Premises**"), the Corporation or

such Subsidiary occupies the Leased Premises and has the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Corporation and/or the Subsidiary occupies the Leased Premises is in good standing and in full force and effect;

(mm) the assets of the Corporation and the Subsidiary and their business and operations are insured against loss or damage with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in comparable businesses, and, to the best of its knowledge, such coverage is in full force and effect and the Corporation has not failed to promptly give any notice of any material claim thereunder;

(nn) CIBC Mellon Trust Company, at its principal offices in Montréal, Québec, has been duly appointed as registrar and transfer agent for the Common Shares and as Warrant Agent for the Warrants;

(oo) the minute books and records of the Corporation and the Subsidiary made available to counsel for the Agents in connection with its due diligence investigation of the Corporation are all of the minute books and records of the Corporation and the Subsidiary, respectively, and contain copies of all material proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders, the directors and all committees of directors of the Corporation and the Subsidiary to the date of review of such corporate records and minute books and there have been no other meetings, resolutions or proceedings of the shareholders, directors or any committees of the directors of the Corporation or any of the Subsidiary to the date hereof not reflected in such minute books and other records, other than those which have been disclosed to the Agents or which are not material in the context of the Corporation and the Subsidiary, on a consolidated basis;

(pp) to the best of the knowledge of the Corporation, neither the Corporation nor the Subsidiary has been and is not currently in violation of, in connection with the ownership, use, maintenance or operation of its property and assets, including the Leased Premises, any applicable federal, provincial, state, municipal or local laws, by-laws, regulations, orders, policies, permits, licences, certificates or approvals having the force of law, domestic or foreign, relating to environmental, health or safety matters (collectively the "**Environmental Laws**") which would have a Material Adverse Effect on the Corporation or the Subsidiary;

(qq) without limiting the generality of subsection immediately above, the Corporation and the Subsidiary, do not have any knowledge of, and have not received any notice of, any material claim, judicial or administrative proceeding, pending or threatened against, or which may affect, either the Corporation or the Subsidiary or any of the property, assets or operations thereof, relating to, or alleging any violation of any Environmental Laws; the Corporation is not aware of any facts which could give rise to any such claim or judicial or administrative proceeding; and neither the Corporation nor the Subsidiary nor any of the property, assets or

operations thereof is the subject of any investigation, evaluation, audit or review by any Governmental Authority to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is needed in connection with a release of any contaminant into the environment, except for compliance investigations conducted in the normal course by any Governmental Authority, in each case which could reasonably be expected to have a Material Adverse Effect on the Corporation or its Subsidiary;

(rr) there are no orders, rulings or directives issued, pending or, to the best of the Corporation's knowledge, threatened against the Corporation or the Subsidiary under or pursuant to any Environmental Laws requiring any work, repairs, construction or capital expenditures with respect to the property or assets of the Corporation or the Subsidiary(including the Leased Premises) which would have a Material Adverse Effect on the Corporation or any of the Subsidiary;

(ss) to the best of its knowledge, the Corporation and the Subsidiary are not subject to any contingent or other liability relating to the restoration or rehabilitation of land, water or any other part of the environment (except for those derived from normal mining and exploration activities) or non-compliance with Environmental Laws which could reasonably be expected to have a Material Adverse Effect on the Corporation or the Subsidiary;

(tt) there has not been and there is not currently any labour disruption, grievance, arbitration proceeding or other conflict which could reasonably be expected to have a Material Adverse Effect on the Corporation's or the Subsidiary's business, taken as a whole, and the Corporation and the Subsidiary are in compliance with all provisions of all federal, provincial, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours, except where non-compliance with any such provisions would not have a Material Adverse Effect on the Corporation or the Subsidiary;

(uu) no union has been accredited or otherwise designated to represent any employees of the Corporation or the Subsidiary and, to the knowledge of the Corporation, no accreditation request or other representation question is pending with respect to the employees of the Corporation or the Subsidiary and no collective agreement or collective bargaining agreement or modification thereof has expired or is in effect in any of the Corporation's facilities and none is currently being negotiated by the Corporation or the Subsidiary;

(vv) the Prospectus discloses, to the extent required by applicable Canadian Securities Laws, each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to, or required to be contributed to, by the Corporation for the benefit of any current or former director, officer, employee or consultant of

the Corporation (the "**Employee Plans**"), each of which has been maintained in all material respects with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans;

(ww) to the knowledge of the Corporation, no changes in management of the Corporation are currently anticipated within the period that is six months following the date hereof;

(xx) the Corporation maintains a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorization; and (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with Canadian generally accepted accounting principles and to maintain accountability for assets;

(yy) upon satisfaction of the Standard Listing Conditions, the Unit Shares, the Warrants, and the Warrant Shares will, on the Closing Date, be qualified investments under the *Income Tax Act* (Canada) for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plans, provided that in the case of the Warrants, the Corporation deals at arm's length with each person who is an annuitant, a beneficiary, an employer or subscriber under such plan;

(zz) the Corporation has not withheld and will not withhold from the Agents prior to the Closing Time, any material facts relating to the Corporation or to the Offering;

(aaa) neither the Corporation nor, to the Corporation's knowledge, any of the Corporation's officers, directors or affiliates thereof has taken, nor at the Closing Date will have taken, directly or indirectly, any action which has constituted, or might reasonably be expected to constitute, the stabilization or manipulation of the price of sale or resale of the Common Shares;

(bbb) the Corporation has not completed any "significant acquisition", "significant disposition" nor is it proposing any "probable acquisitions" (as such terms are defined in National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators) that would require the inclusion of any additional financial statements or pro forma financial statements in the Prospectus pursuant to Canadian Securities Laws that are not otherwise incorporated by reference into the prospectus;

(ccc) the Corporation is eligible to file a short form prospectus in each of the Qualifying Provinces pursuant to applicable Canadian Securities Laws and on the date of and upon filing of the Final Prospectus there will be no documents required to be filed under the Canadian Securities Laws in connection with the offering of the Offered Units that will not have been filed as required, except as required to fulfill the Standard Listing Conditions;

(ddd) to the knowledge of the Corporation, none of the Corporation, its officers or directors is aware of any circumstances presently existing under which liability is or could reasonably be expected to be incurred under Part XXIII - Civil Liability of the *Securities Act* (Ontario); and

(eee) other than the Agents and any Selling Firms, there is no person acting or purporting to act at the request or on behalf of the Corporation that is entitled to any brokerage or finder's fee in connection with the transactions contemplated by this Agreement.

9. **Closing Deliveries**

The purchase and sale of the Offered Units (including, for greater certainty, any Over-Allotment Units issuable pursuant to the Over-Allotment Option, if exercised) shall be completed at the Closing Time at the offices of Blake, Cassels & Graydon LLP, Toronto, Ontario, or at such other place as the Lead Agent and the Corporation may agree. At or prior to the Closing Time, the Corporation shall duly and validly deliver to the Agents one or more global certificate(s) in definitive form representing the Common Shares and the Warrants comprising the Units or securities representing the Over-Allotment Units, as applicable, registered in the name of "CDS & Co." or in such other name or names as the Agents may notify the Corporation in writing not less than 48 hours prior to the Closing Time, provided that any Common Shares and Warrants comprising the Offered Units sold in the United States pursuant to Schedule "A" shall be individually certificated and shall not be included in any global certificate against payment by the Agents to the Corporation, at the direction of the Corporation, in lawful money of Canada by wire transfer or, if permitted by applicable law, by certified cheque or bank draft, payable at par in the City of Toronto, of an amount equal to the aggregate purchase price for the Units or Over-Allotment Units, as applicable, being issued and sold hereunder less the Commission and all of the estimated out-of-pocket expenses of the Agents payable by the Corporation to the Agents in accordance with section 18 hereof.

