UNDERWRITING AGREEMENT

February 13, 2013

Edgewater Exploration Ltd.
1820 – 999 West Hastings Street
Vancouver, British Columbia
V6C 2W2

Attention: George Salamis

Dear Sirs:

Cormark Securities Inc. ("**Cormark**"), Fraser Mackenzie Limited, Canaccord Genuity Corp. and Haywood Securities Inc. (collectively, the "**Underwriters**") understand that Edgewater Exploration Ltd. (the "**Corporation**") proposes to issue and sell 11,112,000 common shares of the Corporation (the "**Offered Shares**") at a price of $0.45 (the "**Issue Price**") per Offered Share (the "**Offering**").

Upon and subject to the terms and conditions set forth herein, the Underwriters severally, in respect of the percentages set forth in Section 10 of this Agreement, and not jointly, agree to purchase from the Corporation, and by its acceptance hereof, the Corporation agrees to sell to the Underwriters the Offered Shares on the Closing Date (as defined below). The Underwriters shall be entitled to appoint a soliciting dealer group consisting of other registered dealers for the purposes of arranging for substitute purchases of the Offered Shares. The Underwriters shall ensure that any investment dealer who is a member of any soliciting dealer group formed by the Underwriters pursuant to the provisions of this Agreement or with whom any Underwriter has a contractual relationship with respect to the Offering, if any, agrees with such Underwriter to comply with the covenants and obligations given by the Underwriters herein. To the extent that substituted purchasers purchase Offered Shares at the Closing Time (as defined below), the obligations of the Underwriters to do so will be reduced by the number of Offered Shares purchased from the Corporation by such substituted purchasers. Any reference in this Agreement to the "**Purchasers**" shall be taken to be a reference to the Underwriters, as the initial committed purchasers, and to the substituted purchasers, if any.

The Corporation and the Underwriters agree that all offers and sales of Offered Shares to persons within the United States shall be made in accordance with Schedule "A", which forms part of this Agreement.

In consideration of the services rendered and to be rendered by the Underwriters in connection with the sale of the Offered Shares hereunder, including the agreement of the Underwriters to hereby severally (and not jointly nor jointly and severally): (a) purchase the Offered Shares and to offer them to substituted purchasers in the Selling Jurisdictions; (b) arrange for substituted purchasers; or (c) act as placement agent for the Offered Shares in offshore jurisdictions, the Corporation agrees to pay to the Underwriters a cash commission (the "**Underwriters' Commission**") equal to 6% of the gross proceeds of the Offering. The Underwriters shall also be issued broker warrants (the "**Broker Warrants**") in the amount that is equal to 6% of the number of Offered Shares sold pursuant to the Offering. Each Broker Warrant shall entitle the holder thereof to acquire one common share (a "**Broker Share**") at a price of $0.47 at any time prior to 5:00 p.m. (Vancouver time) on the date that is 24 months following the Closing Date. The Broker Warrants shall not be assignable or transferable except to a subsidiary or to an entity of which the Underwriters are a subsidiary, provided that such transfer complies with applicable Canadian Securities Laws (as defined below). The obligation of the Corporation to pay the Underwriters' Commission and to issue the Broker Warrants shall arise at the Closing Time against payment for the Offered Shares and the Underwriters' Commission shall be fully earned by the Underwriters at that time.

DEFINITIONS

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

"**1933 Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations made thereunder;

"**1934 Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations made thereunder;

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

"**Broker Shares**" shall have the meaning attributed to such term on the face page of this Agreement;

"**Broker Warrant Certificates**" means the definitive form of certificates representing the Broker Warrants;

"**Broker Warrants**" shall have the meaning attributed to such term on the face page of this Agreement;

"**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 or Vancouver, British Columbia;

"**Closing**" means the completion of the purchase and sale of the Offered Shares by the Purchasers pursuant to the Offering;

"**Closing Date**" means February 13, 2013, or such other date as the Corporation and the Underwriters may agree;

"**Closing Time**" means 10:00 a.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as the Corporation and the Underwriters may agree;

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

"**Corcoesto Gold Project**" means the Corcoesto gold deposit in northwest Spain, held under 3 exploitation concessions owned by Mineira de Corcoesto, S.L.;

"**Corporation**" means Edgewater Exploration Ltd., a company incorporated under the laws of British Columbia;

"**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;

"**Corporation's Public Record**" means all information contained in any press release, material change report (excluding any confidential material change report), financial statements, technical report or other document of the Corporation which has been publicly filed by the Corporation or with SEDAR or the TSX-V as at the date hereof;

"**Debt Instrument**" means any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability;

"**Enchi Gold Project**" means the eight licenses in Ghana, West Africa, in which the Corporation has a 51% interest pursuant to a joint venture agreement with Kinross Gold Corporation;

"**Engagement Letter**" means the letter agreement dated as of January 21, 2013 between the Corporation and Cormark relating to the Offering;

"**Financial Statements**" means the audited consolidated financial statements of the Corporation as at and for the year ended December 31, 2011 and the unaudited consolidated financial statements as at and for the three and nine months ended September 30, 2012;

"**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;

"**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;

"**Material Agreement**" means any material Debt Instrument, indenture, contract, commitment, agreement (written or oral), instrument, lease or other document, to which the Corporation or its subsidiaries are a party;

"**Material Subsidiaries**" means Cape Coast Resources Limited and Mineira de Corcoesto, S.L.;

"**Material Properties**" means the Enchi Gold Project and the Corcoesto Gold Project;

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

"**NI 45-102**" means National Instrument 45-102 – *Resale of Securities* of the Canadian Securities Administrators;

"**Offered Share Certificates**" means the definitive form of certificates representing the Offered Shares;

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

"**Project Financing Letter Agreement**" means the letter agreement dated June 13, 2012 among the Corporation and two lenders in respect of the proposed project financing for up to $120 million for the Corcoesto Gold Project;

"**Purchasers**" shall have the meaning attributed to such term on the face page of this Agreement;

"**Regulation D**" means Regulation D as promulgated by the U.S. Securities and Exchange Commission under the 1933 Act;

"**Regulation S**" means Regulation S as promulgated by the U.S. Securities and Exchange Commission under the 1933 Act;

"**Securities Laws**" means all applicable securities laws in each of the Selling Jurisdictions and the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, notices, orders, blanket rulings and other regulatory instruments of the securities regulatory authorities in such jurisdictions;

"**Securities Regulators**" means, collectively, the securities regulators or other securities regulatory authorities in the Canadian Selling Jurisdictions;

"**Selling Jurisdictions**" means each of the provinces of Canada and such other jurisdictions inside or outside Canada as mutually agreed to by the Corporation and the Underwriters;

"**Transfer Agent**" means Computershare Trust Company of Canada or such other transfer agent and registrar as the Corporation may appoint from time to time in respect of the Common Shares;

"**TSX-V**" means the TSX Venture Exchange;

"**Underwriters' Commission**" shall have the meaning attributed to such term on the face page of this Agreement;

"**Underwriters' Expenses**" has the meaning ascribed to such term in Section 7 of this Agreement;

"**United States**" means the United States of America as defined in Rule 9.02(x) of Regulation S under the 1933 Act;

"**U.S. Person**" means a U.S. person as that term is defined in Rule 902(k) of Regulation S under the 1933 Act;

"**U.S. Purchasers**" means (a) any person in the United States, (b) any person purchasing Offered Shares on behalf of any person in the United States, (c) any person that receives or received an offer to purchase the Offered Shares while in the United States (except persons excluded from the definition of "U.S. person" pursuant to Rule 902(k)(2)(i) or (vi) of Regulation S), or (d) any person that is in the United States at the time the purchaser's buy order was made or this Agreement was executed or delivered (except persons excluded from the definition of "U.S. person" pursuant to Rule 902(k)(2)(i) or (vi) of Regulation S); and

"**U.S. Securities Laws**" means all applicable securities legislation in the United States, including without limitation, the 1933 Act, the 1934 Act and the rules and regulations promulgated thereunder, and any applicable state securities Laws.

TERMS AND CONDITIONS

1. (a) Sale on Exempt Basis. The Underwriters shall offer for sale and sell the Offered Shares in the Selling Jurisdictions on a private placement basis in compliance with all applicable Securities Laws such that the offer and sale of the Offered Shares does not obligate the Corporation to file a prospectus, a registration statement or other offering document under applicable securities legislation. All offers and sales made in the United States or to, or for the account or benefit of, a person in the United States will be made by the U.S. broker-dealer affiliates of the Underwriters for sale by the Corporation directly to U.S. Purchasers only in accordance with Schedule "A" hereto.

(b) Filings. The Corporation undertakes to file, or cause to be filed, all forms or undertakings required to be filed by the Corporation in connection with the issue and sale of the Offered Shares so that the distribution of the Offered Shares to the Purchasers may lawfully occur without the necessity of filing a prospectus, a registration statement or an offering memorandum in Canada, and the Underwriters undertake to use their commercially reasonable best efforts to cause Purchasers of Offered Shares to complete any forms required by applicable Securities Laws. All fees payable in connection with such filings shall be at the expense of the Corporation. The Underwriters will notify the Corporation with respect to the identity and jurisdiction of residence of each Purchaser as soon as practicable and with a view of leaving sufficient time to allow the Corporation to secure compliance with all relevant regulatory requirements under applicable Securities Laws relating to the Offering.

