INDUSTRIAL ALLIANCE
SECURITIES INC.

AGENCY AGREEMENT

May 2, 2011

NQ Exploration Inc.
370, Magnolias
Laval, Quebec
H7A 0A3

Attention: Mr. David Grondin, President

Dear Sirs:

The undersigned, Industrial Alliance Securities Inc., (the "**Agent**"), understand that NQ Exploration Inc. (the "**Corporation**") proposes to issue and sell up to 3,125,000 flow-through common shares at $0.16 per flow-through common shares (a "**Flow-Through Share**" and collectively, the "**Flow-Through Shares**") for gross proceeds of $500,000 and up to 12,500,000 non-flow-through common share units of the Corporation at a price of $0.12 per common share unit (a "**Unit**" and collectively, the "**Units**") for gross proceeds of up to $1,500,000. Each Flow-Through Share will qualify as a flow-through share as defined in subsection 66(15) of the ITA (hereinafter defined). Each Unit shall consist of one common share in the capital of the Corporation (a "**Unit Share**") and one common share purchase warrant (a "**Warrant**"). Each Warrant shall entitle the holder thereof to acquire one common share (a "**Warrant Share**") at a price of $0.16 per Warrant Share for a period of 24 months from the Closing Date (as hereinafter defined). Notwithstanding the foregoing, if at any time after four (4) months and one (1) day following the Closing Date, the trading price of the Common Shares on the TSX Venture Exchange is equal or exceeds $0.30 per common share for twenty (20) consecutive trading days, as evidenced by the price at the close of market, the Corporation shall be entitled to notify the holders of Warrants of its intention to force the exercise of the Warrants. Upon receipt of such notice, the holders of Warrants shall have 20 days following the date a press release is issued by the Corporation announcing the reduced warrant term to exercise the Warrants, failing which the Warrants will automatically expire. The offering of the Flow-Through Shares and Units is collectively referred to herein as the "**Offering**" and the Flow-Through Shares, the Unit Shares and Warrants are collectively referred to herein as the "**Offered Securities**".

The Agent understands that the Corporation will: (i) use the gross proceeds from the offering of the Flow-Through Shares to incur Qualifying Expenses (as hereinafter defined) on its Properties (as hereinafter defined) before December 31, 2012 and will, at the latest on February 15, 2012, renounce CEE incurred in favour of the FT Purchasers (as hereinafter defined), entitling them to deductions of 150% of the CEE amount incurred by the Corporation for Québec income tax purposes, of 100% of the CEE amount incurred by the Corporation for federal income tax purposes and entitling such FT Purchasers to a federal investment tax credit of 15% under the ITA (as hereinafter defined), provided that the definition of "flow-through mining expenditure" in subsection 127(9) of the ITA (as hereinafter defined) is amended in accordance with paragraph 25 of the *Notice of Ways and Means Motion to Amend the Income Tax Act* tabled by the Minister of Finance on March 22, 2011; and (ii) use the net proceeds from the offering of the Units for general working capital purposes.

In addition, the Corporation grants to the Agent an option (the "**Over-Allotment Option**"), exercisable in whole or in part, at any time and from time to time, in the sole discretion of the Agent, for a period of 30 days from the Closing Date on written notice (each such notice, an "**Over-Allotment Notice**") by the Agent to the Corporation not later than two Business Days (as hereinafter defined) prior to exercise, to offer for sale to the public pursuant to the terms of this Agreement that number of additional Flow-Through Shares and Units (each, an "**Additional Flow-Through Share**" or an "**Additional Unit**" and collectively, the "**Additional Offered Securities**") equal to 15% of the number of Flow-Through Shares and 15% of the number of Units sold pursuant to the Offering. The purchase price of each Additional Flow-Through Share and the purchase price of each Additional Unit will be equal to the applicable Subscription Price (as hereinafter defined). Pursuant to each Over-Allotment Notice, the Corporation shall issue and sell the number of Additional Offered Securities indicated in such notice, in accordance with the provisions of section 7 hereof.

Each Additional Flow-Through Share shall be identical to the Flow-Through Shares and each Additional Unit shall be identical to the Units, and the Unit Shares and the Warrants comprising the Additional Units shall be identical to the Unit Shares and the Warrants comprising the Units. All references herein to the Flow-Through Shares shall include the Additional Flow-Through Shares, all references herein to the Units shall include the Additional Units, all references herein to the "Unit Shares" shall include the Unit Shares underlying the Additional Units, all references herein to the "Warrants" shall include the Warrants underlying the Additional Units and all references herein to the "Warrant Shares" shall include the Warrant Shares issuable upon exercise of the Warrants underlying the Additional Units. All references herein to the "Offered Securities" shall include the Unit Shares and the Warrants underlying the Additional Units, as the context permits.

Upon and subject to the terms and conditions set forth herein, the Agent hereby agrees to act, and upon acceptance hereof, the Corporation hereby appoints the Agent, as the Corporation's exclusive agent to offer for sale by way of private placement on a "commercially reasonable efforts" agency basis, without underwriter liability, the Offered Securities to be issued and sold pursuant to the Offering and the Agent agrees to arrange for purchasers of the Offered Securities in the Selling Jurisdictions (as hereinafter defined).

In consideration of the services to be rendered by the Agent in connection with the Offering, the Corporation shall pay to the Agent at the Closing Time (as hereinafter defined) the Compensation (as hereinafter defined). The obligation of the Corporation to pay the Compensation shall arise at the Closing Time and the Commission shall be fully earned by the Agent upon the completion of the Offering.

The Agent has the right to appoint other registered dealers as sub-agents upon such terms and conditions as may be agreed between the Agent and the sub-agents, provided the terms and conditions of such appointment are not inconsistent with the terms and conditions of this Agreement. The Agent may determine the remuneration payable by the Agent to such other registered dealers appointed by it out of the Compensation payable by the Corporation to the

Agent, provided, however, in no case shall such remuneration exceed that payable to the Agent hereunder.

DEFINITIONS

In this Agreement, in addition to the terms defined above, the following terms shall have the following meanings:

"**Act**" means the *Canada Business Corporations Act*;

"**Additional Flow-Through Shares**" has the meaning ascribed thereto in this Agreement;

"**Additional Offered Securities**" has the meaning ascribed thereto in this Agreement;

"**Additional Units**" has the meaning ascribed thereto in this Agreement;

"**affiliate**" and "**associate**" have the respective meanings ascribed thereto in the Act;

"**Affiliates**" means the affiliates of the Agent;

"**Agent**" has the meaning ascribed thereto on the face page of this Agreement;

"**Agent's Counsel**" means Colby, Monet, Demers, Delage & Crevier L.L.P.;

"**Agent's Compensation Option Certificates**" means the certificates representing the Agent's Compensation Options;

"**Agent's Compensation Options**" means the options issued by the Corporation to the Agent upon the successful completion of the Offering, which options entitle the Agent to purchase such number of Agent's Compensation Option Shares equal to seven percent (7%) of the total number of Flow-Through Shares and seven percent (7%) of the total number of Units sold pursuant to the Offering and exercisable in whole or in part at a price of $0.12 per Agent's Compensation Option Share for a period of 24 months from the Closing Date, as evidenced in the Agent's Compensation Option Certificates; it is understood that the Agent may, at its own discretion, subject to compliance with Securities Laws (as hereinafter defined), direct the Corporation to register the Agent's Compensation Options in the name of the selling group members;

"**Agent's Compensation Option Shares**" means the Common Shares to be issued to the Agent upon exercise of the Agent's Compensation Options;

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

"**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in the city of Montréal, Québec are not open for business;

"**Canadian Exploration Expense**" or "**CEE**" means a "Canadian exploration expense" as described in paragraph (f) of the definition thereof in subsection 66.1(6) of the ITA (other than expenditures which constitute "Canadian exploration and development overhead expense"

(“**CEDOE**”) as prescribed for the purposes of paragraph 66(12.6)(b) of the ITA and seismic expenses specified in paragraph 66(12.6)(b.1) of the ITA);

“**Closing**” means the completion of the purchase and sale of all or part of the Offered Securities as contemplated by this Agreement and the Subscription Agreements;

“**Closing Date**” means the day on which the Closing shall occur, being May 2, 2011 or such other date as the Agent and the Corporation may determine;

“**Closing Time**” means 10:00 a.m. (Montreal time) on the Closing Date or such other time on the Closing Date as the Corporation and the Agent may determine;

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

“**Commission**” has the meaning ascribed to such term in Section 13 hereof;

“**Compensation**” means the Commission and the Agent’s Compensation Options issued in favor of the Agent and referred to in Section 13 hereof;

“**Corporation**” means NQ Exploration Inc. and, as the case may be, any and all subsidiary or affiliate thereof;

“**CRA**” means the Canada Revenue Agency;

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

“**Development Corporation**” means a development corporation as defined in Section 363 of the Québec Tax Act;

“**distribution**” has the meaning ascribed thereto in the *Securities Act* (Québec) in effect on the date hereof;

“**Environmental Laws**” has the meaning ascribed to such term in paragraph 4.1.3(a);

“**Environmental Permits**” has the meaning ascribed to such term in paragraph 4.1.3(b);

“**Expenditure Period**” means the period commencing on the Closing Date and ending on the earlier of: (i) the date on which the Flow-Through Funds has been duly expended in accordance with the terms hereof and the applicable Subscription Agreements; and (ii) December 31, 2012;

“**Financial Statements**” has the meaning ascribed to such term in paragraph 4.1.1(p);