10. **Conditions of Closing**

The following are conditions precedent to the obligations of the Agents to complete the Closing and of the Purchasers to purchase the Offered Units at the Closing Time, which conditions the Corporation covenants and agrees to use its best efforts to fulfill within the time set out herein therefor, and which conditions may be waived in writing in whole or in part by the Agents:

(a) the Corporation shall cause its counsel, Blake, Cassels & Graydon LLP, or local counsel in the Qualifying Provinces other than British Columbia, Alberta, Ontario and Québec, to deliver to the Agents a legal opinion dated and delivered the Closing Date, in form and substance satisfactory to the Agents, acting reasonably, with respect to the following matters, as applicable, and may rely, to the extent appropriate in the circumstances, as to matters of fact on certificates of the officers of the Corporation and correspondence between public and stock exchange officers:

(i) the Corporation is a "reporting issuer", or its equivalent, in each of the Qualifying Provinces and it is not listed as in default of any requirement of the Securities Laws in any of the Qualifying Provinces;

(ii) the Corporation is a corporation existing under the laws of Canada and has all requisite corporate power to carry on its business as now conducted and to own, lease and operate its property and assets;

(iii) the authorized capital of the Corporation consists of an unlimited number of Common Shares and the number of Common Shares issued and outstanding as of the date of the Final Prospectus;

(iv) the Corporation has all necessary corporate power and capacity: (i) to execute and deliver this Agreement, the Warrant Indenture and the Broker Warrant Certificates and to perform its obligations hereunder and thereunder; (ii) to create, issue and sell the Unit Shares and Warrants and to issue the Broker Warrants; (iii) to issue the Warrant Shares issuable upon exercise of the Warrants in accordance with their terms; (iv) to issue the Broker Units issuable upon exercise of the Broker Warrants in accordance with their terms; and (v) to issue the Broker Warrant Shares issuable upon exercise of the Underlying Broker Warrants in accordance with their terms;

(v) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of each of the Preliminary Prospectus, the Final Prospectus, the U.S. Private Placement Memorandum and any Supplementary Material and the filing thereof (other than in the case of the U.S. Private Placement Memorandum) with the Canadian Securities Regulators;

(vi) upon the payment therefor, the Unit Shares will have been validly issued as fully paid and non-assessable Common Shares;

(vii) the Warrants have been validly created;

(viii) the Warrant Shares issuable upon the exercise of the Warrants have been reserved for issuance by the Corporation and, upon the payment of the exercise price therefore, will be validly issued as fully paid and non-assessable Common Shares;

(ix) the Broker Warrants have been validly created;

(x) the Broker Shares issuable upon the exercise of the Broker Warrants have been authorized and allotted for issuance and, upon the exercise of the Broker Warrants in accordance with the provisions thereof, such Broker Shares will be validly issued as fully paid and non-assessable Common Shares;

(xi) the Underlying Corporation Warrants have been validly created;

(xii) the Broker Warrant Shares issuable upon the exercise of the Underlying Broker Warrants have been authorized and allotted for issuance and, upon the exercise of the Underlying Broker Warrants in accordance with the provisions thereof, such Underlying Broker Warrant Shares will be validly issued as fully paid and non-assessable Common Shares;

(xiii) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of this Agreement, the Warrant Indenture and the Broker Warrant Certificates and the performance of its obligations hereunder and thereunder and this Agreement, the Warrant Indenture and the Broker Warrant Certificates have been executed and delivered by the Corporation and constitute legal, valid and binding obligations of the Corporation enforceable against it in accordance with their terms, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally and subject to such other standard assumptions and qualifications including the qualifications that equitable remedies may be granted in the discretion of a court of competent jurisdiction and that enforcement of rights to indemnity, contribution and waiver of contribution may be limited by applicable law;

(xiv) the rights, privileges, restrictions and conditions attaching to the Offered Units are consistent in all material respects with the descriptions thereof in the Final Prospectus;

(xv) all necessary documents have been filed, all requisite proceedings have been taken and all approvals, permits and consents of the appropriate regulatory authority in each of the Qualifying Provinces to qualify the distribution or distribution to the public of the Unit Shares and Warrants and the grant, issuance and delivery of the Broker Warrants to the Agents in each of the Qualifying Provinces through persons who are registered under the Canadian Securities Laws and who have complied with the relevant provisions of the Canadian Securities Laws;

(xvi) the issue by the Corporation of the Warrant Shares to be issued upon exercise of the Warrants is exempt from, or is not subject to, the prospectus and registration requirements of the Securities Laws of each of the Qualifying Provinces and no prospectus or other documents are required to be filed, proceedings taken, or approvals, permits, consents or authorizations obtained under Securities Laws in any of the Qualifying Provinces in respect of such distribution;

(xvii) the issue by the Corporation of the Broker Units to be issued upon exercise of the Broker Warrants and the Broker Warrant Shares upon exercise of the Underlying Broker Warrants is exempt from, or is not subject to, the prospectus and registration requirements of the Securities Laws of each of the Qualifying Provinces and no prospectus or other documents are required to be filed, proceedings taken, or approvals, permits, consents or authorizations obtained under Securities Laws in any of the Qualifying Provinces in respect of such distribution;

(xviii) subject only to the Standard Listing Conditions, the Unit Shares, the Warrant Shares, the Broker Shares and the Underlying Broker Shares have been conditionally approved for listing on the TSXV or the TSX, as the case may be;

(xix) the form and terms of the definitive certificates representing the Common Shares have been approved by the board of directors of the Corporation and comply in all material respects with the *Canada Business Corporations Act* and the rules of the TSXV or the TSX, as the case may be;

(xx) the execution and delivery of this Agreement, the Warrant Indenture and the Broker Warrant Certificates, the fulfillment of the terms hereof and thereof by the Corporation and the issuance, sale and delivery of the Unit Shares and Warrants at the Closing Time, the issuance of the Broker Warrants at the Closing Time, the issuance of the Warrant Shares upon exercise of the Warrants, the issuance of the Broker Units upon exercise of the Broker Warrants and the issuance of the Broker Warrant Shares upon exercise of the Underlying Broker Warrants, respectively, do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of, and do not and will not conflict with: (i) the provisions of any law, statute, rule or regulation to which the Corporation is subject; (ii) the constating documents of the Corporation; (iii) any resolutions of the shareholders or directors of the Corporation; or (iv) any judgment, order or decree of any court, governmental agency or body or regulatory authority having jurisdiction over the Corporation in Canada;

(xxi) CIBC Mellon Trust Company has been duly appointed as the transfer agent and registrar for the Common Shares and has been duly appointed as the Warrant Agent for the Warrants under the Warrant Indenture;

(xxii) the statements in the Prospectus under the heading "Eligibility for Investment" are a fair and accurate summary of the qualified investment and foreign property status of the Common Shares and

Warrants comprising the Offered Units, subject to the limitations and qualifications stated or referred to in the Prospectus;

(xxiii) the statement set forth in the Final Prospectus under caption "Canadian Federal Income Tax Consideration", insofar as they purport to describe the provisions of the laws referred to therein, are fair summaries of matters discussed therein; and

(xxiv) any such other opinions as may be requested by the Agents, acting reasonably.