(c) No Offering Memorandum. Neither the Corporation nor any of the Underwriters shall (i) provide to prospective purchasers any document or other material that would constitute an offering memorandum or future oriented financial information within the meaning of applicable Securities Laws, including applicable U.S. Securities Laws; or (ii) engage in any form of general solicitation or general advertising in connection with the offer and sale of the Offered Shares, including causing the sale of the Offered Shares to be advertised in any newspaper, magazine, printed public media, printed media or similar medium of general and regular paid circulation, broadcast over radio, television or telecommunications, including electronic display, or conduct any seminar or meeting relating to the offer and sale of the Offered Shares whose attendees have been invited by general solicitation or advertising.

2. (a) Covenants. The Corporation hereby covenants to the Underwriters, the Purchasers and their respective permitted assigns and acknowledges that each of them is relying on such covenants in connection with the purchase of the Offered Shares, that the Corporation shall:

(i) for a period of two years after the Closing Date, use its reasonable best efforts, subject to the reasonable discretion of the board of directors of the Corporation to act in the best interest of the Corporation, remain a reporting issuer under Canadian Securities Laws in the Provinces of British Columbia and Alberta not in default of any requirement of such Securities Laws that could result in the Corporation being named on the list of reporting issuers that have been noted in default of certain requirements of such Securities Laws;

(ii) allow the Underwriters and their representatives the opportunity to conduct all due diligence which the Underwriters may reasonably require to be conducted prior to the Closing Date;

(iii) duly execute and deliver the Subscription Agreements, the Offered Share Certificates, if applicable, and the Broker Warrant Certificates at the Closing Time and shall comply

with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Corporation;

(iv) fulfil or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in Section 5 of this Agreement;

(v) ensure that the Offered Shares shall be duly and validly authorized and issued and shall have the attributes corresponding in all material respects to the description thereof set forth in this Agreement;

(vi) ensure that the Broker Warrants shall be duly and validly created and issued and shall have the attributes corresponding in all material respects to the description thereof set forth in this Agreement;

(vii) ensure that at all times prior to the expiry of the Broker Warrants, sufficient Broker Shares are allocated for issuance upon the due and proper exercise of the Broker Warrants and shall, upon issuance in accordance with the terms of the Broker Warrant Certificates, be issued as fully paid and non-assessable shares in the capital of the Corporation, and shall have the attributes corresponding in all material respects to the description thereof set forth in this Agreement and the Broker Warrant Certificates;

(viii) use its commercially reasonable best efforts, subject to the reasonable discretion of the board of directors of the Corporation to act in the best interest of the Corporation, to ensure that the Offered Shares and the Broker Shares are listed and remain listed for trading on the TSX-V or any securities exchange, market or trading or quotation facility on which the Common Shares are then listed or quoted, if and when such securities are issued;

(xii) in connection with the issuance of the Offered Shares, execute and file with the Securities Regulators all forms, notices and certificates required to be filed pursuant to the Canadian Securities Laws, in the time required by the applicable Canadian Securities Laws;

(xiii) not to, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to or announce any intention to, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any additional Common Shares or any securities convertible or exchangeable into Common Shares, other than pursuant to (i) the Offering; (ii) the grant or exercise of stock options and other similar issuances pursuant to any stock option plan or similar share compensation arrangements of the Corporation in place prior to the Closing Date; (iii) the issue of Common Shares upon the exercise of any convertible securities outstanding prior to the Closing Date; or (iv) existing commitments to issue Common Shares or securities convertible or exchangeable into Common Shares pursuant to property acquisitions, for a period of 120 days from the Closing Date, without the prior written consent of Cormark, such consent not to be unreasonably withheld;

(xiv) use its best efforts to cause each of the directors and officers of the Corporation to enter into lock-up agreements (the "**Lock-Up Agreements**") pursuant to which such directors and officers shall agree, from the Closing Date until the date that is 120 days from the Closing Date, not to directly or indirectly, offer, sell, or otherwise dispose of any Common Shares or securities convertible or exchangeable into Common Shares, whether

now owned, directly or indirectly, or under such person's control or direction, or with respect to which such person has beneficial ownership, or acquired after the date hereof, other than pursuant to (i) the exercise of stock options or other similar issuances pursuant to any stock option plan or similar share compensation arrangements of the Corporation; (ii) the exercise of any convertible securities of the Corporation; or (iii) a *bona fide* arm's length take-over bid, without the prior written consent of Cormark, such consent not to be unreasonably withheld; and

(xv) neither the Corporation nor any of its Material Subsidiaries shall take any action which would be reasonably expected to result in the delisting or suspension of its Common Shares on or from the TSX-V or on or from any securities exchange, market or trading or quotation facility on which its Common Shares are then listed or quoted and the Corporation shall comply, in all material respects, with the rules and regulations thereof.

3. (a) Representations and Warranties of the Corporation. The Corporation represents and warrants to the Underwriters and the Purchasers, and acknowledges that each of them is relying upon such representations and warranties in purchasing the Offered Shares, that:

(i) the Corporation and each of its Material Subsidiaries has been duly incorporated and is validly existing under the laws of its respective jurisdiction of existence, has all requisite corporate power and authority and is duly qualified and possess all certificates, authority, permits and licences issued by the appropriate provincial, municipal, federal regulatory agencies or bodies necessary (and has not received or is not aware of any modification or revocation to such licences, authority, certificates or permits) to carry on its business as now conducted, including in respect of the exploration and development programs being carried out on the Corcoesto Gold Project, and to own its respective properties and assets and the Corporation has all requisite corporate power and authority to carry out its obligations under this Agreement, the Subscription Agreements and the Broker Warrant Certificates;

(ii) the Corporation has no material subsidiaries other than as listed below and the Corporation or one of its Material Subsidiaries beneficially owns, directly or indirectly, the percentage indicated below of the issued and outstanding shares in the capital of the Material Subsidiaries, free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands of any kind whatsoever, all of such shares have been duly authorized and validly issued and are outstanding as fully paid and non-assessable shares and no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from the Corporation of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of any of the Material Subsidiaries or any other securities convertible into or exchangeable for any such shares:

Name	Jurisdiction of Incorporation or Continuance	Beneficial Equity/Voting Ownership
Cape Coast Resources Ltd.	Ghana	100%
Mineira de Corcoesto, S.L.	Spain	100%

(iii) at the Closing Time, all consents, approvals, permits, authorizations or filings as may be required under Canadian Securities Laws necessary for the execution and delivery of this Agreement, the Subscription Agreements and the Broker Warrant Certificates, the issuance and sale of the Offered Shares, the Broker Warrants and the Broker Shares and the consummation of the transactions contemplated hereby and thereby have been made or obtained, as applicable;

(iv) each of the execution and delivery of this Agreement, the Subscription Agreements, the Offered Share Certificates, if applicable, and the Broker Warrant Certificates, the performance by the Corporation of its obligations hereunder or thereunder, the issue and sale of the Offered Shares, the Broker Warrants and the Broker Shares, and the consummation of the transactions contemplated hereby and thereby 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), (A) any statute, rule or regulation applicable to the Corporation or its Material Subsidiaries, including Canadian Securities Laws; (B) the constating documents, by-laws or resolutions of the Corporation or its Material Subsidiaries which are in effect at the date hereof; (C) any Debt Instrument, Material Agreement, mortgage, indenture, contract, agreement, instrument, lease or other document to which the Corporation or its subsidiaries are a party or by which any one of them is bound, and do not and will not create a right for any other party to terminate, accelerate or in any way alter any other rights existing under the foregoing documents; or (D) any judgment, decree or order binding the Corporation or its subsidiaries or the property or assets of the Corporation or its subsidiaries;

(v) the audited consolidated financial statements of the Corporation as at and for the year ended December 31, 2011 and the unaudited consolidated financial statements as at and for the three and nine months ended September 30, 2012 (collectively, the "**Financial Statements**") have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") consistently applied throughout the period referred to therein and present fairly, in all material respects, the financial position (including the assets and liabilities, whether absolute, contingent or otherwise) of the Corporation and its subsidiaries (on a consolidated basis) as at such dates and results of operations of the Corporation and its subsidiaries (on a consolidated basis) for the periods then ended and there has been no change in accounting policies or practices of the Corporation and its subsidiaries since December 31, 2011;

(vi) there has been no material adverse change (actual, proposed or prospective, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Corporation or its subsidiaries since December 31, 2011 which has not been generally disclosed to the public, and the business of the Corporation and its subsidiaries has been carried on in the usual and ordinary course consistent with past practice since December 31, 2011 to the extent that such past practice is consistent with the current business direction of the Corporation and its subsidiaries;