“**Flow-Through Funds**” means the aggregate subscription amounts paid by the FT Purchasers on the Closing Date for the subscription of the Flow-Through Shares;

“**Flow-Through Mining Expenditures**” means “flow-through mining expenditures” for the purposes of the ITA to the extent such expenditures are incurred or deemed to have been incurred on or before December 31, 2011 and, for greater certainty, those expenses will be incurred by conducting mining exploration activities in Quebec from or above the surface of the earth for the purpose of determining the existence, location, extent or quality of a "mineral resource" (as that phrase is defined in the ITA) which is notably a base or precious metal deposit, or a mineral deposit in respect of which:

(i) the federal Minister of Natural Resources has certified that the principal mineral extracted is an industrial mineral contained in a non-bedded deposit,
(ii) the principal mineral extracted is ammonite gemstone, calcium chloride, diamond, gypsum, halite, kaolin or sylvite, or
(iii) the principal mineral extracted is silica that is extracted from sandstone or quartzite,

and which is not an expense in respect of:

(iv) trenching, if one of the purposes of the trenching is to carry out preliminary sampling (other than Specified Sampling),
(v) digging test pits (other than digging test pits for the purpose of carrying out Specified Sampling), and
(vi) preliminary sampling (other than Specified Sampling);

"**Flow-Through Shares**" means the Common Shares being issued by the Corporation pursuant to the Offering, which are "flow-through shares" as defined in subsection 66(15) of the ITA in accordance with the terms and conditions of this Agreement and the applicable Subscription Agreement, and as described in the face page of the Agreement;

"**FT Purchasers**" herein means the persons who, as purchasers or subscribers or beneficial purchasers or subscribers, as the case may be (and as may be defined in the applicable Subscription Agreements and especially in Schedule A-1 *Terms and Conditions Governing Flow-Through Shares* of such applicable Subscription Agreements), acquire the Flow-Through Shares by duly completing, executing and delivering Subscription Agreements and any other required documentation;

"**including**" means including without limitation;

"**Industrial Alliance**" means Industrial Alliance Securities Inc.

"**ITA**" means the *Income Tax Act* (Canada) and all rules and regulations made pursuant thereto, all as may be amended, re-enacted or replaced from time to time; any reference to a word or term defined in the ITA shall include, for purposes of Québec income taxation, a reference to the equivalent word or term, where applicable in the Québec Tax Act. Any reference to the ITA or a provision thereof shall include, for purposes of Québec income taxation, a reference to the Québec Tax Act or the equivalent provision thereof where applicable. Any reference to a filing or similar requirement imposed under the ITA shall include, for purposes of Québec income taxation, a reference to the equivalent filing or similar requirement, where applicable, under the Québec Tax Act; provided that, if no filing or similar requirement is provided under the Québec Tax Act, a copy of any material filed under the ITA shall be filed with the Ministère du Revenu du Québec;

"**Leased Property**" means the moveable and immoveable property which is material to the Corporation and which the Corporation leases;

"**Material Agreement**" means any joint operating agreement, earn-in options, farm-in options, farm-out agreements or options, material note, indenture, mortgage or other form of indebtedness and any other material contract, commitment, agreement (written or oral), instrument, lease or other document, including licence agreements and agreements relating to intellectual property, to which the Corporation is a party and which is material to the Corporation;

"**material change**", "**material fact**" **and** "**misrepresentation**" have the respective meanings ascribed thereto in the *Securities Act* (Québec) in effect on the date hereof;

"**NI 45-106**" means National Instrument 45-106 – *Prospectus and Registration Exemptions* and/or, as the context requires, *Regulation 45-106 respecting prospectus and registration exemptions* (Québec);

"**Over-Allotment Notice**" has the meaning ascribed to such term in this Agreement;

"**Over-Allotment Option**" has the meaning ascribed to such term in this Agreement;

"**Over-Allotment Option Closing Date**" means the Business Day set out in the Over-Allotment Notice (which shall not be earlier than two Business Days after the receipt of such notice) or such other date as the Corporation and the Agent may agree;

"**Over-Allotment Option Closing Time**" means 9:30 a.m. (Montreal time) on the Over-Allotment Closing Date or such other time as the Corporation and the Agent may agree upon;

"**Over-Allotment Option Expiry Date**" means the date that is 30 days following the Closing Date;

"**Person**" includes any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning;

"**Prescribed Forms**" means the forms prescribed from time to time under subsection 66(12.7) of the ITA and under the applicable provision of the Québec Tax Act filed or to be filed by the Corporation within the prescribed times renouncing to the FT Purchasers, the Qualifying Expenses incurred pursuant to the applicable Subscription Agreements, and all parts or copies of such forms required by the CRA and under the Québec Tax Act, to be delivered to the FT Purchasers;

"**Principal Business Corporation**" means a principal business corporation as defined in subsection 66(15) of the ITA;

"**Properties**" means those interests and rights in various claims situated in Québec and described as mining properties in the Corporation's unaudited interim financial statements for the period ended February 28, 2011;

"**Public Disclosure Documents**" means, collectively, all of the documents which have been filed by or on behalf of the Corporation prior to the Closing Time with the relevant Securities Regulators pursuant to the requirements of Securities Laws, including all documents filed on

SEDAR at www.sedar.com and all such documents filed with the Ministère des Ressources naturelles et de la Faune of Québec and such other government body or agency dealing with mineral rights;

"**Purchasers**" herein means the FT Purchasers and the persons who, as subscribers or purchasers, or beneficial subscribers or purchasers, as the case may be and as may be defined in the applicable Subscription Agreements, acquire the Units by duly completing, executing and delivering the applicable Subscription Agreements and any other required documentation;

"**Qualifying Expense**" (collectively, "**Qualifying Expenses**") means:

(i) CEE;
(ii) Flow-Through Mining Expenditures;
(iii) expenses which qualify for inclusion in the "exploration base relating to certain Québec exploration expenses" as defined for purposes of the application of subsection 726.4.9 of the Québec Tax Act; and
(iv) expenses which qualify for inclusion in the "exploration base relating to certain Québec surface mining or oil and gas exploration expenses" as defined for the purposes of the application of subsection 726.4.17.1 of the Québec Tax Act;

which are incurred on or after the Closing Date and on or before December 31, 2012, which may be renounced by the Corporation pursuant to subsections 66(12.6) and 66(12.66) of the ITA with an effective date not later than December 31, 2011 and in respect of which, but for the renunciation, the Corporation would be entitled to a deduction from income for income tax purposes;

"**Québec Tax Act**" means the *Taxation Act* (Québec) and all rules and regulations made pursuant thereto, all as may be amended, re-enacted or replaced from time to time and any proposed amendments thereto announced publicly from time to time;

"**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 provinces and all rules and policies of the TSX-V;

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

"**Selling Jurisdictions**" means, with respect to the Units, the Provinces of British Columbia, Alberta, Ontario and Québec and such other jurisdictions of Canada and elsewhere as mutually agreed to by the Corporation and the Agent;

"**Subscription Agreements**" means the Subscription Agreements in the forms agreed upon by the Agent and the Corporation pursuant to which Purchasers agree to subscribe for and purchase either Flow-Through Shares, Units or both, pursuant to the Offering as herein contemplated and shall include, for greater certainty, all schedules thereto; and "**Subscription Agreement**" means any one of them, as the context requires;

"**Subscription Price**" means $0.16 with respect to the Flow-Through Shares and the Additional Flow-Through Shares and $0.12 with respect to the Units and the Additional Units;

"**subsidiary**" and "**subsidiaries**" shall have the meaning ascribed thereto in the *Canada Business Corporations Act*;

"**Taxes**" shall have the meaning ascribed in paragraph 4.1.1(z);

"**Termination Date**" means December 31, 2012;

"**Transfer Agent**" means CIBC Mellon Trust Company in its capacity as transfer agent and registrar of the Corporation at its principal office in the City of Montréal, Québec;

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

"**Unit**" and "**Units**" have the meaning ascribed to such terms on the face page of this Agreement;

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

"**U.S. Person**" means a U.S. person as that term is defined in Regulation S under the U.S. Securities Act;

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

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

"**Warrant Share**" has the meaning ascribed to such term on the face page of this Agreement;

"**Warrant**" has the meaning ascribed to such term on the face page of this Agreement.

TERMS AND CONDITIONS

1. Sale of the Offered Securities.

1.1 Sale on Exempt Basis. The Agent shall offer for sale and sell the Offered Securities pursuant to the Offering 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 Securities does not obligate the Corporation to file a prospectus, a registration statement or other offering document or deliver an offering memorandum or other offering document under applicable Securities Laws.

1.2 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 Securities so that the distribution of the Offered Securities may lawfully occur without the necessity of filing a prospectus, a registration statement or an offering memorandum in Canada, and the Agent undertakes to use its commercially reasonable efforts to cause Purchasers to complete any forms required by Securities Laws. All fees payable in connection with such filings shall be at the expense of the Corporation.

1.3 No Offering Memorandum. Neither the Corporation nor the Agent shall (i) provide to prospective purchasers of the Offered Securities any document or other material that would constitute an offering memorandum or future oriented financial information within the meaning of Securities Laws; or (ii) engage in any form of general solicitation or general advertising in connection with the offer and sale of the Offered Securities, including but not limited to, causing the sale of the Offered Securities 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 Securities whose attendees have been invited by general solicitation or advertising.