(b) the Agents shall have received at the Closing Time a legal opinion, in form and substance satisfactory to the Agents, acting reasonably, regarding compliance with the laws of Québec relating to the use of the French language in connection with the documents (including the Prospectus and the certificates representing the Offered Units) to be delivered to the purchasers in Québec;

(c) the Agents shall have received at the Closing Time a letter dated the Closing Date from the Corporation's Auditors addressed to the Agents, and the directors of the Corporation, in form and substance satisfactory to the Agents, acting reasonably, confirming the continued accuracy of the comfort letter to be delivered to the Corporation's pursuant to clause 5(a)(vi) with such changes as may be necessary to bring the information in such letter forward to within two Business Days of the Closing Date, which changes shall be acceptable to the Agents;

(d) if any Offered Units are offered by any U.S. Affiliate or sold by the Corporation in the United States or to, or for the account or benefit of, U.S. Persons, the Corporation shall cause a favourable legal opinion to be delivered by its special United States counsel, Skadden, Arps, Slate, Meagher & Flom LLP, to the Agents, such opinion to be subject to such qualifications and assumptions as the Agents may agree, acting reasonably, to the effect that no registration of the Common Shares and Warrants comprising the Offered Units or the Warrant Shares will be required under the U.S. Securities Act in connection with the offering of the Offered Units for sale in the United States and to, or for the account or benefit of, U.S. Persons, provided that the sale of the Offered Units in the United States and to, or for the account or benefit of, U.S. Persons is made in accordance with Schedule "A" hereto, it being understood that such counsel need not express its opinion with respect to any subsequent re-offers or resales of the Common Shares and Warrants comprising the Offered Units, the exercise of the Warrants or the subsequent re-offer or resale of the Warrant Shares, and such counsel may rely, to the extent appropriate in the circumstances, as to matters of fact on certificates of officers of the Corporation and others;

(e) the Agents shall have received favourable legal opinions addressed to the Agents, in form and substance satisfactory to the Agents, acting reasonably, dated as of the Closing Date, from counsel to the Subsidiary, which counsel in turn may rely,

as to matters of fact, on certificates of auditors, public officials and officers of the Subsidiary, as appropriate, with respect to the following matters:

(i) the Subsidiary is a corporation existing under the laws of the jurisdiction in which it was incorporated, amalgamated or continued, as the case may be, and has all requisite corporate power to carryon its business as now conducted and to own, lease and operate its property and assets; and

(ii) all of the issued and outstanding shares of the Subsidiary are registered, directly or indirectly, in the name of the Corporation;

(f) the Agents shall have received a favourable legal opinion addressed to the Agents, in form and substance satisfactory to the Agents and their counsel, acting reasonably, dated as of the Closing Date, with respect to title and other Property Rights in respect of the Caribou and Restigouche Properties;

(g) the Agents shall have received a certificate, dated as of the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Corporation, or such other officer(s) of the Corporation as the Lead Agent may agree, certifying for and on behalf of the Corporation, to the best of the knowledge, information and belief of the persons so signing, without personal liability, with respect to:

(i) the articles and by-laws of the Corporation;

(ii) the resolutions of the Corporation's board of directors relevant to the issue and sale of the Offered Units to be issued and sold by the Corporation and the authorization of the other agreements and transactions contemplated herein; and

(iii) the incumbency and signatures of signing officers of the Corporation;

(h) the Agents shall have received a certificate, dated as of the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Corporation, or such other officers of the Corporation as the Lead Agent may agree, certifying for and on behalf of the Corporation, to the best of the knowledge, information and belief of the persons so signing, after having made due enquiry and after having carefully examined the Final Prospectus and any Supplementary Material, without personal liability, that:

(i) the Corporation has complied with all the covenants and satisfied all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Time;

(ii) the representations and warranties of the Corporation contained herein are true and correct as at the Closing Time, with the same force and effect as if made on and as at the Closing Time after giving effect to the transactions contemplated hereby;

(iii) decision documents have been issued by the Securities Regulators in the Qualifying Provinces for the Final Prospectus and no order, ruling or determination having the effect of ceasing the trading or suspending the sale of the Common Shares or any other securities of the Corporation has been issued by any regulatory authority and is continuing in effect and no proceedings for such purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened under any Canadian Securities Laws or by any regulatory authority;

(iv) since the respective dates as of which information is given in the Final Prospectus (i) there has been no material change (actual, anticipated, contemplated or threatened, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Corporation and the Subsidiary on a consolidated basis; and (ii) no transaction has been entered into by any of the Corporation or the Subsidiary which is material to the Corporation on a consolidated basis, other than as disclosed in the Final Prospectus or the Supplementary Material, as the case may be; and

(v) there has been no change in any material fact (which includes the disclosure of any previously undisclosed material fact) contained in the Final Prospectus which fact or change is, or may be, of such a nature as to render any statement in the Final Prospectus misleading or untrue in any material respect or which would result in a misrepresentation in the Final Prospectus or which would result in the Final Prospectus not complying with Canadian Securities Laws;

(i) the Agents shall have received copies of correspondence indicating that the Corporation has obtained all necessary approvals for the Unit Shares, the Warrant Shares, the Broker Shares and the Underlying Broker Shares to be conditionally listed on the TSXV or the TSX, as the case may be, subject only to the Standard Listing Conditions;

(j) the Agents shall have completed and be satisfied, in their sole discretion, with the results of their due diligence investigations regarding the Corporation, its business, operations and financial condition and market conditions at the Closing Time;

(k) the Agents shall have received the undertakings requested by the Agents pursuant to subsection 7(k) hereof, other than with respect of shareholders owning, directly or indirectly, 10% or more of the outstanding shares of the Corporation for which the Corporation's obligations shall be to use best efforts to obtain;

(l) the Agents shall have received duly executed copies of the Warrant Indenture in form and substance satisfactory to the Agents, acting reasonably;

(m) the Agents shall have received duly executed copies of the Broker Warrant Certificates in form and substance satisfactory to the Agents, acting reasonably;

(n) the Agents shall have received a certificate from CIBC Mellon Trust Company as to the number of Common Shares issued and outstanding as at the date immediately prior to the Closing Date; and

(o) the Agents shall have received a certificate of status or the equivalent in respect of the Corporation and the Subsidiary issued by the appropriate regulatory authority in each jurisdiction in which the Corporation and the Subsidiary are formed.

11. Restrictions on Further Issues or Sales

During the period commencing on the date hereof and ending on the day which is 120 days following the Closing Date, the Corporation shall not sell or issue, or negotiate or enter into any agreement to sell or issue, without the consent of the Lead Agent, such consent not to be unreasonably withheld, any equity securities of the Corporation except under the Corporation's equity compensation plan or in conjunction with the exchange, transfer, conversion commitments to issue securities or for acquisition purposes.

12. All Terms to be Conditions

The Corporation agrees that the conditions contained in section 10 will be complied with insofar as the same relate to acts to be performed or caused to be performed by the Corporation and that it will use its best efforts to cause all such conditions to be complied with. Any breach or failure to comply with any of the conditions set out in section 10 shall entitle the Agents to terminate their obligation under this Agreement, by written notice to that effect given to the Corporation at or prior to the Closing Time. It is understood that the Agents may waive, in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to the rights of the Agents in respect of any such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agents any such waiver or extension must be in writing.