(vii) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, customs duties 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 or required to be collected or withheld and remitted by the Corporation or its subsidiaries have been paid, collected or withheld

and remitted, as applicable, except for where the failure to pay such Taxes would not constitute an adverse material fact of the Corporation and its subsidiaries, taken as a whole, or result in an adverse material change to the Corporation and its subsidiaries, taken as a whole. All tax returns, declarations, remittances and filings required to be filed by the Corporation or its subsidiaries 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 or result in an adverse material change to the Corporation and its subsidiaries, taken as a whole. To the best knowledge of the Corporation, no examination of any tax return of the Corporation or its subsidiaries 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 its subsidiaries;

(viii) the Corporation's Auditors who audited the consolidated financial statements of the Corporation as at and for the year ended December 31, 2011 and who provided their audit report thereon are independent public accountants as required under applicable Canadian Securities Laws;

(ix) there has never been a reportable event (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) with the present or former auditors of the Corporation;

(x) no holder of outstanding securities of the Corporation is entitled to any pre-emptive or any similar rights to subscribe for any Common Shares or other securities of the Corporation and no rights, warrants or options to acquire, or instruments convertible into or exchangeable for, any securities in the capital of the Corporation, or that require the Corporation to purchase, redeem or otherwise acquire any of the issued and outstanding Common Shares are outstanding other than: (i) 7,335,000 stock options to purchase Common Shares; and (ii) 22,117,750 Common Share purchase warrants;

(xi) there is not, in the constating documents, by-laws or in any Debt Instrument, Material Agreement, agreement, mortgage, indenture or other instrument or document to which the Corporation is a party, any restriction upon or impediment to, the declaration or payment of dividends by the directors of the Corporation or the payment of dividends by the Corporation to the holders of its Common Shares;

(xii) neither the Corporation nor any of its subsidiaries are a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Corporation or any of its subsidiaries to compete in any line of business, transfer or move any of their respective assets or operations, or which materially or adversely affects the business practices, operations or condition of the Corporation and its subsidiaries, taken as a whole;

(xiii) no legal or governmental proceedings are pending to which the Corporation or its subsidiaries are a party or to which their property is subject that would result, individually or in the aggregate, in any material adverse change in the operation, business or condition of the Corporation and its subsidiaries, taken as a whole, and no such proceedings have been threatened against or, to the best knowledge of the Corporation, are contemplated with respect to the Corporation, its subsidiaries or their properties;

(xiv) the Corporation and its subsidiaries have conducted and are conducting their business in material compliance with all applicable laws and regulations of each jurisdiction in which they carry on business (including all applicable federal, provincial, municipal and local environmental, anti-pollution and licensing laws, regulations and other lawful requirements of any governmental or regulatory body, including relevant exploration and exploitation permits and concessions) and have not received a notice of non-compliance, nor know of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or other lawful requirements which would have a Material Adverse Effect on the Corporation and its subsidiaries;

(xv) the Corporation is not aware of any pending or, to its knowledge, contemplated change to any applicable law or regulation or governmental position that would materially adversely affect the business of the Corporation and its subsidiaries or the business or legal environment under which the Corporation or its subsidiaries operate;

(xvi) this Agreement has been duly authorized, executed and delivered by the Corporation and constitutes a valid and binding obligation of the Corporation 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 principles 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;

(xvii) upon the execution and delivery thereof, the Subscription Agreements, the Offered Share Certificates, if applicable, and the Broker Warrant Certificates shall constitute valid and binding obligations 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 principles 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;

(xviii) at the Closing Time, all necessary corporate action will have been taken by the Corporation to: (a) validly authorize and issue the Offered Shares as fully paid and non-assessable shares in the capital of the Corporation; (b) validly create and issue the Broker Warrants; and (c) allot and authorize the issuance of the Broker Shares as fully paid and non-assessable shares in the capital of the Corporation upon the due exercise of the Broker Warrants in accordance with their terms;

(xix) as at February 12, 2013, the authorized capital of the Corporation consists of an unlimited number of Common Shares of which 77,682,437 Common Shares are issued and outstanding as fully paid and non-assessable;

(xx) the Corporation is a reporting issuer, or the equivalent thereof, in the Provinces of British Columbia and Alberta. The Corporation is not currently in default of any requirement of the Canadian Securities Laws of such jurisdictions and the Corporation is not included on a list of defaulting reporting issuers maintained by any of the Securities Regulators of such jurisdictions;

(xxi) the Corporation's issued and outstanding Common Shares are listed and posted for trading solely on the TSX-V and OTCQX and no order ceasing or suspending trading in any securities of the Corporation or the trading of any of the Corporation's issued securities is currently outstanding and no proceedings for such purpose are pending, threatened, or, to the best knowledge of the Corporation, contemplated;

(xxii) all information which has been prepared by the Corporation relating to the Corporation, its subsidiaries and their business, property and liabilities, either publicly disclosed or provided to the Underwriters, including all financial, marketing, sales and operational information provided to the Underwriters and the Corporation's Public Record (collectively, the "**Information**") is, as of the date of such Information, true and correct in all material respects, and no fact or facts have been omitted therefrom which would make such Information misleading;

(xxiii) all filings and fees required to be made and paid by the Corporation pursuant to Canadian Securities Laws and general corporate law have been made and paid, and such disclosure and filings were true and accurate in all material respects as at the respective dates thereof and the Corporation has not filed any confidential material change reports;

(xxiv) the Corporation and its subsidiaries are in compliance with all laws respecting employment and employment practices, terms and conditions of employment, occupational health and safety, pay equity and wages, except where such non-compliance would not constitute an adverse material fact of the Corporation and its subsidiaries, taken as a whole, or result in an adverse material change to the Corporation and its subsidiaries, taken as a whole. There is not currently any or, to the knowledge of the Corporation, any reasonably foreseeable material labour disruption or conflict involving the Corporation or its subsidiaries;

(xxv) none of the Corporation or its subsidiaries have any loans or other indebtedness outstanding which has been made to any of their respective shareholders, officers, directors or employees, past or present, or any person not dealing at "arm's length" (as such term is defined in the *Income Tax Act* (Canada)) with the Corporation or its subsidiaries;

(xxvi) the Corporation and its Material Subsidiaries maintain, and will maintain, a system of internal accounting controls sufficient to provide reasonable assurance that (a) transactions are executed in accordance with management's general or specific authorizations, (b) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain asset accountability, and (c) access to assets is permitted only in accordance with management's general or specific authorization;

(xxvii) the assets of the Corporation and its subsidiaries 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 such coverage is in full force and effect, and the Corporation or its subsidiaries have not breached the terms of any policies in respect thereof nor failed to promptly give any notice or present any material claim thereunder;

(xxviii) the Transfer Agent, at its principal offices in the City of Vancouver, British Columbia has been duly appointed as transfer agent and registrar in respect of the Common Shares;

(xxix) other than the Underwriters, there are no persons acting or purporting to act at the request or on behalf of the Corporation, that are entitled to any brokerage or finder's fee in connection with the transactions contemplated by this Agreement;

(xxx) other than the Corporation, there is no person that is or will be entitled to the proceeds of this Offering under the terms of any Debt Instrument, Material Agreement, mortgage, indenture, contract, instrument, or lease agreement (written or unwritten);

(xxxi) none of the Corporation, its subsidiaries, nor, to the knowledge of the Corporation, any of their employees or agents has made any unlawful contribution or other payment to any official of, or candidate for, any federal, state, provincial or foreign office, or failed to disclose fully any contribution, in violation of any law, or made any payment to any foreign, Spanish, Ghanaian, Canadian or provincial or state governmental officer or official, or other person charged with similar public or quasi-public duties, other than payments required or permitted by applicable laws;

(xxxii) the Corporation and its subsidiaries are in compliance in all material respects with each material license and permit held by them and they are not in violation of, or in default under, the applicable statutes, ordinances, rules, regulations, orders or decrees (including Environmental Laws, as defined below) of any governmental entities, regulatory agencies or bodies having, asserting or claiming jurisdiction over them or over any part of their operations or assets;

(xxxiii) the Corporation and its subsidiaries (i) are in material compliance with any and all applicable foreign, federal, provincial, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("**Environmental Laws**"), (ii) have received all material permits, licenses or other approvals required of any of them under applicable Environmental Laws to conduct their business as presently conducted, including in respect of the exploration and development programs being carried out on the Corcoesto Gold Project, and (iii) are in material compliance with all terms and conditions of any such permit, license or approval;

(xxxiv) there have been no past, and there are no pending or threatened claims, complaints, notices or requests for information received by the Corporation or its subsidiaries with respect to any alleged material violation of any Environmental Law and no conditions exist at, on or under any property now or previously owned, operated, leased or contracted to perform work by the Corporation or its subsidiaries which, with the passage of time, or the giving of notice or both, would give rise to liability under any Environmental Laws that, individually or in the aggregate, has or may reasonably be expected to have, a Material Adverse Effect with respect to the Corporation and its subsidiaries;

(xxxv) the Corporation is not party to any agreement, nor is the Corporation aware of any agreement, which in any manner affects the voting control of any of the securities of the Corporation or its subsidiaries;

(xxxvi) other than the Project Financing Letter Agreement, the Corporation is not party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any Debt Instrument;