2. Covenants.

2.1 Covenants of the Corporation to Agent. The Corporation hereby covenants to the Agent and to the Purchasers and their permitted assigns, and acknowledges that each of them is relying on such covenants in connection with the purchase of the Offered Securities, that the Corporation (including its successors and assigns if applicable) will:

(a) use its best efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Securities Laws in each of the Provinces of British Columbia, Alberta, Ontario and Québec until the date that is two years following the Closing Date;

(b) allow the Agent and its representatives the opportunity to conduct all due diligence which the Agent may reasonably require to be conducted prior to the Closing Date;

(c) duly execute and deliver this Agreement, the Subscription Agreements, the Flow-Through Shares, the Unit Shares, the Warrant Certificates and the Agent's Compensation Option Certificates at the Closing Time, and comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Corporation;

(d) fulfil or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in Section 6;

(e) ensure that the Flow-Through Shares, upon issuance shall be duly issued as fully paid and non-assessable Common Shares, and shall have the attributes corresponding in all material respects to the description thereof set forth in this Agreement and the Subscription Agreements;

(f) ensure that the Warrants and the Agent's Compensation Options, upon issuance, shall be duly and validly created, authorized and issued and shall have the attributes corresponding in all material respects to the description thereof set forth in this Agreement, the Warrant Certificates and the Agent's Compensation Option Certificates;

(g) ensure that at all times prior to the expiry of the Warrants and Agent's Compensation Options, sufficient Warrant Shares and Agent's Compensation Option Shares are allotted and reserved for issuance upon the due and proper exercise of the Warrants and Agent's Compensation Options, and the Warrant Shares and the Agent's Compensation Option Shares, upon issuance in accordance with the terms of the Warrant Certificates and Agent's Compensation Option Certificates, shall be issued as fully paid and non-assessable Common Shares;

(h) ensure that the Flow-Through Shares, the Unit Shares, the Warrant Shares and the Agent's Compensation Option Shares are conditionally approved for listing and trading on the TSX-V on or prior to the Closing Date, subject to the satisfaction of the usual post-closing conditions and use its best efforts to ensure that such securities remain listed for trading on the TSX-V for a period of two years following the Closing Date;

(i) execute and file with the Securities Regulators and the TSX-V all forms, notices and certificates required to be filed by the Corporation pursuant to the Securities Laws and the policies of the TSX-V in the time required by the applicable Securities Laws and the policies of the TSX-V, including, for greater certainty, Form 45-106F1 of NI 45-106 and any other forms, notices and certificates set forth in the opinions delivered to the Agent pursuant to the closing conditions set forth in Section 6 hereof, as are required to be filed by the Corporation;

(j) incur during the Expenditure Period, Qualifying Expenses in such amount as enables the Corporation to renounce to the FT Purchasers in accordance with subsection 66(12.6), and subsection 66(12.66) as applicable, of the ITA, this Agreement, and the applicable Subscription Agreements, Qualifying Expenses in an amount equal to the Flow-Through Funds;

(k) keep proper books, records and accounts of all Qualifying Expenses and all transactions affecting the Flow-Through Funds and the Qualifying Expenses, and upon reasonable notice, to make such books, records and accounts available for inspection and audit by or on behalf of the Agent, the CRA, or any governmental authority;

(l) before March 15, 2012, renounce to the FT Purchasers (in accordance with the ITA, this Agreement and the applicable Subscription Agreements) effective on or before December 31, 2011, Qualifying Expenses incurred or to be incurred during the Expenditure Period in an amount equal to the Flow-Through Funds;

(m) file with the CRA and, if applicable, with the appropriate authorities in the Province of Québec and any other province or territory, within the time prescribed by subsection 66(12.68) of the ITA and any other applicable provincial or territorial legislation, the forms prescribed for purposes of such legislation together with a copy of the Subscription Agreements and any "selling instrument" contemplated by such legislation or by the Subscription Agreements;

(n) if the Corporation receives, or becomes entitled to receive, any government assistance which is described in the definition of "excluded obligation" in subsection 6202.1(5) of the regulations made under the ITA and the receipt of or entitlement to receive such government assistance has or will have the effect of reducing the amount of CEE validly renounced to the applicable FT Purchasers under the applicable Subscription Agreements to less than the Flow-Through Funds, the Corporation shall incur additional CEE so that it will be able to renounce Qualifying Expenses in an amount not less than the Flow-Through Funds to the applicable FT Purchasers with an effective date no later than December 31, 2011 in accordance with the terms of this Agreement and the applicable Subscription Agreements;

(o) use the proceeds of the Offering of the Flow-Through Shares to incur Qualifying Expenses on the Properties;

(p) file with the CRA and, if applicable, with the appropriate authorities in the Province of Québec and any other province or territory, within the time prescribed by the ITA and any other applicable provincial or territorial legislation, all prescribed forms and information necessary to effectively renounce Qualifying Expenses equal to the Flow-Through Funds to each of the applicable FT Purchasers effective on or before December 31, 2011 and promptly provide each FT Purchaser with such tax slips as may be required under the ITA in respect of such renunciation. Without limiting the generality of the foregoing, and for greater clarity, the Corporation shall file with the CRA, the Prescribed Forms on or before the last day of the first month after each month in which any renunciation is made pursuant to the terms of the applicable Subscription Agreements;

(q) deliver to each of the applicable FT Purchasers, at the address set forth in their respective Subscription Agreements or such other address as they advise the Corporation, not later than February 28, 2012, a T101 statement of Qualifying Expenses which sets forth the aggregate amounts of Qualifying Expenses renounced to each such FT Purchaser and all such information and documents that the FT Purchasers may reasonably require for income tax purposes;

(r) maintain its status as a Principal Business Corporation until such time as all of the Qualifying Expenses required to be renounced under the applicable Subscription Agreements have been incurred and validly renounced pursuant to the ITA;

(s) incur and renounce Qualifying Expenses pursuant to the Subscription Agreements, *pro rata* by the number of Flow-Through Shares issued or to be issued pursuant thereto before incurring and renouncing Qualifying Expenses pursuant to any other agreement which the Corporation shall enter into with any person with respect to the issue of Common Shares which are "flow-through shares" as defined in the ITA (including securities which are exchangeable or exercisable for, or convertible into, Common Shares which are flow-through shares);

(t) not enter, without the prior written consent of the Agent (which consent may be withheld in the sole discretion of the Agent) into any other agreement which would prevent or restrict its ability to renounce Qualifying Expenses to the FT Purchasers equal to the Flow-Through Funds;

(u) if required under the ITA or otherwise, to reduce Qualifying Expenses previously renounced to the FT Purchasers, make the reduction *pro rata* by the number of Flow-Through Shares issued pursuant to the Subscription Agreements; the Corporation shall not reduce Qualifying Expenses renounced to the FT Purchasers under the Subscription

Agreements until it has first reduced to the extent possible all Qualifying Expenses renounced to persons who entered into agreements with the Corporation after the Closing Date; and

(v) if the Corporation does not incur on or before December 31, 2012, and renounce to the FT Purchasers, effective on or before December 31, 2011, Qualifying Expenses equal to the Flow-Through Funds, or such renunciation of Qualifying Expenses are denied or refused by the CRA or any other provincial taxation authority, the Corporation shall indemnify and hold harmless the FT Purchasers and each of the partners of any of the FT Purchasers if such FT Purchaser is a partnership or a limited partnership (for purposes of this paragraph, each an "**Indemnified Person**"), as to, and pay to the Indemnified Persons on or before the twentieth Business Day following the Termination Date, an amount equal to the amount of any tax payable under the ITA (and under any corresponding provincial legislation) by the Indemnified Persons as a consequence of such failure. In the event that the renounced Qualifying Expenses are reduced for any reason, the Corporation shall indemnify and hold harmless the Indemnified Persons as to, and pay to the Indemnified Persons, an amount equal to the amount of any tax payable under the ITA (and under any corresponding provincial legislation) by the Indemnified Persons as a consequence of such reduction, provided that nothing in this paragraph shall derogate from any rights or remedies the FT Purchasers may have at common law with respect to liabilities other than those payable under the ITA and any corresponding provincial legislation. To the extent that any person entitled to be indemnified hereunder is not a party to this Agreement, the Agent shall obtain and hold the rights and benefits of this Agreement in trust for, and on behalf of, such person and such person shall be entitled to enforce the provisions of this Section notwithstanding that such person is not a party to this Agreement.

2.2 Covenants of the Agent. The Agent hereby covenants and agrees to conduct all activities in connection with the Offering in compliance with the Securities Laws and all other laws applicable to the Agent, and obtain from each Purchaser a completed and executed Subscription Agreement (including all certifications, forms and other documentation contemplated thereby or as may be required by applicable securities regulatory authorities) in a form acceptable to the Corporation and the Agent.

3. Communications During Distribution.

3.1 Material Changes During Distribution. During the period from the date hereof to the Closing Date, the Corporation shall promptly notify the Agent (and, if requested by the Agent, confirm such notification in writing) of any material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Corporation.

During the period from the date hereof to the Closing Date, the Corporation shall promptly, and in any event, within any applicable time limitation, comply with all applicable filing and other requirements under Securities Laws as a result of such change. During such period the Corporation shall in good faith discuss with the Agent any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt as to whether notice in writing needs be given to the Agent pursuant to this Section 3.

3.2 Press Releases. The Corporation agrees that it shall obtain prior approval of the Agent as to the content and form of any press release relating to the Offering, such approval not to be unreasonably withheld. In addition, if required by the relevant Securities Laws, any press release announcing or otherwise referring to the Offering shall include an appropriate notation on each page as follows: "Not for distribution to U.S. news wire services, or dissemination in the United States."