13. Termination Events

Each of the Agents shall be entitled, at its sole option, to terminate and cancel, without any liability on the part of such Agents, all of its obligation under this Agreement and the obligations of any Purchaser in relation to the Offering, by written notice to that effect given to the Corporation at or prior to the Closing Time, if:

(a) there is, in the sole opinion of such Agent, acting reasonably, a material change or change in a material fact or new material fact or an undisclosed material fact or material change which might be expected to have a material adverse effect on the condition (financial or otherwise), property, assets, operations, business, affairs, profitability or prospects of the Corporation on a consolidated basis or on the market price or value of the Common Shares of the Corporation;

(b) (i) any inquiry, action, suit, proceeding or investigation (whether formal or informal) in relation to the Corporation or any of the directors, officers or principal shareholders of the Corporation (including matters of regulatory transgression or unlawful conduct), is commenced, announced or threatened or any order made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the TSXV or any securities regulatory authority, or any law or regulation is enacted or changed which in the opinion of the Agents, acting reasonably, operates to prevent or restrict the distribution of the Offered Units or any other securities of the Corporation or materially and adversely affects or will materially and adversely affect the market price or value of the Offered Units or any other securities of the Corporation; or (ii) if there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence (including terrorism) or any new law or regulation or a change thereof which in the reasonable opinion of the Agents seriously adversely affects, or involves, or will, or could reasonably be expected to, seriously adversely affect, or involve, the financial markets or the business, operations or affairs of the Corporation and its subsidiary taken as a whole;

(c) the state of the financial markets is such that, in the sole opinion of such Agent, acting reasonably, it would be unprofitable to offer or continue to offer for sale the Offered Units;

(d) any order to cease or suspend trading in any securities of the Corporation is made, threatened or announced by any securities regulatory authority; or

(e) the Corporation is in breach of any material term, condition, covenant or agreement contained in this Agreement or any representation or warranty given by the Corporation in this Agreement is or becomes untrue, false or misleading.

14. **Exercise of Termination Right**

If this Agreement is terminated by either of the Agents pursuant to section 13, there shall be no further liability on the part of such Agent or of the Corporation to such Agent, except in respect of any liability which may have arisen or may thereafter arise under sections 17 and 18. The right of the Agents or anyone of them to terminate their respective obligation under this Agreement is in addition to such other remedies as they may have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement. A notice of termination given by one Agent under section 13 shall not be binding upon the other Agents.

15. **Over-Allotment Option**

(a) The Corporation hereby grants to the Agents, for the purpose of covering over-allotments, if any, or for market stabilization purposes, the Over-Allotment Option to purchase the Over-Allotment Shares and/or the Over-Allotment Warrants. The Over-Allotment Option is exercisable in whole or in part at any

time or times on or before 5:00 p.m. (Toronto time) on the 30th day following the Closing Date at a price per Over-Allotment Share equal to $0.51 and/or at a price per Over-Allotment Warrant equal to $0.10, as the case may be. For greater certainty, the Agents shall be paid the Commission and shall be granted Broker Warrants in respect of the issue and sale of any Over-Allotment Shares and/or Over-Allotment Warrants purchased pursuant to the exercise of the Over-Allotment Option. The Lead Agent, on its own behalf and on behalf of the Agents, may exercise the Over-Allotment Option in whole or in part during the currency thereof by delivering written notice to the Corporation (the "**Over-Allotment Notice**") specifying the number of Over-Allotment Shares and/or Over-Allotment Warrants which the Agents wish to purchase. If the Agents exercise the Over-Allotment Option, the Agents shall, on the Closing Date, which shall be a date that is not less than two Business Days and not more than five Business Days after the date of the Over-Allotment Notice (unless otherwise agreed by the Parties), pay to the Corporation the aggregate purchase price for the Over-Allotment Shares and the Over-Allotment Warrants so purchased by wire transfer, certified cheque or bank draft in Canadian currency payable at par in Toronto, Ontario against delivery of one or more certificates in definitive form representing the Over-Allotment Shares and Over-Allotment Warrants, as the case may be, registered as the Agents direct. The applicable terms, conditions and provisions of this Agreement (including, without limitation, the provisions of section 9 relating to Closing deliveries) shall apply mutatis mutandis to the Closing of the issuance of any Over-Allotment Units and to the closing of the issuance of the Over-Allotment Units, if any, pursuant to the exercise of the Over-Allotment Option.

(b) In the event that the Corporation shall subdivide, consolidate, reclassify or otherwise change its Common Shares during the period in which the Over-Allotment Option is exercisable, appropriate adjustments will be made to the price and to the number of the Over-Allotment Shares or the Over-Allotment Warrants, as the case may be, issuable on exercise thereof such that the Agents are entitled to arrange for the sale of the same number and type of securities that the Agents would have otherwise arranged for had they exercised such Over-Allotment Option immediately prior to such subdivision, consolidation, reclassification or change.

16. **Survival of Representations and Warranties**

All terms, warranties, representations, covenants and agreements herein contained or contained in any documents delivered pursuant to this Agreement and in connection with the transactions herein contemplated shall survive the purchase and sale of the Offered Units and will continue in full force and effect for the benefit of the Agents, the Purchasers and/or the Corporation, as the case may be, in accordance with applicable law, regardless of any subsequent disposition of the Offered Units or any investigation by or on behalf of the Agents with respect thereto for a period ending on the later of: (i) the date that is two years following the latest Closing Date in respect of the sale of Offered Units, and (ii) the latest date under applicable Securities Laws (non-residents of Canada being deemed to be resident in the Province of Ontario for such purposes) that an

action may be commenced or a right of rescission may be exercised with respect to a misrepresentation contained in the Final Prospectus or, if applicable, any Supplementary Material. The Agents will be entitled to rely on the representations and warranties of the Corporation contained in this Agreement or delivered pursuant to this Agreement notwithstanding any investigation which the Agents may undertake or which may be undertaken on the Agents' behalf.

17. **Indemnity and Contribution**

(a) The Corporation hereby agrees to indemnify and hold the Agents and their respective affiliates (referred to in this Section 17 collectively, as the "**Agents**") and the directors, officers, employees and shareholders of the Agents (hereinafter referred to as the "**Personnel**") harmless from and against any and all expenses, losses (other than loss of profits), claims, actions, damages or liabilities, whether joint or several (including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings or claims), and the reasonable fees and expenses of its counsel that may be incurred in advising with respect to and/or defending any claim that may be made against the Agents, to which the Agents and/or its Personnel may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such expenses, losses, claims, damages, liabilities or actions arise out of or are based, directly or indirectly, upon the performance of professional services rendered to the Corporation by the Agents and their Personnel hereunder or otherwise in connection with the matters referred to in this Agreement provided, however, that this indemnity shall not apply to the extent that:

(i) the Agents or their Personnel have been grossly negligent or dishonest or have engaged in any willful misconduct or have committed any fraudulent act in the course of the performance; and

(ii) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were caused by the negligence, willful misconduct, dishonesty or fraud referred to in (i).