(xxxvii) there is not, in the Project Financing Letter Agreement, any restriction upon or impediment to, the Corporation issuing Common Shares or any convertible securities in connection with a prospectus or private placement offering, and the Offering, or any future equity offerings of the Corporation, does not and will not constitute a breach of the conditions in the Project Financing Letter Agreement, or otherwise conflict with the Project Financing Letter Agreement;

(xxxviii) neither the Corporation, nor any of its subsidiaries, nor, to the knowledge of the Corporation, any other person is in material default in the observance or performance of any term or obligation to be performed by any one of them under any Material Agreement and no event has occurred which with notice or lapse of time or both would constitute such a default;

(xxxix) the minute books and records of the Corporation and its Material Subsidiaries since August 31, 2010 which the Corporation has made available to the Underwriters and their counsel, Cassels Brock & Blackwell LLP, in connection with their due diligence investigation of the Corporation to the date of examination thereof, are all of the minute books and material records of the Corporation and its Material Subsidiaries for such period and contain copies of all material proceedings (or certified copies thereof) of the shareholders, the board of directors and all committees of the board of directors of the Corporation and its subsidiaries for such period to the date of review of such minute books and records. There have been no other material meetings, resolutions or proceedings of the shareholders, board of directors or any committees of the board of directors of the Corporation and its Material Subsidiaries during such period not reflected in such minute books and records;

(xl) there are no actions, suits, proceedings or inquiries pending, threatened against or affecting the Corporation its subsidiaries or their respective property or assets at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality other than those that would not have a Material Adverse Effect on the business, operations or financial condition of the Corporation and its subsidiaries, taken as a whole;

(xli) there are no judgments against the Corporation or its subsidiaries, which are unsatisfied, nor are there any consent decrees or injunctions to which the Corporation are subject;

(xlii) the Corporation and its Material Subsidiaries are the absolute legal and beneficial owners of, and have good and marketable title to, all of the material property or assets thereof as described in the Information, free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, other than those described in the Information, and no other property rights are necessary for the conduct of the business of the Corporation and its Material Subsidiaries (taken as a whole) as currently conducted or contemplated to be conducted, the Corporation knows of no claim or basis for any claim that might or could adversely affect the right of the Corporation and its Material Subsidiaries to use, transfer or otherwise exploit such property rights and, except as disclosed in the Information, the Corporation and its subsidiaries have no responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect to the property rights thereof;

(xliii) other than as disclosed in the Information, the Corporation and its Material Subsidiaries hold either freehold title, mining leases, mining claims or other conventional property,

proprietary or contractual interests or rights, recognized in the jurisdiction in which a particular property is located in respect of the ore bodies and minerals located in properties in which the Corporation and its Material Subsidiaries have an interest as described in the Information under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Corporation and its Material Subsidiaries to explore the minerals relating thereto, all such property, leases or claims and all property, leases or claims in which the Corporation or its Material Subsidiaries have any interest or right have been validly located and recorded in accordance with all applicable laws and are valid and subsisting, the Corporation or its Material Subsidiaries have all necessary surface rights, access rights and other necessary rights and interest relating to the properties in which the Corporation or its Material Subsidiaries have an interest as described in the Information granting the Corporation or its Material Subsidiaries the right and ability to explore for minerals, ore and metals for development purposes as are appropriate in view of their respective rights and interests therein, with only such exceptions as do not materially interfere with the use made by the Corporation or its Material Subsidiaries of the rights or interests 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 are currently in good standing in the name of the Corporation or its Material Subsidiaries;

(xliv) any and all of the agreements and other documents and instruments pursuant to which the Corporation and its Material Subsidiaries hold their property and assets (including any interest in, or right to earn an interest in, any property) are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with the terms thereof, the Corporation and its Material Subsidiaries are not in default of any of the material provisions of any such agreements, documents or instruments nor has any such default been alleged. None of the properties (or any interest in, or right to earn an interest in, any property) of the Corporation and its Material Subsidiaries are subject to any right of first refusal or purchase or acquisition rights which are not disclosed in the Information;

(xlv) the Corporation has disclosed all material information relating to the Enchi Gold Project and the Corcoesto Gold Project in the Corporation's Public Record in compliance with Canadian Securities Laws and such disclosure is true and accurate in all material respects;

(xlvi) the Corporation has duly filed with the applicable regulatory authorities in compliance with Canadian Securities Laws all reports required by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"), and all such reports comply with the requirements of NI 43-101. The Corporation is not aware of any technical information or data materially inconsistent with such reports, and there have been no material changes to the technical information contained in such reports since the date of such reports; and

(xlvii) the operations of the Corporation are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of applicable money laundering statutes, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental authority (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental authority or any arbitrator or non-governmental

authority involving the Corporation or its Material Subsidiaries with respect to the Money Laundering Laws is pending, threatened or, to the best knowledge of the Corporation, contemplated.

(b) Representations, Warranties and Covenants of the Underwriters. Each of the Underwriters hereby represents, warrants and covenants to the Corporation and acknowledges that the Corporation is relying upon such representations and warranties, that:

(i) in respect of the offer and sale of the Offered Shares, it will comply with all applicable Securities Laws of the jurisdictions in which it offers the Offered Shares;

(ii) it and its representatives have not engaged in or authorized, and will not engage in or authorize, any form of general solicitation or general advertising in connection with or in respect of the Offered Shares in any newspaper, magazine, printed media of general and regular paid circulation or any similar medium, or broadcast over radio or television or otherwise or conducted any seminar or meeting concerning the offer or sale of the Offered Shares whose attendees have been invited by any general solicitation or general advertising;

(iii) it has not and will not solicit offers to purchase or sell the Offered Shares so as to require the filing of a prospectus or offering memorandum with respect thereto or the provision of a contractual right of action (as defined in Ontario Securities Commission Rule 14-501) under the laws of any jurisdiction;

(iv) it is a valid and subsisting corporation under the laws of the jurisdiction in which it was incorporated, continued or amalgamated;

(v) it is appropriately registered under the Canadian Securities Laws to sell the Offered Shares in the Selling Jurisdictions, holds all licenses and permits that are required for carrying on its business in the manner in which such business is being carried on, and is a member in good standing of the TSX-V; and

(vi) the Underwriters acknowledge that none of the Broker Warrants or the Broker Shares have been registered or will be registered under the 1933 Act or any applicable state securities laws of the United States and that the Broker Warrants will be issued and the Broker Shares are anticipated to be issued upon exercise of the Broker Warrants in accordance with Rule 903 of regulation S. Consequently, each of the Underwriters represents and warrants that (i) it is not a U.S. Person or acquiring any of the Broker Warrants for the account or benefit of any U.S. Person or person in the United States, (ii) it was not offered any of the Broker Warrants while in the United States, and (iii) it did not sign this Agreement while in the United States. The Underwriters acknowledge that the Broker Warrants may not be exercised in the United States or by, or for the benefit or account of, any U.S. Person or person in the United States unless the issuance of the Broker Shares if exempt from the registration requirements of the 1933 Act and any applicable state securities laws of the United States.

4. Closing Deliveries. The purchase and sale of the Offered Shares shall be completed at the Closing Time at the offices of McCullough O'Connor Irwin LLP, in Vancouver, British Columbia, or at such other place as Cormark, on behalf of the Underwriters, and the Corporation may agree upon. At or prior to the Closing Time, the Corporation shall, subject to the provisions of Section 5 of this Agreement,

as the Underwriters may direct, duly and validly effect an electronic deposit representing the Offered Shares (other than Offered Shares sold to U.S. Purchasers) and/or deliver to the Underwriters the Offered Share Certificates in the names of the Purchasers (or as indicated on their respective Subscription Agreements) in the City of Toronto, and deliver to the Underwriters the Broker Warrant Certificates in the City of Toronto, against payment at the direction of the Corporation of the subscription price for the Offered Shares, in lawful money of Canada.