4. Representations and Warranties.

4.1 Representations and Warranties of the Corporation. The Corporation represents and warrants to the Agent and to the Purchasers, and acknowledges that each of them is relying upon such representations and warranties in purchasing the Offered Securities, that:

4.1.1 *General Matters*

(a) the Corporation (i) has been incorporated under the Canada Business Corporations Act and is and will at the Closing Time be up-to-date in all material corporate filings and in good standing under such Act; (ii) has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and operate its Properties and assets; and (iii) has all requisite corporate power and authority to create, issue and sell the Offered Securities and to enter into and carry out its obligations under this Agreement, the Subscription Agreements, the Warrant Certificates and the Agent's Compensation Option Certificates;

(b) no proceedings have been taken, instituted or, to the best of the knowledge of the Corporation, are pending for the dissolution or liquidation of the Corporation;

(c) the Corporation, to its knowledge, is, in all material respects, conducting its business in compliance with all applicable laws, rules and regulations (including all material applicable federal, provincial, municipal, and local environmental anti-pollution and licensing laws, regulations and other lawful requirements of any governmental or regulatory body, including but not limited to relevant exploration, concessions and permits) of each jurisdiction in which its business is carried on, and is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its Properties and assets or carries on business to enable its business to be carried on as now conducted and its Properties and assets to be owned, leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor knows 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 permits which could have an adverse material effect on the Corporation and will at the Closing Time be valid, subsisting and in good standing;

(d) all necessary corporate action has been taken or will have been taken prior to the Closing Time by the Corporation so as to: (i) validly issue the Flow-Through Shares and the Unit Shares on Closing as fully paid and non-assessable Common Shares; (ii) validly create, authorize and issue the Warrants and the Agent's Compensation Options on Closing; and (iii) reserve and authorize the issuance of Warrant Shares and Agent's Compensation Option Shares, as fully paid and non-assessable Common Shares upon the due exercise of the Warrants and Agent's Compensation Options in accordance with the terms of the Warrant Certificates and the Agent's Compensation Option Certificates;

(e) each of the execution and delivery of this Agreement, the Subscription Agreements, the Warrant Certificates and the Agent's Compensation Option Certificates and the performance of the transactions contemplated hereby and thereby have been authorized by all necessary corporate action of the Corporation and upon the execution and delivery of this Agreement, the Subscription Agreements, the Warrant Certificates and the Agent's Compensation Option Certificates shall constitute valid and binding obligations of the Corporation, enforceable against the Corporation in accordance with its terms, provided that enforcement thereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction, that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable and that enforceability is subject to the provisions of any applicable laws;

(f) at the Closing Time, all consents, approvals, permits, authorizations or filings as may be required under Securities Laws and, as the case may be, the TSX-V, necessary for the execution and delivery of this Agreement, the Subscription Agreements, the Warrant Certificates and the Agent's Compensation Option Certificates, the issuance and sale of the Offered Securities and the Agent's Compensation Options, the issuance and sale of the Warrant Shares and the Agent's Compensation Option Shares upon exercise, as the case may be, of the Warrants and the Agent's Compensation Options and the consummation of the transactions contemplated hereby and thereby have been made or obtained, as applicable, other than filings required to be submitted within the applicable time frame pursuant to applicable Securities Laws and the TSX-V;

(g) each of the execution and delivery of this Agreement, the Subscription Agreements, the Warrant Certificates and the Agent's Compensation Option Certificates and the performance by the Corporation of its obligations hereunder or thereunder, the issuance and sale of the Offered Securities, the Warrant Shares and the Agent's Compensation Option Shares and the consummation of the transactions contemplated hereby and thereby do not and will not, to the Corporation's knowledge, conflict with or result in a breach or violation of any of the terms of or provisions of, or constitute a default under, (whether after notice or lapse of time or both), (i) any statute, rule or regulation applicable to the Corporation including Securities Laws and the securities laws of any other Selling Jurisdiction; (ii) the constating documents, articles or resolutions of the Corporation and its shareholders which are in effect at the date hereof; (iii) any Debt Instrument or Material Agreement, mortgage, note, indenture, contract, agreement, instrument, lease or other document to which the Corporation is party or by which it is bound; or (iv) any judgment, decree or order binding the Corporation or the Properties or assets of the Corporation;

(h) the Flow-Through Shares and Unit Shares to be issued and sold as hereinbefore described have been, or prior to the Closing Time will be, authorized and reserved for issuance and when certificates representing the Flow-Through Shares and Unit Shares have been countersigned by the Transfer Agent, issued, delivered and paid for, the Flow-Through Shares and Unit Shares will be validly issued and fully paid and non-assessable Common Shares;

(i) the Warrants and Agent's Compensation Options to be issued as hereinbefore described have been, or prior to the Closing Time will be, validly created and authorized for issuance and when the Warrant Certificates and the Agent's Compensation Option Certificates have been executed, issued and delivered by the Corporation, the Warrants and the Agent's Compensation Options will be validly issued;

(j) the authorized capital of the Corporation consists of an unlimited number of Common Shares, of which, as of the close of business on April 29, 2011, 2011, 48,773,314 Common Shares were outstanding as fully paid and non-assessable Common Shares of the Corporation; the number of outstanding Common Share purchase warrants of the Corporation amounted to 7,588,832 and the number of outstanding Common Share options of the Corporation amounted to 3,920,000;

(k) the Corporation is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of the Corporation;

(l) the currently issued and outstanding Common Shares are listed and posted for trading on the TSX-V and no order ceasing or suspending trading in any securities of the Corporation or prohibiting the sale of the Offered Securities or the trading of any of the Corporation's issued securities has been issued and no proceedings for such purpose has been threatened or, to the best knowledge of the Corporation, are pending;

(m) the Corporation has not taken any action which would be reasonably expected to result in the delisting or suspension of the Common Shares on or from the TSX-V and the Corporation is currently in material compliance with the rules and regulations of the TSX-V;

(n) except as disclosed in the Corporation's latest unaudited interim quarterly financial statements for the period ended February 28, 2011, no person has any agreement or option or right or privilege (whether at law, preemptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of the Corporation;

(o) since February 28, 2011, except as disclosed in the Public Disclosure Documents:

    (i) there has not been any material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of the Corporation;

    (ii) there has not been any material change in the capital stock or long-term debt of the Corporation; and

(iii) the Corporation has carried on its business in the ordinary course;

(p) the audited financial statements of the Corporation for the fiscal year ended November 30, 2010, the Management's Discussion & Analysis for the period ended February 28, 2011 and the unaudited interim financial statements for the period ended February 28, 2011 (collectively, the "**Financial Statements**"), present fairly, in all material respects, the financial condition of the Corporation for the periods then ended and have been prepared in accordance with Canadian generally accepted accounting principles;

(q) there are no material actions, proceedings or investigations (whether or not purportedly by or on behalf of the Corporation) threatened against, affecting or pending against the Corporation or the Properties at law or in equity (whether in any court, arbitration or similar tribunal) or before or by any federal, provincial, state, municipal or other governmental department, commission, board or agency, domestic or foreign;

(r) the Corporation is, and will at the Closing Time be, a "reporting issuer", not included in a list of defaulting reporting issuers maintained by the Securities Regulators in the Provinces of British Columbia, Alberta and Québec and in particular, without limiting the foregoing, the Corporation has at all times complied with its obligations to make timely disclosure of all material changes relating to it and there is no material change relating to the Corporation which has occurred and with respect to which the requisite material change report has not been filed with the Securities Regulators;

(s) all filings and fees required to be made and paid by the Corporation pursuant to Securities Laws and general corporate law have been made and paid and the information and statements set forth in the Public Disclosure Documents were accurate in all material respects and did not contain any misrepresentation as of the date of such information or statement, and the Corporation has not filed any confidential material change report with any Securities Regulators that is still maintained on a confidential basis;

(t) the auditors of the Corporation, are independent public accountants as required by the Securities Laws;

(u) there has not been any "reportable event" (within the meaning of National Instrument 51-102 of the Canadian Securities Administrators) with the present or any former auditor of the Corporation;

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

(w) the Corporation is not party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Corporation to compete in any line of business, transfer or move any of their assets or operations or which materially or adversely affects the business practices, operations or condition of the Corporation;

(x) except as disclosed in the Financial Statements, 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, or other instrument or document (written or unwritten);

(y) 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;

(z) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings, and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable by the Corporation have been paid except for where the failure to pay such taxes would not constitute an adverse material fact of the Corporation or result in an adverse material change to the Corporation. All tax returns, declarations, remittances and filings required to be filed by the Corporation, have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate, and no material fact or facts have been omitted therefrom which would make any of them misleading, except where the failure to file such documents would not constitute an adverse material fact of the Corporation or result in an adverse material change to the Corporation. There are no agreements, waivers or other arrangements with any taxation authority providing for an extension of time for any assessment or reassessment of taxes with respect to the Corporation, and no examination of any tax return of the Corporation 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, in any case, except where such examinations, issues or disputes would not constitute an adverse material fact of the Corporation, or result in an adverse material change to the Corporation;