(b) The Corporation shall indemnify and hold the Agents harmless from all costs, claims and damages whatsoever incurred or suffered by the Agents from Octagon Capital Corporation's and/or TD Securities Inc.'s right of first refusal in their favour as such may apply as a result of execution of this Agreement and the consummation of the Offering.

(c) If for any reason (other than the occurrence of any of the events itemized in (i), (ii) and (iii) above), the foregoing indemnification is unavailable to the Agents or the Personnel or insufficient to hold them harmless, then the Corporation shall contribute to the amount paid or payable by the Agents as a result of such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Corporation on the one hand and the Agents on the other hand but also the relative fault of the Corporation and

the Agents, as well as any relevant equitable considerations; provided that the Corporation shall, in any event, contribute to the amount paid or payable by the Agents as a result of such expense, loss, claim, damage or liability, any excess of such amount over the amount of the fees received by the Agents pursuant to this Agreement. Any party entitled to contribution will, promptly after receiving notice of commencement of any claim, action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this section, notify such party or parties from whom contribution may be sought. In no case shall such party from whom contribution may be sought be liable under this Agreement unless such notice shall have been provided, but the omission to so notify such party shall not relieve the party from whom contribution may be sought from any other obligation it may have otherwise than under this section except and only to the extent that the failure to notify such party materially prejudices its ability to defend against such claim. The rights to contribution provided in this section 18 shall be in addition to and not in derogation of any other right to contribution which the Agents may have by statute or otherwise at law.

(d) The Corporation agrees that in case any legal proceeding shall be brought against the Corporation and/or the Agents or any Personnel by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, shall investigate the Corporation and/or the Agents and any Personnel of the Agents shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Corporation by the Agents, the Agents shall have the right to employ their own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Agents for time spent by its Personnel in connection therewith) and out-of-pocket expenses incurred by its Personnel in connection therewith shall be paid by the Corporation as they occur.

(e) Promptly after receipt of notice of the commencement of any legal proceeding against the Agents or any of their Personnel or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Corporation, the Agents will notify the Corporation in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Corporation, will keep the Corporation advised of the progress thereof and will discuss with the Corporation all significant actions proposed. The omission so to notify the Corporation shall not relieve the Corporation of any liability which the Corporation may have to the Agents except only to the extent that any such delay in giving or failure to give notice as herein required materially prejudices the defence of such action, suit, proceeding, claim or investigation or results in any material increase in the liability which the Corporation would otherwise have under this Section 17 had the Agents not so delayed in giving or failed to give the notice required hereunder.

(f) The Corporation shall be entitled, at its own expense, to participate in and, to the extent it may wish to do so, assume the defence thereof, provided such defence is conducted by experienced and competent counsel. Upon the Corporation notifying the Agents in writing of its election to assume the defence and retaining counsel, the Corporation shall not be liable to the Agents for any legal expenses subsequently incurred by them in connection with such defence. If such defence is assumed by the Corporation, the Corporation throughout the course thereof will provide copies of all relevant documentation to the Agents, will keep the Agents advised of the progress thereof and will discuss with the Agents all significant actions proposed.

(g) Notwithstanding the foregoing subsection 17(f), the Agents shall have the right, at the Corporation's expense, to employ counsel of the Agents' choice, in respect of the defence of any action, suit, proceeding, claim or investigation if: (i) the employment of such counsel has been authorized by the Corporation; or (ii) the Corporation has not assumed the defence and employed counsel therefor within a reasonable time after receiving notice of such action, suit, proceeding, claim or investigation; or (iii) counsel retained by the Corporation or the Agents has advised the Agents that representation of both parties by the same counsel would be inappropriate for any reason, including without limitation because there may be legal defences available to the Agents which are different from or in addition to those available to the Corporation (in which event and to that extent, the Corporation shall not have the right to assume or direct the defence on the Agents' behalf) or that there is a conflict of interest between the Corporation and the Agents or the subject matter of the action, suit, proceeding, claim or investigation may not fall within the indemnity set forth herein (in either of which events the Corporation shall not have the right to assume or direct the defence on the Agents' behalf).

(h) No admission of liability and no settlement of any action, suit, proceeding, claim or investigation shall be made without the consent of the Agents affected. No admission of liability shall be made and the Corporation shall not be liable for any settlement of any action, suit, proceeding, claim or investigation made without its consent.

(i) With respect to any indemnified party who is not a party to this Agreement, the Agents shall obtain and hold the rights and benefits of this section in trust for and on behalf of such Indemnified Party.

18. **Expenses**

The Corporation shall pay all expenses and fees in connection with the offering of Offered Units contemplated by this Agreement, including, without limitation, all expenses of or incidental to the creation, issue, sale or distribution of the Unit Shares and Warrants and all expenses of or incidental to all other matters in connection with the transaction set out in this Agreement, including, without limitation, the fees and expenses payable in connection with the qualification of the Unit Shares and Warrants and for distribution, the fees and expenses of the Corporation's

counsel and of local counsel to the Corporation and/or the Subsidiary, the reasonable fees and expenses of the Corporation's Auditors, the Warrant Agent under the Warrant Indenture and the transfer agent for the Common Shares, all costs incurred in connection with the preparation and printing of the Offering Documents and certificates representing the Unit Shares and Warrants comprising the Offered Units and the Broker Warrants, all reasonable expenses and fees incurred by the Agents and the reasonable fees of the Agents' Canadian counsel (such legal fees to a maximum amount of $80,000, not including disbursements and applicable GST), whether or not the Offering is completed; provided however, that all individual expenses, other than the fees of legal counsel, in excess of $5,000 shall be pre-approved in writing by the Corporation.

19. **Agents' Obligations**

The Agents' obligations under this Agreement shall be several and not joint, and the Agents' respective obligations and rights and benefits hereunder shall be as to the following percentages:

Desjardins Securities Inc.	-	70%
Salman Partners Inc.	-	30%

20. **Agents' Authority**

The Corporation shall be entitled to and shall act on any notice, request, direction, consent, waiver, extension and other communication given or agreement entered into by or on behalf of the Agents by the Lead Agent who shall represent the Agents and have authority to bind the Agents hereunder except in respect of any waiver under section 12, notice of termination under section 13, settlement under section 17 or any matter referred to in section 19. In all cases, the Lead Agent shall use its best efforts to consult with the other Agents prior to taking any action contemplated herein.

21. **Notices**

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

(a) If to the Corporation, to:

Blue Note Mining Inc.
1 Place Ville Marie, Suite 2125
Montreal, Quebéc H3B 2C6

Fax: (514) 486-1317
Attention: Michael Judson, President and Chief Executive Officer

with a copy (but not as notice) to:

Blakes, Cassels & Graydon LLP
199 Bay Street, Suite 2800
Toronto, Ontario, M5L 1A9

Fax: (416) 863-2653
Attention: Frank D. Guarascio

(b) If to the Agents, to:

Desjardins Securities Inc.
145 King Street West, Suite 2750
Toronto, Ontario, M5H 1J8

Fax: (416) 861-9992
Attention: Duane Lee

Salman Partners Inc.
885 West Georgia Street, Suite 2230
Vancouver, British Columbia, V6C 3E8

Fax: (604) 865-2471
Attention: Terry Salman

with a copy (but not as notice) to:

Aird & Berlis LLP
Brookfield Place
Suite 1800, Box 754
181 Bay Street
Toronto, Ontario M5J 2T9

Fax: (416) 863-1515
Attention: Martin Kovnats

or to such other address as any of the parties may designate by notice given to the others.