5. Closing Conditions. Each Purchaser's obligation to purchase the Offered Shares at the Closing Time shall be conditional upon the fulfilment at or before the Closing Time of the following conditions:

(a) the Underwriters 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 Underwriters may agree, addressed to the Underwriters and their counsel, certifying for and on behalf of the Corporation, and not in their personal capacities, after having made due inquiries, that:

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

(ii) the Corporation has duly complied with all the terms, covenants and conditions of this Agreement on its part to be complied with up to the Closing Time; and

(iii) the representations and warranties of the Corporation contained in this Agreement are true and correct as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement;

(b) the Underwriters shall have received at the Closing Time certificates dated as of the Closing Date, signed by appropriate officers of the Corporation addressed to the Underwriters and their counsel, with respect to the constating documents of the Corporation, all resolutions of the Corporation's board of directors relating to this Agreement and the transactions contemplated hereby and thereby, the incumbency and specimen signatures of signing officers and such other matters as the Underwriters may reasonably request;

(c) the Underwriters shall have received at the Closing Time, evidence that all requisite approvals, consents and acceptances of the appropriate regulatory authorities and the TSX-V required to be made or obtained by the Corporation in order to complete the Offering have been made or obtained;

(d) the Agreement, the Subscription Agreements, the Offered Share Certificates, if applicable, and the Broker Warrant Certificates shall have been executed and delivered by the parties thereto in form and substance satisfactory to the Underwriters and their counsel, acting reasonably;

(e) the Offered Shares and the Broker Shares shall have been conditionally approved for listing and posting on the TSX-V;

(f) the Underwriters shall have received a favourable legal opinion addressed to the Underwriters, the Purchasers and the Underwriters' counsel in form and substance satisfactory to the Underwriters and its counsel, acting reasonably, dated as of the Closing Date, from McCullough

O'Connor Irwin LLP, counsel for the Corporation (it being understood that such counsel may rely to the extent appropriate in the circumstances (i) as to matters of fact, on certificates of the Corporation executed on its behalf by a senior officer of the Corporation, and on certificates of the Transfer Agent as to the issued capital of the Corporation, and (ii) as to matters of fact not independently established, on certificates of the Corporation's Auditors or a public official) with respect to the following matters:

(i) as to the incorporation and subsistence of the Corporation under the laws of the Province of British Columbia and as to the corporate power of the Corporation to carry out its obligations under this Agreement, the Subscription Agreements, the Offered Share Certificates and the Broker Warrant Certificates, and to issue the Offered Shares, the Broker Warrants and the Broker Shares;

(ii) as to the authorized and issued capital of the Corporation;

(iii) that the Corporation has all requisite corporate power and authority under the laws of its jurisdiction of incorporation to carry on its business as presently carried on, and to own its properties and assets;

(iv) that none of the execution and delivery of this Agreement, the Subscription Agreements, the Offered Share Certificates, if applicable, and the Broker Warrant Certificates, the performance by the Corporation of its obligations hereunder and thereunder, or the sale or issuance of the Offered Shares, the Broker Warrants and the Broker Shares will conflict with or result in any breach of the constating documents of the Corporation;

(v) that each of this Agreement, the Subscription Agreements, the Offered Share Certificates, if applicable, and the Broker Warrant Certificates have been duly authorized and executed and delivered by the Corporation, and constitute a valid and legally binding obligation of the Corporation enforceable against it in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, liquidation, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and the qualification that the enforceability of rights of indemnity and contribution may be limited by applicable law;

(vi) that the Offered Shares have been duly and validly authorized and issued as fully paid and non-assessable shares in the capital of the Corporation;

(vii) that the Broker Warrants have been duly and validly created and issued;

(viii) that the Broker Shares have been authorized and allotted for issuance and upon the due exercise of the Broker Warrants in accordance with the terms thereof, will be duly and validly issued as fully paid and non-assessable shares in the capital of the Corporation;

(ix) that the issuance and sale by the Corporation of the Offered Shares to the Purchasers and the issuance of the Broker Warrants to the Underwriters, if applicable, are exempt from the prospectus and registration requirements of applicable Securities Laws in the Province of British Columbia and no documents are required to be filed (other than specified forms accompanied by requisite filing fees), proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws to permit such issuance and sale;

(x) if applicable, the issuance of the Broker Shares upon the due exercise of the Broker Warrants will be exempt from the prospectus and registration requirements of applicable Securities Laws in the Province of British Columbia and no documents are required to be filed, proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws to permit such issuance;

(xi) that no other documents will be required to be filed, proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws in connection with the first trade of the Offered Shares and the Broker Shares, if applicable, provided that the conditions of Section 2.5 of NI 45-102 are satisfied;

(xii) that the Offered Shares and the Broker Shares have been conditionally approved for listing on the TSX-V;

(xiii) the form of Offered Share Certificates have been approved by the board of directors of the Corporation and comply in all material respects with the provisions of the *Business Corporations Act* (British Columbia), the constating documents of the Corporation and the requirements of the TSX-V;

(xiv) that the Corporation is a reporting issuer in each of the Provinces of British Columbia and Alberta and is not currently included on the list of defaulting reporting issuers maintained by any of the Securities Regulators of such jurisdictions; and

(xv) as to such other matters as the Underwriters' legal counsel may reasonably request prior to the Closing Time;

(g) the Underwriters shall have received certificates of status and/or compliance (or the equivalent), where issuable under applicable law, for the Corporation and Mineira de Corcoesto, S.L., each dated within two Business Days of the Closing Date;

(h) the Underwriters shall have received favourable legal opinions addressed to the Underwriters, the Purchasers and the Underwriters' counsel, from local counsel to the Corporation in each of the Canadian Selling Jurisdictions where Purchasers are resident, dated as of the Closing Date, in form and substance satisfactory to the Underwriters and its counsel, acting reasonably, with respect to the following matters;

(i) that the issuance and sale by the Corporation of the Offered Shares to the Purchasers and the issuance of the Broker Warrants to the Underwriters, if applicable, are exempt from the prospectus and registration requirements of applicable Securities Laws in the Canadian Selling Jurisdiction and no documents are required to be filed (other than specified forms accompanied by requisite filing fees), proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws to permit such issuance and sale;

(ii) if applicable, the issuance of the Broker Shares upon the due exercise of the Broker Warrants will be exempt from the prospectus and registration requirements of applicable Securities Laws in the Canadian Selling Jurisdiction and no documents are required to be filed, proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws to permit such issuance; and

(iii) that no other documents will be required to be filed, proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws in connection with the first trade of the Offered Shares and the Broker Shares, as the case may be, provided that the conditions of Section 2.5 of NI 45-102 are satisfied;

(i) if any Offered Shares are sold to U.S. Purchasers, the Underwriters shall have received a favourable legal opinion addressed to the Underwriters, in form and substance satisfactory to the Underwriters' counsel, acting reasonably, dated as of the Closing Date, to the effect that no registration under the 1933 Act is required for the offer and sale of the Offered Shares to U.S. Purchasers;

(j) the Underwriters shall have received a favourable legal opinion addressed to the Underwriters, the Purchasers and the Underwriters' counsel, in form and substance satisfactory to the Underwriters' counsel, acting reasonably, dated as of the Closing Date, as to the title and ownership interest of Mineira de Corcoesto, S.L. in the Corcoesto Gold Project; and

(k) the Underwriters shall have received a favourable legal opinion addressed to the Underwriters, the Purchasers and the Underwriters' counsel, in form and substance satisfactory to the Underwriters' counsel, acting reasonably, dated as of the Closing Date, as to (i) the incorporation and existence of Mineira de Corcoesto, S.L.; (ii) the corporate power and authority of Mineira de Corcoesto, S.L. to carry on its business as presently carried on and to own its properties and assets; and (iii) as to the registered ownership of the issued and outstanding shares of Mineira de Corcoesto, S.L.

6. Rights of Termination

(a) Litigation. If any inquiry, action, suit, investigation or proceeding whether formal or informal (including matters of regulatory transgression or unlawful conduct and including any inquiry or investigation by the TSX-V, any securities commission, or the U.S. Securities Exchange Commission) is commenced, announced or threatened in relation to the Corporation or its Material Subsidiaries, or any of their respective officers, directors or principal shareholders, the Underwriters shall be entitled, at their sole option and in accordance with subparagraph 6(g) of this Agreement, to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by them to purchase the Offered Shares) by notice to that effect given to the Corporation any time prior to the Closing Time.

(b) Disaster Out. In the event that prior to the Closing Time, there should develop, occur or come into effect any event of any nature, including terrorism, accident, a new or change in any governmental law or regulation, or other condition or major financial occurrence of national or international consequence, which, in the sole opinion of the Underwriters, materially adversely affects, or may adversely affect, the financial markets generally or the business, operations, affairs or profitability of the Corporation and its Material Subsidiaries, taken as a whole, or on the market price or value of the Common Shares, the Underwriters shall be entitled at their sole option, in accordance with subparagraph 6(g) of this Agreement, to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by them to purchase the Offered Shares) by written notice to that effect given to the Corporation prior to the Closing Time.

(c) Change in Material Fact. In the event that prior to the Closing Time, the Underwriters or the Underwriters' representatives, through their due diligence investigations, or otherwise discover or there should occur a material change or a change in any material fact or new material fact shall arise, which, in the sole opinion of the Underwriters, has or could be expected to have a material adverse change or Material Adverse Effect on the business, affairs or profitability of the Corporation and its Material

Subsidiaries, taken as a whole, or on the market price or value of the Common Shares, the Underwriters shall be entitled, at their sole option, acting reasonably, in accordance with subparagraph 6(g), to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by them to purchase the Offered Shares) by written notice to that effect given to the Corporation prior to the Closing Time.

(d) Non-Compliance With Conditions. The Corporation agrees that all terms, conditions and covenants in this Agreement shall be construed as conditions and complied with so far as the same relate to acts to be performed or caused to be performed by the Corporation that it will use its best efforts to cause such conditions to be complied with, and any breach or failure by the Corporation to comply with any of such conditions or in the event that any representation or warranty given by the Corporation becomes false and is not rectified as at the Closing Time, shall entitle the Underwriters, at their option in accordance with subparagraph 6(g), to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by them to purchase the Offered Shares) by notice to that effect given to the Corporation at or prior to the Closing Time. The Underwriters may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to their rights in respect of any other of such terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon the Underwriters only if the same is in writing and signed by them.