(aa) neither the Corporation, nor to the best of the Corporation's knowledge, any other person, is in default in any material respect in the observance or performance of any term, covenant or obligation to be performed by the Corporation or such other person under any Debt Instrument, Material Agreement, or instrument, document or arrangement (including all joint venture agreements) to which the Corporation is a party or otherwise bound, and all such contracts, agreements or arrangements (including all joint venture agreements, as the case may be) are in full force and effect, enforceable in accordance with their respective terms and in good standing, and no event has occurred which with notice or lapse of time or both would constitute such a default by the Corporation or, to the best of the Corporation's knowledge, any other party, and the Corporation is not aware of any material disputes with respect thereto;

(bb) all option agreements to which the Corporation is a party or otherwise bound, are in good standing and, other than as disclosed in the Public Disclosure Documents, there are no liens or encumbrances registered or outstanding against the interests therein or the property related thereto, all payment obligations thereunder have been met, the title to the property to which the option agreements relate are valid, subsisting and enforceable titles held by the titleholder who are party to the respective option agreements;

(cc) the attributes of the Offered Securities will conform in all material respects with the description thereof in the Subscription Agreements;

(dd) the Corporation will use its best efforts to obtain the necessary regulatory consents from the TSX-V for the issue and sale of the Offered Securities and Agent's Compensation Options and the listing of the Flow-Through Shares, Unit Shares, Warrant Shares and Agent's Compensation Option Shares hereunder on such conditions as are acceptable to the Agent;

(ee) the Transfer Agent at its principal transfer office in the City of Montréal, Québec, has been duly appointed as the registrar and transfer agent in Canada in respect of the Common Shares;

(ff) other than as disclosed in the Public Disclosure Documents, none of the directors, officers or employees of the Corporation, any known holder of more than ten per cent of any class of shares of the Corporation, or any known associate or affiliate of any of the foregoing persons or companies (as such terms are defined in the *Securities Act* (Québec)), has had any material interest, direct or indirect, in any material transaction within the previous two years or any proposed material transaction with the Corporation which, as the case may be, materially affected, is material to or will materially affect the Corporation;

(gg) other than the Agent pursuant to this Agreement, there is no person acting or purporting to act at the request of the Corporation who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the Offering or transactions contemplated herein;

(hh) other than as disclosed in the Public Disclosure Documents, the Corporation is not a party to any debt instrument or has any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at arm's length with them;

(ii) the Corporation is insured 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 has not failed to promptly give any notice or present any material claim thereunder;

(jj) with respect to any Leased Property, the Corporation leases the Leased Property and has the exclusive right to occupy and/or use, as the case may be, the Leased Property and each of the leases pursuant to which the Corporation leases the Leased Property is in good standing and in full force and effect. The performance of obligations pursuant to and in compliance with the terms of this Agreement and the completion of transactions described herein by the Corporation, will not afford any of the parties to such leases or any other person the right to terminate such leases or result in any additional or more onerous obligations under such leases;

(kk) all information which has been prepared by the Corporation relating to the Corporation and its business, Properties, assets and liabilities and either publicly disclosed or provided to the Agent, including all financial, marketing, sales and operational information provided to the Agent and all Public Disclosure Documents 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 materially misleading; and

(ll) the permits and licences of the Corporation with respect to the Properties are held by the Corporation as the case may be and are in good standing at the date hereof, the annual dues having been paid and the statutory work having been duly executed and reported and the rights of the Corporation to the Properties are duly registered with the appropriate governmental bodies or agencies.

4.1.2 *Due Diligence Matters*

(a) Prior to the Closing Time, the Corporation will allow the Agent to conduct all due diligence which it may reasonably require;

(b) the Corporation will promptly notify the Agent in writing if, prior to the Closing Time, there shall occur any material change or change in a material fact (in either case, whether actual, anticipated, contemplated or threatened and other than a change or change in fact relating solely to the Agent) or any event or development involving a prospective material change or a change in a material fact or any other material change in any or all of the business, affairs, operations, assets (including information or data relating to the estimated value or book value of assets), liabilities (contingent or otherwise), capital, ownership, control or management of the Corporation which would constitute a material change to, or a change in a material fact concerning the Corporation or any other change which is of such a nature;

(c) the Corporation will in good faith discuss with the Agent as promptly as possible any circumstance or event which is of such a nature that there is or ought to be consideration given as to whether there may be a material change or change in a material fact or other change described in the preceding paragraph; and

(d) the minute books and records of the Corporation for the period from its incorporation to the Closing Date are, to the Corporation's knowledge, in good standing.

4.1.3 *Environmental Matters*

(a) The lands covered by the Properties in which the Corporation has an interest or right are as of the date hereof and except as disclosed in the Public Disclosure Documents, free and clear of any hazardous or toxic material, pollution, or other adverse environmental conditions which may give rise to any and all claims, actions, causes of action, damages, losses, liabilities, obligations, penalties, judgments, amounts paid in settlement, assessments, costs, disbursement or expenses of any kind or of any nature whatsoever that are asserted against the Corporation or any other party alleging liability of any kind or of any nature whatsoever arising out of, based on or resulting from (i) the presence, release, threatened release, discharge or emission into the environment of any hazardous materials or substances existing or arising on, beneath or above the Properties and/or emanating or migrating and/or threatening to emanate or migrate from the Properties to off-site properties; (ii) physical disturbance of the environment; and (iii) the violation or alleged violation of all applicable laws aimed at reclamation or restoration of the

Properties; abatement of pollution; protection of the environment, protection of wildlife, including endangered species; ensuring public safety from environmental hazards; protection of cultural and historic resources; management, storage or control of hazardous materials and substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances as wastes into the environment, including ambient air, surface water and groundwater; and all other applicable laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes (collectively, **"Environmental Laws"**); and, except as disclosed in the Public Disclosure Documents, all environmental approvals required pursuant to Environmental Laws with respect to activities carried out on any part of the lands covered by the Properties, have been obtained, are valid and in full force and effect and have been complied with; and there are no proceedings commenced or threatened to revoke or amend any such environmental approvals;

(b) the Corporation has, as the case may be, obtained all material licences, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws (the "**Environmental Permits**") necessary as at the date hereof for the operation of the business carried on by the Corporation, and each Environmental Permit is valid, subsisting and in good standing and the Corporation is not in material default or breach of any Environmental Permit and no proceeding has been threatened, or to the best knowledge of the Corporation, is pending to revoke or limit any Environmental Permit;

(c) the Corporation has not used, except in material compliance with all Environmental Laws and Environmental Permits, any Properties or facility which it owns or leases or previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any hazardous substance;

(d) neither the Corporation nor, if applicable, any predecessor companies, have received any notice of, or been prosecuted for an offence alleging, non-compliance with any laws, ordinances, regulations and orders, including Environmental Laws, and neither the Corporation nor, if applicable, any predecessor companies have settled any allegation of non-compliance short of prosecution. There are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Corporation, nor has the Corporation received notice of any of the same;

(e) as of the date hereof, there are no past unresolved, pending or, to its knowledge, threatened claims, complaints, notices or requests for information received by the Corporation with respect to any alleged material violation of any law, statute, order, regulation, ordinance or decree and no conditions exist at, on or under any property now or previously owned, operated or leased by the Corporation which, with the passage of time, or the giving of notice or both, would give rise to liability under any law, statute, order, regulation, ordinance or decree that, individually or in the aggregate, has or may reasonably be expected to have any adverse effect with respect to the Corporation;

(f) except as ordinarily or customarily required by applicable permit, the Corporation has not received any notice, which remains unresolved wherein it is alleged or stated that it is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under any law including any Environmental Laws. The Corporation has not received any request for information, which remains unresolved, in connection with any federal, state, municipal or local inquiries as to disposal sites; and

(g) there are no environmental audits, evaluations, assessments, studies or tests relating to the Properties except for ongoing assessments conducted by or on behalf of the Corporation in the ordinary course.

4.1.4 Mining Matters

(a) The Corporation, except as disclosed and as described in the Financial Statements, has good and marketable title to the Properties, free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, and no other property rights (including access rights) are necessary for the conduct of the business of the Corporation 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 to use, transfer or otherwise exploit such property rights; and, except as disclosed in the Financial Statements, the Corporation has no responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect to the property rights thereof;

(b) any and all of the agreements and other documents and instruments pursuant to which the Corporation holds the Properties (including, as may be applicable, any option agreement or 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 is 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, as may be applicable, any option agreement or any interest in, or right to earn an interest in, any property) of the Corporation are subject to any right of first refusal or purchase or acquisition rights other than as disclosed in the Financial Statements; all such rights and interests have been validly located and recorded in accordance with all applicable laws;

(c) the Corporation has all necessary surface rights, access rights and other necessary rights and interests relating to the Properties in which the Corporation has an interest as described in the Financial Statements granting the Corporation the right and ability to access the Properties as is appropriate in view of their respective rights and interests therein, with only such exceptions as do not materially interfere with the access and use by the Corporation 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, as applicable;

(d) the Corporation, to its knowledge, has conducted and is conducting its business in compliance in all material respects with all applicable laws, rules and regulations of each jurisdiction in which it carries on business and with all laws, regulations, tariffs, rules, orders and directives material to its operation, and the Corporation has not received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any of the permits, licenses, leases or other instruments conferring mining exploration rights in respect of the Properties currently held as disclosed in the Financial Statements, as applicable;

(e) there are no claims with respect to native rights currently threatened or, to the best knowledge of the Corporation, pending with respect to the Properties; and

(f) all exploration activities on the Properties have been conducted in all respects in accordance with good mining exploration and engineering practices and all applicable material workers' compensation and health and safety and workplace laws, regulations and policies have been complied with.