Each notice shall be personally delivered to the addressee or sent by facsimile transmission or other means of electronic mail transfer to the addressee and: (i) a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and (ii) a notice which is sent by facsimile transmission shall be deemed to be given and received on the first Business Day following the day on which it is sent.

22. **Time of the Essence**

Time shall, in all respects, be of the essence hereof.

23. **Headings**

The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

24. **Singular and Plural, etc.**

Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.

25. **Entire Agreement**

This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings, including, without limitation, the Engagement Letter. This Agreement may be amended or modified in any respect by written instrument only.

26. **Severability**

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

27. **Governing Law**

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

28. **Successors and Assigns**

The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Corporation and the Agents and their respective successors and permitted assigns.

29. **Further Assurances**

Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

30. **Effective Date**

This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding its actual date of execution or delivery.

31. **Obligations of the Agents**

In performing their respective obligations under this Agreement, the Agents shall be acting severally and not jointly and severally. Nothing in this Agreement is intended to create any relationship in the nature of a partnership, or joint venture between the Agents.

32. **Counterparts**

This Agreement may be executed in any number of counterparts, by facsimile or portable document format (PDF), which taken together shall form one and the same agreement.

[REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK]

If the Corporation is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this Agreement where indicated below and delivering the same to the Agents.

Yours very truly,

DESJARDINS SECURITIES INC. **SALMAN PARTNERS INC.**

Per: (Signed) "*Duane Lee*" Per: (Signed) "*Terry Salman*"
Authorized Signing Officer Authorized Signing Officer

The foregoing is hereby accepted and agreed to by the undersigned as of the date first written above.

BLUE NOTE MINING INC.

Per: (Signed) "*Vince Portulese*"
Authorized Signing Officer

SCHEDULE A
UNITED STATES OFFERS AND SALES

As used in this Schedule "A" and related appendices, capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Agency Agreement to which this Schedule "A" is annexed and the following terms shall have the meanings indicated:

(a) "**Directed Selling Efforts**" means directed selling efforts as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Units, Common Shares, Warrants or Warrant Shares and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Units;

(b) "**Foreign Issuer**" shall have the meaning ascribed thereto in Regulation S. Without limiting the foregoing, but for greater clarity, it means any issuer which is (a) the government of any country other than the United States, of any political subdivision thereof or a national of any country other than the United States; or (b) a corporation or other organization incorporated under the laws of any country other than the United States, except an issuer meeting the following conditions: (1) more than 50 percent of the outstanding voting securities of such issuer are held of record either directly or indirectly by residents of the United States; and (2) any of the following: (i) the majority of the executive officers or directors of the issuer are United States citizens or residents, (ii) more than 50 percent of the assets of the issuer are located in the United States, or (iii) the business of the issuer is administered principally in the United States;

(c) "**General Solicitation**" and "**General Advertising**" means "general solicitation" and "general advertising", respectively, as used under Rule 502(c) under the U.S. Securities Act, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising or in any other manner involving a public offering within the meaning of Section 4(2) of the U.S. Securities Act;

(d) "**Institutional Accredited Investor**" means those institutional "accredited investors" specified in Rule 501(a)(1), (2), (3) or (7) of Regulation D;

(e) "**Regulation S**" means Regulation S adopted by the SEC under the U.S. Securities Act;

(f) "**SEC**" means the United States Securities and Exchange Commission;

(g) "**Substantial U.S. Market Interest**" means "substantial U.S. market interest" as that term is defined in Regulation S; and

(h) "**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

Representations, Warranties and Covenants of the Agents and the U.S. Affiliates

Each of the Agents and the U.S. Affiliates acknowledges that the Offered Units, and the Common Shares, Warrants and Warrant Shares comprising the Offered Units, have not been and will not be registered under the U.S. Securities Act and may be offered and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and state securities laws. Accordingly, each of the Agents and the U.S. Affiliates represents, warrants and covenants to the Corporation that:

1. It has not offered, and will not offer, any Offered Units except (a) in an offshore transaction to persons that are not U.S. Persons in accordance with Rule 903 of Regulation S or (b) in the United States or to, or for the account or benefit of, U.S. Persons as provided in paragraphs 2 through 11 below. Accordingly, neither the Agent nor its U.S. Affiliate nor any persons acting on its or their behalf has engaged or will engage in any Directed Selling Efforts in the United States with respect to the Offered Units.

2. It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Offered Units, except with its affiliates, any selling group members or with the prior written consent of the Corporation. It shall require each selling group member to agree, for the benefit of the Corporation, to comply with, and shall use its best efforts to ensure that each selling group member complies with, the provisions of this Schedule "A" applicable to such Agent as if such provisions applied to such selling group member.

3. All offers of Offered Units in the United States shall be made through a U.S. Affiliate in compliance with all applicable U.S. broker-dealer requirements.

4. In connection with offers of Offered Units in the United States and to, or for the account or benefit of, U.S. Persons no form of General Solicitation or General Advertising shall be used.

5. Any offer or solicitation of an offer to buy Offered Units that has been made or will be made in the United States or to, or for the account or benefit of, U.S. Persons was or will be made only to Institutional Accredited Investors in transactions that are exempt from registration under the U.S. Securities Act and applicable state securities laws.

6. Each offeree in the United States or that is a U.S. Person shall be provided, prior to time of purchase of any Offered Units, with a copy of the U.S. Placement Memorandum attached to a copy of the Final Prospectus and no written material other than the U.S. Placement Memorandum and the documents attached thereto will be used in connection

with the offer or sale of the Offered Units in the United States and to, or for the account or benefit of, U.S. Persons.

7. It will offer the Offered Units to, or for the account or benefit of, U.S. Persons or persons in the United States only with respect to which it has a pre-existing relationship and has reasonable grounds to believe that each such offeree is an Institutional Accredited Investor.

8. Prior to any sale of Offered Units in the United States or to, or for the account or benefit of, U.S. Persons, it shall cause each U.S. purchaser thereof to execute a Purchaser's Letter in the form attached hereto as Appendix I.

9. At least one business day prior to each Closing Date, the transfer agent will be provided with a list of all purchasers of the Offered Units in the United States or that are U.S. Persons.

10. At each Closing Date, each of the Agents and their respective U.S. Affiliates will provide a certificate, substantially in the form of Appendix II, relating to the manner of the offer and sale of the Offered Units in the United States and to, and for the account or benefit of, U.S. Persons.

Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants, covenants and agrees that:

1. The Corporation is a Foreign Issuer with no Substantial U.S. Market Interest in the Units, Common Shares, Warrants or Warrant Shares.

2. The Corporation is not, and as a result of the sale of the Offered Units contemplated hereby will not be, an “investment company” as defined in the United States Investment Company Act of 1940, as amended.

3. Except with respect to offers and sales to Institutional Accredited Investors in reliance upon an exemption from registration under the U.S. Securities Act, neither the Corporation nor any of its affiliates, nor any person acting on its or their behalf, has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Units to a person in the United States or that is a U.S. Person; or (B) any sale of Offered Units unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States and not a U.S. Person or (ii) the Corporation, its affiliates, and any person acting on its or their behalf reasonably believe that the purchaser is outside the United States and not a U.S. Person.