(e) Cease Trade Order. In the event that any order to cease trading in securities of the Corporation is made or threatened by a Securities Regulator, which, in the sole opinion of the Underwriters, acting reasonably, operates or could operate to prevent or restrict trading in the Common Shares or distribution of the Offered Shares in the Selling Jurisdictions, the Underwriters shall be entitled, at their option, in accordance with subparagraph 6(g) of this Agreement, to terminate their obligations under this Agreement (and the obligations of the Purchasers arranged by them to purchase the Offered Shares) by written notice to that effect given to the Corporation prior to the Closing Time.

(f) Exercise of Termination Rights. The rights of termination contained in subparagraphs 6(a), (b), (c), (d), (e) and (f) may be exercised by the Underwriters and are in addition to any other rights or remedies the Underwriters may have in respect of any default, act or failure to act or non-compliance by the Corporation in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination by the Underwriters, there shall be no further liability on the part of the Underwriters to the Corporation or on the part of the Corporation to the Underwriters except in respect of any liability which may have arisen or may arise after such termination in respect of acts or omissions prior to such termination under Sections 7 and 9.

7. Expenses. Whether or not the Offering is completed (unless the Offering has been terminated due to a breach of this Agreement or an action or omission by the Underwriters that has resulted in the securities regulatory authorities imposing an order or threatening to impose an order prohibiting the Offering or restricting the Offering in any Selling Jurisdiction), the Corporation shall pay all expenses and fees in connection with or incidental to the Offering and the transactions contemplated by this Agreement, including, without limitation: the reasonable fees and disbursements of the Underwriters' legal counsel (such amount not to exceed $65,000, exclusive of disbursements and applicable taxes) and all reasonable "out-of-pocket expenses" of the Underwriters (collectively, the "**Underwriters' Expenses**"); the fees, expenses and disbursements of the Corporation's counsel and of local counsel to the Corporation and/or Mineira de Corcoesto, S.L.; the reasonable fees, expenses and disbursements of the Corporation's Auditors, if applicable, and the Transfer Agent; and all expenses and fees in connection with or incidental to the creation, issue, sale or distribution of the Offered Shares, including all costs incurred in connection with the preparation and printing of the Offered Share Certificates, if applicable.

8. Survival of Representations and Warranties. All terms, warranties, representations, covenants and agreements herein contained or contained in any documents submitted pursuant to this Agreement and in connection with the transactions herein contemplated shall survive the purchase and sale of the Offered Shares and continue in full force and effect for the benefit of the Corporation, the Underwriters and the Purchasers and shall not be limited or prejudiced by any investigation made by or on behalf of the Underwriters in connection with the purchase and sale of the Offered Shares for a period of two years.

9. (a) Indemnity. The Corporation hereby agrees to indemnify and hold the Underwriters and/or any of their respective affiliates (the "**Affiliates**") and each of the directors, officers, employees, shareholders and agents of the Underwriters and/or the Affiliates (hereinafter collectively referred to as the "**Personnel**") harmless from and against any and all expenses, losses (other than loss of profits), costs, fees, claims, actions (including shareholder actions, derivative actions or otherwise), damages, obligations, or liabilities, whether joint or several, and the reasonable fees and expenses of their counsel, that may be incurred in advising with respect to and/or defending any actual or threatened claims, actions, suits, investigations or proceedings to which the Underwriters 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, costs, fees, claims, actions, damages, obligations, or liabilities arise out of or are based, directly or indirectly, upon the performance of professional services rendered to the Corporation by the Underwriters and its Personnel hereunder, or otherwise in connection with the matters referred to herein (including the aggregate amount paid in reasonable settlement of any such claims, actions, suits, investigations or proceedings that may be made against the Underwriters and/or its Personnel, provided that the Corporation has agreed to such settlement), provided, however, that this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that:

(i) the Underwriters and/or the Affiliates or the Personnel has been grossly negligent or has committed any fraudulent or illegal act in the course of such performance or has breached this Agreement; or

(ii) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were primarily caused by the actions referred to in subparagraph 9(a)(i).

Without limiting the generality of the foregoing, this indemnity shall apply to all expenses (including legal expenses), losses, claims, damages and liabilities that the Underwriters may incur as a result of any action or litigation that may be threatened or brought against the Underwriters.

If for any reason (other than the occurrence of any of the events itemized in subparagraphs 9(a)(i) and 9(a)(ii)), the foregoing indemnification is unavailable to the Underwriters or any Personnel or insufficient to hold the Underwriters or any Personnel harmless, then the Corporation shall contribute to the amount paid or payable by the Underwriters or any Personnel 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 Underwriters or any Personnel on the other hand but also the relative fault of the Corporation and the Underwriters or any Personnel, as well as any relevant equitable considerations; provided that the Corporation shall in any event contribute to the amount paid or payable by the Underwriters or any Personnel as a result of such expense, loss, claim, damage or liability and any excess of such amount over the amount of the fees received by the Underwriters hereunder.

The Corporation hereby waives all rights which it may have by statute or common law to recover contribution from the Underwriters in respect of losses, claims, costs, damages, expenses or liabilities which any of them may suffer or incur directly or indirectly (in this paragraph, "losses") by reason of or in consequence of a document containing a misrepresentation; provided, however, that such waiver shall

not apply in respect of losses by reason of or in consequence of any misrepresentation which is based upon or results from information or statements furnished by or relating solely to the Underwriters.

The Corporation agrees that in case any legal proceeding shall be brought against the Corporation and/or the Underwriters by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or shall investigate the Corporation and/or the Underwriters, and/or any Personnel of the Underwriters 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 Underwriters, the Underwriters shall have the right to employ its own counsel in connection therewith provided the Underwriters acts reasonably in selecting such counsel, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Underwriters for time spent by the Underwriters' Personnel in connection therewith) and out-of-pocket expenses incurred by their Personnel in connection therewith shall be paid by the Corporation as they occur.

Promptly after receipt of notice of the commencement of any legal proceeding against the Underwriters or any Personnel or after receipt of notice of the commencement or any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Corporation, the Underwriters 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. However, the failure by the Underwriters to notify the Corporation will not relieve the Corporation of its obligations to indemnify the Underwriters and/or any Personnel. The Corporation shall on behalf of itself and the Underwriters and/or any Personnel, as applicable, be entitled to (but not required) to assume the defence of any suit brought to enforce such legal proceeding; provided, however, that the defence shall be conducted through legal counsel acceptable to the Underwriters and/or any Personnel, as applicable, acting reasonably, and that no settlement of any such legal proceeding may be made by the Corporation without the prior written consent of the Underwriters and/or any Personnel, as applicable, none of the Underwriters and/or any Personnel, as applicable, shall be liable for any settlement of any such legal proceeding unless it has consented in writing to such settlement, such consent not to be unreasonably withheld, and any settlement of any such legal proceedings must include an unconditional release of the Underwriters and its Personnel from all liability arising out of such legal proceeding. The Underwriters and its Personnel shall have the right to appoint its or their own separate counsel at the Corporation's cost provided the Underwriters acts reasonably in selecting such counsel.

The indemnity and contribution obligations of the Corporation shall be in addition to any liability which the Corporation may otherwise have, shall extend upon the same terms and conditions to the Personnel of the Underwriters and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Corporation, the Underwriters and any of the Personnel. The foregoing provisions shall survive the completion of professional services rendered under this Agreement or any termination of the authorization given by this Agreement.

(b) Right of Indemnity in Favour of Others. With respect to any party who may be indemnified by subparagraph 9(a) above and is not a party to this Agreement, the Underwriters shall obtain and hold the rights and benefits of this Section 9 in trust for and on behalf of such indemnified party.

10. Liability of the Underwriters. The obligation of the Underwriters to purchase or to arrange for substituted purchasers of the Offered Shares in connection with the Offering at the Closing Time shall be several, and not joint, nor joint and several, and shall be as to the following percentages of the Offered Shares to be purchased at any such time:

Cormark Securities Inc.	35%
Fraser Mackenzie Limited	35%
Canaccord Genuity Corp.	20%
Haywood Securities Inc.	10%
	100%

If an Underwriter (a "**Refusing Underwriter**") shall not complete the purchase and sale of the Offered Shares which such Underwriter has agreed to purchase hereunder for any reason whatsoever, the other Underwriters (the "**Continuing Underwriters**") shall be entitled, at their option, to purchase all but not less than all of the Offered Shares which would otherwise have been purchased by such Refusing Underwriter *pro rata* according to the number of Offered Shares to have been acquired by the Continuing Underwriters hereunder or in such proportion as the Continuing Underwriters shall agree in writing. If the Continuing Underwriters do not elect to purchase the balance of Offered Shares pursuant to the foregoing:

(a) the Continuing Underwriters shall not be obliged to purchase any of the Offered Shares that any Refusing Underwriter is obligated to purchase; and

(b) the Corporation shall not be obliged to sell less than all of the Offered Shares,

and the Corporation shall be entitled to terminate its obligations under this Agreement, in which event there shall be no further liability on the part of the Corporation or the Continuing Underwriters, except pursuant to Sections 7 and 9. Nothing in this Agreement shall oblige any U.S. broker-dealer affiliate of the Underwriters to purchase the Offered Shares. Any U.S. broker-dealer affiliate who makes any offers or sales of the Offered Shares in the United States will do so solely as an agent for an Underwriter.