4.1.5 *Employment Matters*

(a) Each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by the Corporation for the benefit of any current or former director, officer, employee or consultant of the Corporation (the "**Employee Plans**") has been disclosed in the Financial Statements and has been maintained in compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans, in each case in all material respects and has been publicly disclosed to the extent required by Securities Laws;

(b) all material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or state pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments have been reflected in the books and records of the Corporation; and

(c) there is not currently any labour disruption which is adversely affecting or could adversely affect, in a material manner, the carrying on of the business of the Corporation.

4.1.6 *Tax Matters*

(a) Upon issue, the Flow-Through Shares will be "flow-through shares" as defined in subsection 66(15) of the ITA and are not and will not be "prescribed shares", within the meaning of subsection 6202.1 of the regulations to the ITA and the applicable provisions of the Québec Tax Act;

(b) the Corporation is an eligible corporation under the provisions of the Québec Tax Act and the Flow-Through Shares to be issued by the Corporation qualify as "flow-through shares" under the definition set out at subsection 66(15) of the ITA and will entitle the subscribers of Flow-Through Shares to deductions of 150% of CEE amount incurred by the Corporation for Québec income tax purposes (for the FT Purchasers in Québec only) and of 100% of the CEE amount incurred by the Corporation for federal income tax purposes and to an federal investment tax credit of 15% under the ITA, provided that the definition of "flow-through mining expenditure" in subsection 127(9) of the ITA is amended in accordance with paragraph 25 of the *Notice of Ways and Means Motion to Amend the Income Tax Act* tabled by the Minister of Finance on March 22, 2011;

(c) the Corporation will use the Flow-Through Funds to incur on or after the Closing Date and on or before December 31, 2012, Qualifying Expenses;

(d) the Corporation has no reason to believe that it will be unable to incur, on or after the Closing Date and on or before December 31, 2012 or that it will be unable to renounce to the applicable FT Purchasers effective on or before December 31, 2011, Qualifying Expenses in an aggregate amount equal to the Flow-Through Funds and the Corporation has no reason to expect any reduction of such amount by virtue of subsection 66(12.73) of the ITA;

(e) the Qualifying Expenses to be renounced by the Corporation to the applicable FT Purchasers:

(A) will constitute CEE on the effective date of the renunciation;

(B) will not include expenses that are "Canadian exploration and development overhead expenses" (as defined in the regulations to the ITA for purposes of paragraph 66(12.6)(b) of the ITA) of the Corporation, assistance as described in paragraph 66(12.6)(a) of the ITA, amounts which constitute specified expenses for seismic data described in paragraph 66(12.6)(b.1) of the ITA or any expenses for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition of "expense" in subsection 66(15) of the ITA;

(C) will not include any amount that has previously been renounced by the Corporation to the FT Purchasers or to any other person; and

(D) would be deductible by the Corporation in computing its income for the purposes of Part I of the ITA but for the renunciation thereof to the FT Purchasers;

(f) the Corporation shall not reduce the amount renounced to the FT Purchasers pursuant to subsections 66(12.6) and 66(12.66) of the ITA; and

(g) the Corporation shall not be subject to the provisions of subsection 66(12.67) of the ITA in a manner which impairs its ability to renounce Qualifying Expenses to the applicable FT Purchasers in an amount equal to the Flow-Through Funds.

4.2 <u>Representations and Warranties of the Agent</u>. The Agent hereby represents and warrants to the Corporation and acknowledges that the Corporation is relying upon such representations and warranties, that:

(a) in respect of the offer and sale of the Offered Securities, the Agent will comply with all Securities Laws;

(b) the Agent and its Affiliates and the Agent's 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 Securities 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 conduct any seminar or meeting concerning the offer or sale of the Offered Securities whose attendees have been invited by any general solicitation or general advertising;

(c) the Agent has not and will not solicit offers to purchase or sell the Offered Securities so as to require the filing of a prospectus, registration statement or offering memorandum with respect thereto or the provision of a contractual right of action under the laws of any jurisdiction;

(d) the Agent will use its commercially reasonable efforts to obtain from each Purchaser an executed Subscription Agreement and all other applicable forms, reports, undertakings and documentation required under the Securities Laws or required by the Corporation, acting reasonably;

(e) the Agent is duly registered pursuant to the provisions of the Securities Laws, is a member in good standing of the Investment Industry Regulatory Organization of Canada, and is duly registered or licensed as investment dealer in those jurisdictions in which it is required to be so registered in order to perform the services contemplated by this Agreement, or if or where not so registered or licensed, the Agent will act only through members of a selling group who are so registered or licensed; and

(f) each Agent and each selling group member to whom the Agent shall direct the Corporation to register an Agent's Compensation Option is an "accredited investor" as defined in Regulation 45-106 or NI 45-106, as applicable, and is acquiring the Agent's Compensation Options as principal for its own account and not for the benefit of any other Person.

5. Closing Deliveries. The purchase and sale of the Offered Securities shall be completed at the Closing Time at the offices of Miller Thomson Pouliot LLP, Montréal, Québec or at such other place as the Agent and the Corporation may agree upon in writing. At the Closing Time, the Corporation shall duly and validly deliver to the Agent, certificates in definitive form representing the Offered Securities issued to the Purchasers under the Offering registered in the names of the Purchasers as indicated on their respective Subscription Agreement and as directed by the Agent, against payment to the Corporation of the aggregate Subscription Price therefor, in lawful money of Canada by certified cheque or bank draft payable at par in the City of Montreal, or by electronic money transfer, less the Commission as set out in Section 13 herein and the reasonable out-of-pocket costs and expenses of the Agent and the fees and disbursements of the Agent's Counsel as set out in Section 9 herein.

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

6.1 The Agent shall have received a certificate addressed to the Agent, the Purchasers and Agent's Counsel, dated as of the Closing Date, signed by the Chief Executive Officer and the person acting as the Chief Financial Officer of the Corporation, or such other officers of the

Corporation as the Agent may agree, certifying for and on behalf of the Corporation, to the best of their knowledge, information and belief, that:

(a) 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, to the knowledge of such officers, contemplated or threatened by any regulatory authority;

(b) 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

(c) the representations and warranties of the Corporation contained in this Agreement and in the Subscription Agreements 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.

6.2 The Agent shall have received at the Closing Time on the Closing Date certificates dated the Closing Date, signed by appropriate officers of the Corporation addressed to the Agent, the Agent's Counsel and the Purchasers, with respect to the articles 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 in the form of a certificate of incumbency and such other matters as the Agent may reasonably request.

6.3 The Agent 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.

6.4 The issuance (and listing, as applicable) of the Offered Securities, Warrant Shares and Agent's Compensation Option Shares shall have been conditionally accepted by the TSX-V, subject to the usual post-closing conditions.

6.5 The Agent shall have received favourable legal opinions addressed to the Agent, the Purchasers and Agent's Counsel, in form and substance satisfactory to the Agent's Counsel acting reasonably, dated the Closing Date, from Miller Thomson Pouliot LLP, counsel for the Corporation and where appropriate, counsel in the other Selling Jurisdictions, which counsel in turn may rely, as to matters of fact, on certificates of auditors, public officials and officers of the Corporation, with respect to the following matters:

(a) as to the incorporation and subsistence of the Corporation under the laws of Canada and as to the corporate power and authority of the Corporation to carry out its obligations under this Agreement, the Subscription Agreements, the Warrant Certificates and the Agent's Compensation Option Certificates and to issue the Flow-Through Shares, the Unit Shares, the Warrants, the Warrant Shares, the Agent's Compensation Options and the Agent's Compensation Option Shares;

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

(c) as to the requisite corporate power and capacity under the laws of Canada to carry on its business as presently carried on and to own its Properties and assets;

(d) as to the fact that neither the execution and delivery of this Agreement, the Subscription Agreements, the Warrant Certificates and the Agent's Compensation Option Certificates nor the performance by the Corporation of its obligations hereunder and thereunder, nor the sale or issuance of the Offered Securities, the Warrant Shares, the Agent's Compensation Options and the Agent's Compensation Option Shares will conflict with any applicable law or result in any breach of the constating documents, articles of the Corporation;

(e) each of this Agreement, the Subscription Agreements, the Warrant Certificates and the Agent's Compensation Option Certificates have been duly authorized and executed and delivered by the Corporation, and each constitutes a valid and legally binding obligation of the Corporation enforceable against it in accordance with its terms;

(f) the Flow-Through Shares and Unit Shares have been issued as fully paid and non-assessable Common Shares;

(g) the Warrants have been duly and validly created and issued and the Warrant Shares have been reserved and authorized for issuance to the holders thereof and, upon the due exercise of the Warrants in accordance with the provisions of the Warrant Certificates, the Warrant Shares will be validly issued as fully paid and non-assessable Common Shares;

(h) the Agent's Compensation Options have been duly and validly created and issued and the Agent's Compensation Option Shares have been reserved and authorized for issuance to the holders thereof and, upon the due exercise of the Agent's Compensation Options in accordance with the provisions of the Agent's Compensation Option Certificate, the Agent's Compensation Option Shares will be validly issued as fully paid and non-assessable Common Shares;

(i) the issuance and sale by the Corporation of the Offered Securities to the Purchasers and of the Agent's Compensation Options to the Agent in accordance with the terms of this Agreement are exempt from the prospectus requirements of applicable Securities Laws in the Selling Jurisdictions 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;

(j) the Flow-Through Shares, the Unit Shares, the Warrant Shares and the Agent's Compensation Option Shares have been conditionally approved for listing on the TSX-V, subject to the Corporation fulfilling all of the requirements of the TSX-V;

(k) 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 Securities, the Warrant Shares, the Agent's Compensation Options and the Agent's Compensation Option Shares by the Purchasers or the Agent, as applicable, or, as the case may be, subject to the satisfaction of the usual conditions under *Regulation 45-102 respecting Resale of Securities* or National Instrument 45-102 *Resale of Securities*; and

(l) the Corporation is a Principal Business Corporation within the meaning of subsection 66(15) of the ITA and a Development Corporation as outlined in Section 363 of the Québec Tax Act and the Flow-Through Shares are "flow-through shares" as defined in subsection 66(15) of the ITA and are not and will not be "prescribed shares" within the meaning of subsection 6202.1 of the regulations to the ITA and the applicable provisions of the Québec Tax Act.