4. Neither it nor any of its affiliates, nor any person acting on its or their behalf, has made or will make any Directed Selling Efforts in the United States with respect to the Offered Units, or has taken or will take any action that would cause the exemption afforded by Regulation S to be unavailable for offers and sales of the Offered Units pursuant to this Agreement.

5. None of the Corporation, any of its affiliates or any person acting on its or their behalf have engaged or will engage in any form of General Solicitation or General Advertising with respect to offers or sales of the Offered Units in the United States or to, or for the account of benefit of, U.S. Persons.

6. Except with respect to offers and sales of Units outside the United States in accordance with Rule 903 under Regulation S and the offer and sale of the Offered Units offered hereby, neither the Corporation nor any person acting on behalf of the Corporation has, within six months prior to the date hereof, sold, offered for sale or solicited any offer to buy any of the Corporation's securities of the same or similar class to that of the Units, Warrants, Common Shares or Warrant Shares.

ANNEX I TO SCHEDULE "A"
FORM OF U.S. PURCHASER'S LETTER

_____, 2007

U.S. Purchaser's Letter

Desjardins Securities International Inc.
Salman Partners (USA) Inc.
c/o Desjardins Securities Inc.
145 King Street West, Suite 2750
Toronto, Ontario M5H 1J8

Re: Purchase of Units of Blue Note Mining Inc.

Ladies and Gentlemen:

In connection with its agreement to purchase units ("**Units**") of Blue Note Mining Inc. (the "**Corporation**"), the undersigned represents, warrants and covenants to you as follows:

(1) it is authorized to consummate the purchase of the Units;

(2) it understands that the Units, Warrants, the common shares underlying the Units ("**Unit Shares**") and the common shares issuable upon exercise of the Warrants ("**Warrant Shares**") have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any applicable state securities laws and that the offer and sale of the Units to institutional "accredited investors" (as such term is defined on Annex A hereto, "**Institutional Accredited Investors**") is being made in reliance on an exemption from the U.S. Securities Act;

(3) it has received a copy, for its information only, of the Canadian final short form prospectus, together with a U.S. placement memorandum, relating to the offering of the Units in the United States and to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act) and it has had access to such additional information, if any, concerning the Corporation and the Units as it has considered necessary in connection with its investment decision to acquire the Units;

(4) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Units and is able to bear the economic risks of such investment;

(5) it is an Institutional Accredited Investor or, if the Units are to be purchased for one or more accounts ("investor accounts") for which it is acting as a fiduciary or agent, each such investor account is an Institutional Accredited Investor on a like basis;

(6) it is acquiring the Units for its own account or for one or more investor accounts for which it is acting as fiduciary or agent, in each case for investment, and not with a view to any resale, distribution or other disposition of the Units in violation of United States securities laws or applicable state securities laws;

(7) it acknowledges that it has not purchased the Units as a result of any general solicitation or general advertising (as those terms are used 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, television or the Internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;

(8) it agrees that if it decides to offer, sell or otherwise transfer any of the Units, Common Shares, Warrants or Warrant Shares, such securities may be offered, sold or otherwise transferred, directly or indirectly, only, (i) to the Corporation, (ii) outside the United States in accordance with Rule 904 of Regulation S under the U.S. Securities Act and in compliance with applicable local laws and regulations or (iii) in the case of the Common Shares or Warrant Shares, in the United States (A) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in compliance with any applicable state securities laws or (B) pursuant to a transaction that does not require registration under the U.S. Securities Act or applicable state securities laws;

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

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO BLUE NOTE MINING INC. (THE "COMPANY"), (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, OR (C) WITHIN THE UNITED STATES (i) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OR (ii) PURSUANT TO A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS. DELIVERY OF THIS CERTIFICATE MAY NOT

CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. PROVIDED THAT THE COMPANY IS A “FOREIGN ISSUER” WITHIN THE MEANING OF REGULATION S AT THE TIME OF SALE, A NEW CERTIFICATE BEARING NO LEGEND MAY BE OBTAINED FROM THE REGISTRAR AND TRANSFER AGENT OF THE COMPANY UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE COMPANY’S REGISTRAR AND TRANSFER AGENT AND THE COMPANY, TO THE EFFECT THAT SUCH SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT. THE COMPANY'S REGISTRAR AND TRANSFER AGENT MAY ALSO REQUIRE AN OPINION OF COUNSEL IN CONNECTION WITH ANY OFFER, SALE OR TRANSFER OF THE SECURITIES BY THE HOLDER HEREOF. ”

and until such time as the same is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities laws, certificates representing the Warrants and all certificates issued in exchange therefor or in substitution thereof, shall bear the following legend:

“THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, OR (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT.”

provided, that if securities are being sold under paragraph 7(ii) above, and provided that the Corporation is a Foreign Issuer at the time of sale, any such legend may be removed (or in the case of the Warrants, replaced with another legend as set forth in the Warrant Indenture) by providing a declaration to CIBC Mellon Trust Company, as registrar and transfer agent, to the effect set forth in Annex B hereto (or as the Corporation may prescribe from time to time) and, if required by the registrar and transfer agent, an opinion of counsel of recognized standing reasonably satisfactory to the registrar and transfer agent, that such legend is no longer required under applicable requirements of the U.S. Securities Act; and provided further, that, if Common Shares or Warrrant Shares are being sold under paragraph (7)(iii) above, the legend may be removed by delivery to CIBC Mellon Trust Company and the Corporation of an opinion of counsel, of recognized standing reasonably satisfactory to the Corporation, to the effect that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws;

(10) it consents to the Corporation making a notation on its records or giving instructions to any transfer agent of the Units, Common Shares, Warrants or Warrant Shares in order to implement the restrictions on transfer set forth and described herein;

(11) it understands and acknowledges that the Corporation is not obligated to file and has no present intention of filing with the U.S. Securities and Exchange Commission or with any state securities administrator any registration statement in respect of resales of the Units, Common Shares, Warrants or Warrant Shares in the United States;

(12) it understands and acknowledges that the Corporation is not obligated to remain a "foreign issuer" within the meaning of Regulation S under the U.S. Securities Act;

(13) 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 issue of the Units; and

(14) it understands and acknowledges that it is making the representations and warranties and agreements contained herein with the intent that they may be relied upon by the Agents and the U.S. Affiliates in determining their eligibility to offer for sale the Units and by the Corporation in determining its eligibility to sell the Units.

By this letter the undersigned represents and warrants that the foregoing representations and warranties are 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 purchase by it of the Units and shall continue in full force and effect notwithstanding any subsequent disposition by the undersigned of Units.

You are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Registration of the certificate(s) representing the securities underlying the Units should be made as follows (if space is insufficient, attach a list):

Name: _____

Address: _____

_____

Number of
Units Purchased: _____

Total Purchase Price: _____

A certified cheque or bank draft in the amount set forth above accompanies this letter or other acceptable payment arrangements have been made.

The certificate(s) representing the securities underlying the Units should:

* ☐ be mailed by registered mail to the registered holder(s) at the address set forth in the prior paragraph; or

* ☐ be made available to be picked up at the principal office of the Corporation's Registrar and Transfer Agent in the City of Toronto, Ontario.

*Please check one box, failing which such certificate will be mailed by registered mail to the registered holder(s) as described above.