11. Action by Underwriters. All steps which must or may be taken by the Underwriters in connection with this Agreement, with the exception of the matters relating to termination contemplated by Section 6 or matters relating to indemnity and contribution contemplated by Section 9, may be taken by Cormark on behalf of itself and the Underwriters and the execution and delivery of this Agreement by the Corporation and the Underwriters shall constitute the Corporation's authority for accepting notification of any such steps from, and for delivery of the definitive documents constituting the Offered Shares to, Cormark. Cormark agrees to consult with the other Underwriters with respect to all material matters.

12. Underwriters' 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 Underwriters by Cormark, who shall represent the Underwriters and have authority to bind the Underwriters hereunder, with the exception of the matters relating to termination of selling obligations, indemnity and contribution. In all cases, Cormark shall use its best efforts to consult with the other Underwriters prior to taking any action contemplated herein.

13. No Fiduciary Relationship. The Corporation hereby acknowledges that the Underwriters are acting solely as underwriters in connection with the purchase and sale of the Offered Shares. The Corporation further acknowledges that the Underwriters are acting pursuant to a contractual relationship

created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Underwriters act or be responsible as a fiduciary to the Corporation, its management, shareholders or creditors or any other person in connection with any activity that the Underwriters may undertake or have undertaken in furtherance of the purchase and sale of the Offered Shares, either before or after the date hereof. The Underwriters hereby expressly disclaim any fiduciary or similar obligations to the Corporation, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Corporation hereby confirms its understanding and agreement to that effect. The Corporation and the Underwriters agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Underwriters to the Corporation regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Offered Shares, do not constitute advice or recommendations to the Corporation. The Corporation hereby waives and releases, to the fullest extent permitted by law, any claims that the Corporation may have against the Underwriters with respect to any breach or alleged breach of any fiduciary or similar duty to the Corporation in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions.

14. Advertisements. The Corporation acknowledges that the Underwriters shall have the right, subject always to subparagraphs 1(a), 1(c) and 3(b) of this Agreement, at their own expense, to place such advertisement or advertisements relating to the sale of the Offered Shares contemplated herein as the Underwriters may consider desirable or appropriate and as may be permitted by applicable law. The Corporation and the Underwriters each agree that they will not make or publish any advertisement in any media whatsoever relating to, or otherwise publicize, the transaction provided for herein so as to result in any exemption from the prospectus and registration requirements of applicable Securities Laws being unavailable in respect of the sale of the Offered Shares to prospective purchasers.

15. 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:

Edgewater Exploration Ltd.
1820 – 999 West Hastings Street
Vancouver, British Columbia
V6C 2W2

Fax: 604-628-1011
Attention: George Salamis

with a copy (but not as notice) to:

McCullough O'Connor Irwin LLP
2600 Oceanic Plaza
1066 West Hastings Street
Vancouver, British Columbia
V6E 3X1

Fax: 604-687-7099
Attention: David Gunasekera

(b) If to the Underwriters, to Cormark on behalf of the Underwriters:

Cormark Securities Inc.
Royal Bank Plaza, South Tower
Suite 2800, 200 Bay Street
Toronto, Ontario
M5J 2J2

Fax: 416-943-6496
Attention: Darren Wallace

with a copy (but not as notice) to:

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto Ontario
M5H 3C2

Fax: 416-350-6930
Attention: John Vettese

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 to the addressee and: (i) a notice which is personally delivered shall, if delivered by 5:00 p.m. (local time) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; 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.

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

17. Canadian Dollars. All references herein to dollar amounts are to lawful money of Canada.

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

19. 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.

20. 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.

21. 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.

22. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

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

24. 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.

25. 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.

26. Counterparts and Facsimile Copies. This Agreement may be executed in any number of counterparts and by facsimile or other electronic transmission, which taken together shall form one and the same agreement.

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 Underwriters.

Yours very truly,

CORMARK SECURITIES INC.

Per: (signed) *"Darren Wallace"*
Authorized Signing Officer

FRASER MACKENZIE LIMITED

Per: (signed) *"Tom Panoulias"*
Authorized Signing Officer

CANACCORD GENUITY CORP.

Per: (signed) *"Jens Mayer"*
Authorized Signing Officer

HAYWOOD SECURITIES INC.

Per: (signed) *"Kevin Campbell"*
Authorized Signing Officer

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

EDGEWATER EXPLORATION LTD.

Per: (signed) *"Edward Farrauto"*
Authorized Signing Officer

SCHEDULE "A"

TERMS AND CONDITIONS FOR UNITED STATES OFFERS AND SALES

All capitalized terms used in this Schedule "A" and not otherwise defined shall have the meaning ascribed thereto in the Underwriting Agreement to which this Schedule "A" is annexed. As used in this Schedule "A", the following terms shall have the meanings indicated:

Accredited Investor	means an "accredited investor" that satisfies one or more of the criteria set forth in Rule 501(a) of regulation D under the 1933 Act;
affiliate	means "affiliate" as such term is defined in Rule 405 under the U.S. Securities
Directed Selling Efforts	means "directed selling efforts" as that term is defined in Rule 9.02(c) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule "A", 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 Shares (as defined below), and shall include without limitation, the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of any of the Offered Shares;
Foreign Issuer	means a "foreign issuer" as that term is defined in Rule 9.02(e) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule "A", it means any issuer which is: (a) the government of any country other than the United States or of any political subdivision of a country other than the United States; or (b) a corporation or other organization incorporated or organized under the laws of any country other than the United States, except an issuer meeting the following conditions as of the last business day of its most recently completed second fiscal quarter: (1) more than 50 percent of the outstanding voting securities of such issuer are directly or indirectly owned of record by residents of the United States; and (2) any of the following; (i) the majority of the executive officers or directors 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;

General Solicitation or General Advertising	means "general solicitation" or "general advertising", as used under Rule 502(c) of Regulation D under the 1933 Act, including, without limitation, 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 had been invited by general solicitation or general advertising;
Offshore Transaction	means an "offshore transaction" as that term is defined in Rule 9.02(h) of Regulation S;
U.S. Affiliate	means a broker-dealer affiliate of any Underwriter, duly registered under the 1934 Act; and for purposes of this Schedule "A", also means any Underwriter or selling dealer group member that is duly registered as a broker-dealer under the 1934 Act; and
Substantial U.S. Market Interest	means "substantial U.S. market interest" as that term is defined in 9.02(j) of Regulation S.

Representations, Warranties and Covenants of the Underwriters

The Underwriters severally, but not jointly, acknowledge that the Offered Shares have not been and will not be registered under the 1933 Act or any state securities laws, and may not be offered or sold in the United States, or to, or for the account or benefit of, a person in the United States, except pursuant to an exemption from the registration requirements of the 1933 Act and all applicable state securities laws. Accordingly, each of the Underwriters severally, but not jointly, represents, warrants and covenants to and with the Corporation that:

1. It has offered and sold, and will offer and sell, the Offered Shares forming part of its allotment only outside the United States to non-U.S. Purchasers in an Offshore Transaction in accordance with Rule 903 of Regulation S or as provided in paragraphs 2 through 12 below. Accordingly, neither the Underwriter, its U.S. Affiliates nor any persons acting on its or their behalf, has made or will make (except as permitted in paragraphs 2 through 12 below): (i) any offer to sell or any solicitation of an offer to buy, any Offered Shares to any person in the United States, or any person purchasing for the account or benefit of a person in the United States (ii) any sale of Offered Shares to any purchaser unless, at the time the buy order was or will have been originated, the purchaser was outside the United States or the Underwriter, its affiliates and any person acting on its or their behalf reasonably believed that such purchaser was outside the United States, or (iii) any Directed Selling Efforts with respect to the Offered Shares.

2. It and its affiliates, and any person acting on its or their behalf, have not offered or sold, and will not offer or sell, Offered Shares in the United States or to any person in the United States, except that Offered Shares may be offered, through a U.S. Affiliate, to Accredited Investors with which the Underwriter has a pre-existing relationship and which will purchase the Offered Shares directly from the Corporation in compliance with Rule 506 of Regulation D and/or Section 4(a)(2) of the 1933 Act, in the manner contemplated in this Schedule "A".

3. All offers of Offered Shares in the United States have been and will be made through the Underwriter's U.S. Affiliates and all sales of the Offered Shares to U.S. Purchasers shall be made by the Corporation to Accredited Investors.

4. It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Offered Shares, 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 in writing, for the benefit of the Corporation, to comply with, and shall use its commercially reasonable efforts to ensure that each selling group member complies with, the same provisions of this Schedule "A" as apply to such Underwriter as if such provisions applied to such selling group member. It shall also cause each of its affiliates that offers or sells Offered Shares to agree, for the benefit of the Corporation, to comply with the same provisions of this Schedule "A" as apply to such Underwriter as if such provisions applied to such affiliate.