6.6 The Agent shall have received certificates of status or similar certificate with respect to the jurisdiction in which the Corporation is incorporated and a copy of the lists confirming that the Corporation is not a reporting issuer in default in British Columbia, Alberta, Ontario and Québec.

6.7 The Subscription Agreements, Warrant Certificates and Agent's Compensation Option Certificates shall have been executed and delivered by the parties thereto in form and substance satisfactory to the Agent and Agent's Counsel, acting reasonably.

6.8 The Corporation shall cause the Transfer Agent to deliver a certificate: (i) as to its appointment as transfer agent and registrar of the Common Shares; and (ii) as to the issued and outstanding Common Shares in the capital of the Corporation as at the close of business on the day prior to the Closing Date.

6.9 The Agent shall, in its sole discretion, be satisfied with their due diligence review with respect to the business, assets, financial condition, affairs and prospects of the Corporation.

7. Over-Allotment Option.

7.1 The Agent may exercise the Over-Allotment Option at any time and from time to time prior to the Over-Allotment Option Expiry Date by delivery of the Over-Allotment Notice not later than two Business Days prior to exercise, specifying the number of Additional Flow-Through Shares and/or Additional Units in respect of which the Over-Allotment Option is being exercised and the Over-Allotment Option Closing Date. The Over-Allotment Option Closing Date shall be determined by the Agent but shall not be earlier than two Business Days or later than seven Business Days after the date of delivery of the Over-Allotment Notice and, in any event, shall not be earlier than the Closing Date.

7.2 Upon receipt of the Over-Allotment Notice, the Corporation shall become obligated to issue and sell the number of Additional Flow-Through Shares and/or Additional Units set out in the Over-Allotment Notice at the Over-Allotment Option Closing Time in accordance with this Agreement and the Securities Laws against delivery of payment by the Agent of the applicable subscription price for such Additional Flow-Through Shares and/or Additional Units less any amount due pursuant to Section 13 hereof with respect to the Additional Units, in lawful money of Canada, by certified cheque, bank draft or electronic money transfer (it being understood that the Corporation shall grant Agent's Compensation Options to the Agent in respect of any Additional Units issued and sold).

7.3 At the Over-Allotment Option Closing Time, the Corporation shall deliver and the Agent shall have received all of the certificates, opinions, agreements, materials or other documents specified in Section 6 hereof brought forward to and dated the Over-Allotment Option Closing Date. The issuance and sale of the Additional Flow-Through Shares and/or Additional Units at each Over-Allotment Option Closing Time shall be subject to the accuracy of the representations and warranties of the Corporation contained in this Agreement as of the Over-Allotment Option Closing Time and the performance by the Corporation of its obligations as contemplated by this Agreement, in all material respects. For greater certainty, the applicable terms, conditions and provisions of this Agreement (including the provisions of Section 6 relating to Closing deliveries unless otherwise agreed to by the Corporation and the Agent) shall apply *mutadis mutandis* to the closing of the issuance and sale of the Additional Flow-Through Shares and/or Additional Units pursuant to the exercise of the Over-Allotment Option.

7.4 In the event the Corporation shall subdivise, consolidate or otherwise change its common shares prior to the Over-Allotment Option Closing Time, the number of Additional Flow-Through Shares and/or Additional Units into which the Over-Allotment Option is exercisable shall be similarly subdivided, consolidated or changed such that the Agent would be entitled to receive the equivalent of the number of Additional Flow-Through Shares and/or Additional Units that it would have otherwise been entitled to receive had it exercised the Over-Allotment Option prior to such subdivision, consolidation or change. The subscription price per Additional Flow-Through Shares and the subscription price per Additional Unit shall be adjusted accordingly and notice shall be given to the Agent of such adjustment.

7.5 The closing of the issuance and sale of the Additional Units shall be completed at the offices of Miller Thomson Pouliot LLP, in Montreal, Québec, at the Over-Allotment Option Closing Time, or such other place as mutually agreed by the Corporation and the Agent.

8. Rights of Termination.

8.1 Due Diligence Out. In the event that the due diligence investigations performed by the Agent and/or the Agent's Representatives reveal any material information or fact not generally known to the public which might, in the Agent's sole opinion, acting reasonably, adversely affect the market price of the Flow-Through Shares and Unit Shares, quality of the investment or marketability of the Offering, the Agent shall be entitled, at its sole option and in accordance with subsection 8.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by notice to that effect given to the Corporation any time prior to the Closing Time on the Closing Date.

8.2 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 any securities commission or the TSX-V) is commenced, announced or threatened in relation to the Corporation or any of the officers or directors of the Corporation or any of its principal securityholders, which, in the sole opinion of the Agent, materially adversely affects or may materially adversely affect the Corporation and/or its business, operations or affairs, the Agent shall be entitled, at its sole option and in accordance with subsection 8.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by notice to that effect given to the Corporation any time prior to the Closing Time on the Closing Date.

8.3 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 Agent, materially adversely affects, or may materially adversely affect, the financial markets generally or the business, operations, affairs or profitability of the Corporation, or the market price or value of the Common Shares, the Agent shall be entitled at its sole option, in accordance with subsection 8.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by written notice to that effect given to the Corporation prior to the Closing Time on the Closing Date.

8.4 Change in Material Fact. In the event that prior to the Closing Time, the Agent or the Agent's 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 Agent, has or could be expected to have a material adverse change or material adverse effect on the business, affairs or profitability of the Corporation or on the market price or value of the Flow-Through Shares and Unit Shares, the Agent shall be entitled, at its sole option, in accordance with subsection 8.8, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by written notice to that effect given to the Corporation prior to the Closing Time on the Closing Date.

8.5 Profitably Marketed. In the event that prior to the Closing Time, the state of the Canadian financial markets is such that, in the sole opinion of the Agent, the Offered Securities cannot be profitably marketed, the Agent shall be entitled at its sole option, in accordance with subsection 8.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by written notice to that effect given to the Corporation prior to the Closing Time on the Closing Date.

8.6 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 commercially reasonable efforts (or all reasonable efforts, as applicable) 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 Agent, at its sole option in accordance with subsection 8.8, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by notice to that effect given to the Corporation at or prior to the Closing Time. The Agent may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other 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 Agent only if the same is in writing and signed by it.

8.7 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 Agent, acting reasonably, operates or could operate to prevent or restrict trading in or distribution of the Offered Securities in any of the Selling Jurisdictions, the Agent shall be entitled, at its option, in accordance with subsection 8.8 of this Agreement, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by it to purchase the Offered Securities) by written notice to that effect given to the Corporation prior to the Closing Time.

8.8 Exercise of Termination Rights. The rights of termination contained in subsections 8.1, 8.2, 8.3, 8.4, 8.5, 8.6 and 8.7 above may be exercised by the Agent and are in addition to any other rights or remedies the Agent 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 Agent, there shall be no further liability on the part of the Agent to the Corporation or on the part of the Corporation to the Agent 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.

9. Expenses. Whether or not the sale of the Offered Securities shall be completed, the Corporation will pay all reasonable expenses and fees and all applicable taxes in connection with the Offering, including all expenses of or incidental to the issue, sale or distribution of the Offered Securities, the fees and expenses of its counsel and all costs incurred in connection with the preparation of documents relating to the Offering, including all reasonable fees and out-of-pocket expenses of the Agent and the Agent's Counsel subject to a maximum aggregate of $25,000 (plus disbursements and all applicable taxes). All reasonable fees and expenses of the Offering (including all applicable taxes) shall be payable by the Corporation at the earlier of Closing and promptly upon receiving an invoice therefor, or at such other time and in such other manner as may be mutually agreed.

10. Survival of Representations and Warranties. All representations, warranties, covenants and agreements of the Corporation herein contained or contained in any documents submitted pursuant to this Agreement and in connection with the transactions herein contemplated shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Agent or the Purchasers with respect thereto, shall continue in full force and effect for the benefit of the Agent and the Purchasers, as applicable. The representations, warranties, covenants and agreements of the Agent herein contained and in connection with the transactions herein contemplated shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Corporation with respect thereto, shall continue in full force and effect for the benefit of the Corporation for a period of two years following the Closing.