Dated: _____ _____

By: _____
Name:
Title:

ANNEX A
DEFINITION OF INSTITUTIONAL ACCREDITED INVESTOR

"Accredited Investor" means any entity which comes within any of the following categories:

(1) Any bank as defined in Section 3(a)(2) of the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any 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 dealer registered pursuant to Section 15 of the U.S. Securities Exchange Act of 1934; any insurance company as defined in Section 2(a)(13) of the U.S. Securities Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; 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 Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of US$5,000,000, or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors (as such term is defined in Rule 501(a) of Regulation D);

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

(3) Any organization described in Section 501(c)(3) of the 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; or

(4) Any 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 (being defined as a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment).

ANNEX B
FORM OF DECLARATION FOR REMOVAL OF LEGEND

TO: CIBC MELLON TRUST COMPANY
as registrar and transfer agent, and warrant agent and trustee
for the securities of
BLUE NOTE MINING INC.
c/o CIBC Mellon Trust Company
320 Bay Street P.O. Box 1
Toronto, Ontario, Canada
M5H 4A6

The undersigned (a) acknowledges that the sale of the securities of BLUE NOTE MINING INC. (the "Corporation") to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and (b) certifies that (1) the undersigned is not an affiliate (as that term is defined in Rule 405 under the U.S. Securities Act) of the Corporation, (2) the offer of such securities was not made to a person in the United States and either (A) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States, or (B) the transaction was executed in, on or through the facilities of the applicable Canadian stock exchanges designated in Regulation S or any other Designated Offshore Securities Market as defined in Regulation S under the U.S. Securities Act and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States, (3) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities, (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as such 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 under the U.S. Securities Act, is part of a plan or scheme to evade the registration provisions of the U.S. Securities Act. Terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act.

Dated: _____ _____
Name of Seller

By: _____
Name:
Title:

APPENDIX II TO SCHEDULE "A"
AGENT'S CERTIFICATE

In connection with the private placement in the United States and/or to, or for the account or benefit of, U.S. Persons of units (the "**Units**") of Blue Note Mining Inc. (the "**Corporation**") with U.S. institutional accredited investors (the "**U.S. Private Placees**") pursuant to U.S. Purchaser's Letters and pursuant to an agency agreement (the "**Agency Agreement**") dated October 26, 2007 among the Corporation and the agents named therein, the undersigned, Desjardins Securities Inc. (the "**Agent**"), and Desjardins Securities International Inc., the U.S. registered broker-dealer affiliate of the Agent (the "**U.S. Affiliate**"), hereby certify as follows:

(i) the U.S. Affiliate is a duly registered broker or dealer with the United States Securities and Exchange Commission and is a member of and is in good standing with the Financial Industry Regulatory Authority, Inc. on the date hereof;

(ii) all offers of Units in the United States were made by the Agent only through the U.S. Affiliate;

(iii) each offeree and purchaser that is in the United States or that is a U.S. Person was provided with a copy of the U.S. private placement memorandum (the "**U.S. Placement Memorandum**"), including the Canadian final short form prospectus relating to the offering of the Units, and no written material other than the U.S. Placement Memorandum and the documents attached thereto was used in connection with the offer and sale of the Units in the United States and to, and for the account or benefit of, U.S. Persons;

(iv) immediately prior to transmitting the U.S. Placement Memorandum, including the Canadian final short form prospectus relating to the offering of the Units, to such offerees, we had reasonable grounds to believe and did believe that each offeree was an institutional "accredited investor" as defined in Rule 501(a)(1),(2),(3) or (7) of Regulation D (an "**Institutional Accredited Investor**") under the U.S. Securities Act, and, on the date hereof, we continue to believe that each U.S. Private Placee purchasing Units from the Corporation is an Institutional Accredited Investor;

(v) no form of general solicitation or general advertising (as those terms are used in Regulation D under the U.S. Securities Act) was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer or sale of the Units in the United States or to, or for the account or benefit of, U.S. Persons;

(vi) the offering of the Units in the United States and to, or for the account or benefit of, U.S. Persons has been conducted by us in accordance with the terms of the Agency Agreement; and

(vii) prior to any sale of Units in the United States or to, or for the account or benefit of, U.S. Persons, we caused each U.S. Private Placee to execute a U.S. Purchaser's Letter in the form of Appendix I to Schedule "A" to the Agency Agreement.

Terms used in this certificate have the meanings given to them in the Agency Agreement unless otherwise defined herein.

Dated this _____ day of _____, 2007.

DESJARDINS SECURITIES INC.

By: _____

Name: _____

Title: _____

DESJARDINS SECURITIES INTERNATIONAL INC.

By: _____

Name: _____

Title: _____

APPENDIX II TO SCHEDULE "A"
AGENT'S CERTIFICATE

In connection with the private placement in the United States and/or to, or for the account or benefit of, U.S. Persons of units (the "**Units**") of Blue Note Mining Inc. (the "**Corporation**") with U.S. institutional accredited investors (the "**U.S. Private Placees**") pursuant to U.S. Purchaser's Letters and pursuant to an agency agreement (the "**Agency Agreement**") dated October 26, 2007 among the Corporation and the agents named therein, the undersigned, Salman Partners Inc. (the "**Agent**"), and Salman Partners (USA) Inc., the U.S. registered broker-dealer affiliate of the Agent (the "**U.S. Affiliate**"), hereby certify as follows:

(viii) the U.S. Affiliate is a duly registered broker or dealer with the United States Securities and Exchange Commission and is a member of and is in good standing with the Financial Industry Regulatory Authority, Inc. on the date hereof;

(ix) all offers of Units in the United States were made by the Agent only through the U.S. Affiliate;

(x) each offeree and purchaser that is in the United States or that is a U.S. Person was provided with a copy of the U.S. private placement memorandum (the "**U.S. Placement Memorandum**"), including the Canadian final short form prospectus relating to the offering of the Units, and no written material other than the U.S. Placement Memorandum and the documents attached thereto was used in connection with the offer and sale of the Units in the United States and to, and for the account or benefit of, U.S. Persons;

(xi) immediately prior to transmitting the U.S. Placement Memorandum, including the Canadian final short form prospectus relating to the offering of the Units, to such offerees, we had reasonable grounds to believe and did believe that each offeree was an institutional "accredited investor" as defined in Rule 501(a)(1),(2),(3) or (7) of Regulation D (an "**Institutional Accredited Investor**") under the U.S. Securities Act, and, on the date hereof, we continue to believe that each U.S. Private Placee purchasing Units from the Corporation is an Institutional Accredited Investor;

(xii) no form of general solicitation or general advertising (as those terms are used in Regulation D under the U.S. Securities Act) was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer or sale of the Units in the United States or to, or for the account or benefit of, U.S. Persons;

(xiii) the offering of the Units in the United States and to, or for the account or benefit of, U.S. Persons has been conducted by us in accordance with the terms of the Agency Agreement; and

(xiv) prior to any sale of Units in the United States or to, or for the account or benefit of, U.S. Persons, we caused each U.S. Private Placee to execute a U.S. Purchaser's Letter in the form of Appendix I to Schedule "A" to the Agency Agreement.

Terms used in this certificate have the meanings given to them in the Agency Agreement unless otherwise defined herein.

Dated this _____ day of _____, 2007.

SALMAN PARTNERS INC.

By: _____

Name: _____

Title: _____

SALMAN PARTNERS (USA) INC.

By: _____

Name: _____

Title: _____