5. Each U.S. Affiliate of the Underwriter that has made or will make offers or sales of Offered Shares in the United States, or to, or for the account or benefit of, any person in the United States, is on the date hereof, and was or will be on the date of each offer or sale of Offered Shares to any U.S. Purchasers, a duly registered broker or dealer with the SEC under the 1934 Act and under the securities laws of each state in which such offers and sales were made (unless exempted from the respective state's broker-dealer registration requirements) and is, was and will be a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc.

6. It and its affiliates have not, either directly or through a person acting on its or their behalf, solicited, and will not solicit, offers for, and have not offered to sell and will not offer to sell, Offered Shares in the United States by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act and will not undertake any action that would cause the exemption from registration afforded by Rule 506 of Regulation D to be unavailable for offers and sales of the Offered Shares to U.S. Purchasers.

7. Any offer, sale or solicitation of an offer to buy Offered Shares that has been made or will be made in the United States, or to, or for the account or benefit of, any person in the United States by the Underwriter, its affiliates or any person acting on its or their behalf, was or will be made only to Accredited Investors in transactions that are exempt from registration under the 1933 Act and all applicable state securities laws and that are in accordance with all applicable U.S. federal and state laws or regulations governing the registration and conduct of securities brokers or dealers.

8. Immediately prior to soliciting such offerees, the Underwriter, its U.S. Affiliates making such offers, and any person acting on its or their behalf, had reasonable grounds to believe and did believe that each offeree was an Accredited Investor, and at the time of completion of each sale to any U.S. Purchaser, the Underwriter, its U.S. Affiliates, and any person acting on its or their behalf, shall have reasonable grounds to believe and shall believe, that each such Purchaser is an Accredited Investor.

9. Prior to completion of any sale of Offered Shares to any U.S. Purchaser, each such U.S. Purchaser will be required to execute a Subscription Agreement prepared for use in connection with offers and sales of Offered Shares in the form agreed to by the Corporation and the Underwriters.

10. At least one Business Day prior to the Closing Date, the Corporation and its Transfer Agent will be provided with a list of all U.S. Purchasers, together with the jurisdictions of residence of each such U.S. Purchaser.

11. At the Closing Time, each Underwriter, together with each of its U.S. Affiliates that participated in the offer or sale of Offered Shares in the United States, shall provide a certificate, substantially in the form of Appendix 1 to this Schedule "A", relating to the manner of the offer and sale of the Offered Shares in the United States. Failure to deliver such a certificate shall constitute a representation by such Underwriter that neither it, nor any of its U.S. Affiliates or anyone acting on its or their behalf, has offered or sold Offered Shares in the United States, or to, or for the account or benefit of, any person in the United States.

12. None of the Underwriter, its affiliates and any person acting on its or their behalf has taken, or will take, directly or indirectly, any action in violation of Regulation M under the 1934 Act.

13. U.S. Purchasers shall be provided by the Underwriter, through a U.S. Affiliate, with the same information about the Corporation and the Offered Shares as is provided to Purchasers in Canada, and no written material shall be used in connection with the offers and sales of the Offered Shares.

14. U.S. Purchasers shall be informed that the Offered Shares have not been and will not be registered under the 1933 Act or applicable state securities laws and are being offered and sold to such purchasers in reliance on an exemption from the registration requirements of the 1933 Act provided by Rule 506 of Regulation D and/or Section 4(a)(2) of the 1933 Act and similar exemptions under applicable state securities laws.

Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants, covenants and agrees that:

1. The Corporation is, and at the Closing Time will be, a Foreign Issuer and reasonably believes there is and will be no Substantial U.S. Market Interest in its Common Shares or any other class of its equity securities.

2. The Corporation is not, and as a result of the sale of the Offered Shares contemplated hereby will not be, registered or required to be registered as an "investment company" pursuant to the United States Investment Company Act of 1940, as amended.

3. During the period in which the Offered Shares are offered for sale, except with respect to offers and sales in accordance with this Schedule "A" to Accredited Investors in reliance upon the exemption from registration provided by Rule 506 of Regulation D, neither the Corporation nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters, their respective affiliates and any person acting on their behalf, in respect of which no representation, warranty, covenant or agreement is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Shares in the United States; or (B) any sale of Offered Shares unless, at the time the buy order was or will have been originated, either the Purchaser is (i) outside the United States and not purchasing for the account or benefit of a person in the United States 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 is not purchasing for the account or benefit of a person in the United States.

4. During the period in which the Offered Shares are offered for sale, neither it nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters, their respective affiliates and any person acting on their behalf, in respect of which no representation, warranty, covenant or agreement is made) has engaged in, or will engage in, any Directed Selling Efforts, or has taken, or will take, any action in violation of Regulation M under the 1934 Act or that would cause (i) the exemption provided by Rule 506 of Regulation D to be unavailable for offers and sales of Offered Shares

to U.S. Purchasers in accordance with this Schedule "A", or (ii) the exclusion from registration provided by Rule 903 of Regulation S to be unavailable for offers and sales of the Offered Shares outside the United States in accordance with the Underwriting Agreement to which this Schedule "A" is annexed.

5. None of the Corporation, any of its affiliates or any person acting on its or their behalf (other than the Underwriters, their respective affiliates and any person acting on their behalf, in respect of which no representation, warranty, covenant or agreement is made) has offered, or will offer, to sell, or has solicited, or will solicit, offers to buy, the Offered Shares in the United States by means of any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act.

6. Except with respect to the offer and sale of the Offered Shares offered hereby, the Corporation has not, for a period of six months prior to the commencement of the offering of the Offered Shares, sold, offered for sale or solicited any offer to buy any of its securities in the United States in a manner that would be integrated with the offer and sale of the Offered Shares and would cause the exemption from registration provided by Rule 506 of Regulation D to become unavailable with respect to the offer and sale of the Offered Shares pursuant to the Underwriting Agreement to which this Schedule "A" is annexed, including this Schedule "A".

7. The Corporation shall duly prepare and file with the SEC a Form D within 15 days after the first sale of Offered Shares in reliance on Rule 506 of Regulation D, and will file such notices and other documents as are required to be filed under the state securities or "blue sky" laws of the states in which the Offered Shares are sold in order to satisfy the requirements for applicable exemptions from registration or qualification of the Offered Shares under such laws.

8. None of the Corporation or any of its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.

Appendix 1
to Schedule "A"

Underwriters' Certificate

In connection with the private placement in the United States or to, or for the account or benefit of, U.S. Persons or person in the United States of the Offered Shares in the capital of Edgewater Exploration Ltd. (the "**Corporation**") pursuant to the underwriting agreement dated February 13, 2013 (the "U**nderwriting Agreement**") among the Corporation and Cormark Securities Inc., Fraser Mackenzie Limited, Canaccord Genuity Corp. and Haywood Securities Inc. (collectively, the "**Underwriters**"), the undersigned Underwriter and its U.S. Affiliate that offered or sold Offered Shares in the United States or to, or for the account or benefit of persons in the United States do each hereby certify as follows:

(i) the Offered Shares have been offered and sold by us in the United States or to, or for the account or benefit of persons in the United States, only by the undersigned U.S. Affiliate, which was on the dates of such offers and sales, and is on the date hereof, a duly registered broker or dealer pursuant to Section 15(b) of the 1934 Act and under the securities laws of each state in which such offers and sales were made (unless exempted from the respective state's broker-dealer registration requirements) and was and is a member in good standing with the Financial Industry Regulatory Authority, Inc.;

(ii) all offers and sales of Offered Shares to U.S Purchasers have been effected in accordance with all applicable federal and state laws and regulations governing the registration and conduct of securities brokers and dealers;

(iii) we made offers and solicitations only to, or from, persons with whom we had a pre-existing relationship, and immediately prior to making any offer or solicitation, we had reasonable grounds to believe and did believe that each offeree that was in the United States, or purchasing for the account or benefit of a person in the United States was an Accredited Investor, and, on the date hereof, we have reasonable grounds to believe and do believe that each person is an Accredited Investor;

(iv) no form of General Solicitation or General Advertising was used by us in connection with the offer or sale of the Offered Shares in the United States;

(v) prior to any sale of Offered Shares to a U.S. Purchaser, we caused each such U.S. Purchaser to execute a Subscription Agreement prepared for use in connection with offers and sales of Offered Shares to U.S. Purchasers in the form agreed to by the Corporation and the Underwriters;

(vi) U.S. Purchasers were provided by us with the same information about the Corporation and the Offered Shares as we provided to Purchasers in Canada, and we used no written material in connection with offers and sales of the Offered Shares;

(vii) neither we not any of our affiliates have taken or will take any action which would constitute a violation of Regulation M of the 1934 Act; and

(viii) the offering of the Offered Shares has been conducted in accordance with the terms of the Underwriting Agreement, including Schedule "A" thereto.

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Underwriting Agreement (including Schedule "A" thereto).

Dated this ____ day of _____, 2013.

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

By: _____ By: _____

Authorized Signing Officer Authorized Signing Officer