11. Indemnity. The Corporation hereby agrees to indemnify and hold the Agent and/or its Affiliates and each of the directors, officers, employees, partners, shareholders and representatives of the Agent and/or Affiliates (hereinafter collectively referred to as the "**Personnel**") harmless from and against any and all expenses, losses (other than loss of profits), claims, actions, damages or liabilities, whether joint or several (including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings or claims), and the reasonable fees and expenses of the Agent's Counsel that may be incurred in advising with respect to and/or defending any claim that may be made against the Agent and/or Affiliates and/or the Personnel or to which the Agent and/or Affiliates and/or the Personnel may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such expenses, losses, claims, damages, liabilities or actions arise out of or are based, directly or indirectly, upon the performance of professional services rendered to the Corporation by the Agent and/or

Affiliates and the Personnel hereunder or otherwise in connection with the matters referred to in this Agreement, provided, however, that this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that:

(a) the Agent and/or Affiliates or the Personnel have been grossly negligent or dishonest or have committed any fraudulent act in the course of such performance; and

(b) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were directly caused by the gross negligence, dishonesty, or fraud referred to in (a).

If for any reason the foregoing indemnification is unavailable to the Agent and/or Affiliates and/or the Personnel or insufficient to hold them harmless, then the Corporation and the Agent shall contribute to the aggregate of such losses, claims, costs, damages, expenses or liabilities (except loss of profit or consequential damage) of the nature provided for above such that the Agent and/or Affiliates shall be responsible for that portion represented by the percentage that the portion of the fees received bear to the gross proceeds realized by the sale of the Offered Securities and the Corporation shall be responsible for the balance, provided that, in no event, shall the Agent and/or Affiliates be responsible for any amount in excess of the amount of the fees actually received by it. In the event that the Corporation may be entitled to contribution from the Agent and/or Affiliates under the provisions of any statute or law, the Corporation shall be limited to contribution in any amount not exceeding the lesser of the portion of the amount of losses, claims, costs, damages, expenses and liabilities giving rise to such contribution for which the Agent and/or Affiliates are responsible and the amount of the fees received by the Agent and/or Affiliates. There shall be excluded from such indemnification any such claims, losses, damages, liabilities, costs or expenses that arise primarily out of or are based primarily upon any action or failure to act by the Agent and/or Affiliates, that is found in a final judicial determination (or a settlement tantamount thereto) to constitute bad faith, wilful misconduct or gross negligence on the part of the Agent.

Notwithstanding the foregoing, a party guilty of fraudulent representation shall not be entitled to contribution from the other party. Any party entitled to contribution will, promptly after receiving notice of commencement of any claim, action, suit or proceeding against the other party under this provision, notify such party from whom contribution may be sought. In no case shall such party, from whom contribution may be sought, be liable under this agreement unless such notice has been provided, but the omission to so notify such party shall not relieve the party from whom contribution may be sought from any other obligation it may have otherwise than under this provision. The right of contribution provided herein shall be in addition and not in derogation of any other right to contribution which the Agent may have by statute or otherwise by law.

The Corporation agrees that in case any legal proceeding shall be brought against the Corporation and/or the Agent and/or Affiliates and/or the Personnel by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or any such authority shall investigate the Corporation and/or the Agent and/or Affiliates and any Personnel 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 Agent and/or Affiliates under this Agreement, the Corporation shall be entitled but not obligated to participate in or assume the defence thereof; provided however, that the defence shall be through legal counsel acceptable to the Agent, acting reasonably. In addition, the Agent and/or Affiliates and/or Personnel shall have the right to employ their own counsel in connection therewith and participate in the defence thereof and the fees of such counsel shall be borne by the Agent unless:

(i) the employment of separate counsel has been specifically authorized in writing by the Corporation;

(ii) the Agent and/or the Personnel have been advised by counsel that representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests; or

(iii) the Corporation has failed, within a reasonable period of time after receipt of notice, to assume the defence of such action or claim;

provided that the Corporation shall not be required to assume the fees and expenses of more than one additional counsel. Neither party shall effect any settlement of any such action or claim or make any admission of liability without the written consent of the other party, such consent to be properly considered and not to be unreasonably withheld.

Promptly after receipt of notice of the commencement of any legal proceeding against the Agent and/or Affiliates or any of the Personnel or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Corporation, the Agent and/or Affiliates (or any one of them) will notify the Corporation in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Corporation, will keep the Corporation advised of the progress thereof and will discuss with the Corporation all significant actions proposed.

The 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 those of the Agent and/or Affiliates and the Personnel who are not signatories hereto and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Corporation, the Agent and/or Affiliates and any of the Personnel of the Agent and/or Affiliates. The foregoing provisions shall survive the completion of professional services rendered under this Agreement.

12. Advertisements. The Corporation acknowledges that the Agent shall have the right, subject always to clauses 1.1 and 1.3 and 4.2 of this Agreement, at its own expense, to place such advertisement or advertisements relating to the sale of the Offered Securities contemplated herein as the Agent may consider desirable or appropriate and as may be permitted by applicable law, including applicable securities laws. The Corporation and the Agent 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 legislation in any of the Selling Jurisdictions in which the Offered Securities shall be offered or sold not being available.

13. Agent's Compensation. In consideration of the services to be rendered by the Agent in connection with the Offering, the Corporation shall, at the Closing Date: i) pay the Agent a cash commission equal to 8.5% of the gross proceeds realized by the Corporation in respect of the sale of the Offered Securities sold pursuant to the Offering (the "**Commission**"); and ii) issue the Agent's Compensation Options, which options will entitle the Agent to purchase such number of Common Shares equal to seven percent (7%) of the total number of Flow-Through Shares and seven percent (7%) of the total number of Units sold pursuant to the Offering, such options to be exercised in whole or in part at a price of $0.12 per Common Share for a period of 24 months from the Closing Date and as evidenced in the Agent's Compensation Option Certificates, it being understood that the Agent may, at its own discretion, subject to compliance with Securities Laws, direct the Corporation to register the Agent's Compensation Options in the name of the members of the selling group.

14. Standstill. The Corporation hereby warrants, guarantees and undertakes in favour of the Agent that it shall not issue any common shares or any securities convertible into or exchangeable or exercisable for common shares, at a price per share which is less than $0.12 for a period of 120 days after the Closing Date. Notwithstanding the foregoing, the Corporation shall be entitled to issue any securities of the Corporation at any time: (i) pursuant to a security compensation plan or stock option plan approved by the shareholders of the Corporation or existing prior to the Offering; (ii) pursuant to rights, securities, agreements or commitments currently outstanding; (iii) in connection with an arm's length acquisition or corporate transaction involving the Corporation; (iv) in connection with an arm's length strategic business partnership transaction involving the Corporation; or (v) with the prior written consent of the Agent, which consent will not be unreasonably withheld.

15. Action by Agent. All steps which must or may be taken by the Agent in connection with this Agreement, with the exception of the matters relating to termination contemplated by Section 8 or matters relating to indemnity and contribution contemplated by Section 11, including delivery of definitive certificates representing the Offered Securities and Agent's Compensation Options may be taken by Industrial Alliance and the execution and delivery of this Agreement by the Corporation and the Agent shall constitute the Corporation's authority for accepting any notice, request, direction, consent or other communication from Industrial Alliance.

16. 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:

16.1 In case of the Corporation:

NQ Exploration Inc.
370, Magnolias
Laval, Quebec
H7A 0A3

Attention: Mr. David Grondin, President
Facsimile No.: (514) 904-1597
Email: info@nqexploration.com

with a copy to (for informational purposes only):

Miller Thomson Pouliot LLP
La Tour CIBC, 31st Floor
1155 René-Lévesque Street West
Montréal, Québec H3B 3S6

Attention: Marc Pothier
Facsimile No.: 514-875-4308
Email: mpothier@millerthomsonpouliot.com

16.2 in the case of the Agent:

Industrial Alliance Securities Inc.
2200 McGill College, Suite 350
Montreal, QC H3A 3P8

Attention: Pierre Colas, Vice President and Managing Director, Investment Banking
Facsimile No.: 514-842-1408
Email: pcolas@iagto.ca

with a copy to (for informational purposes only):

Colby, Monet, Demers, Delage & Crevier LLP
1501 McGill College Avenue, Suite 2900
Montréal, Québec H3A 3M8

Attention: Michel G. Hudon
Facsimile No.: 514-284-1961
Email: mhudon@colby-monet.com

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 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 confirmed to have been sent.

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

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

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

20. 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.

21. 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 any and all engagement letters between the Corporation and the Agent executed prior to the date hereof in respect of the Offering. This Agreement may be amended or modified in any respect by written instrument only.

22. 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.

23. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein.

24. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Corporation, the Agent and the Purchasers and their respective executors, heirs, successors and permitted assigns; provided that, except as provided herein or in the Subscription Agreements, this Agreement shall not be assignable by any party without the written consent of the others.

25. 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.

26. 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.

27. Counterparts and Facsimile. This Agreement may be executed in any number of counterparts and by facsimile, each of which so executed shall constitute an original and all of which taken together shall form one and the same agreement.

28. Language. The parties hereby acknowledge that they have expressly required this Agreement and all notices, statements of account and other documents required or permitted to be given or entered into pursuant hereto to be drawn up in the English language only. Les parties reconnaissent avoir expressément demandé que la présente Convention ainsi que tout avis, tout état de compte et tout autre document à être ou pouvant être donné ou conclu en vertu des dispositions des présentes, soient rédigés en langue anglaise seulement.

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 Agent.

Yours very truly,

REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK

INDUSTRIAL ALLIANCE SECURITIES INC.

Per: ______________________________
Authorized Signatory

The foregoing is hereby accepted on the terms and conditions therein set forth.

DATED as of this 2 day of May 2011

NQ EXPLORATION INC.

Per: ______________________________
Authorized Signatory

SCHEDULE "A"
SPECIMEN OF AGENT'S COMPENSATION OPTION CERTIFICATE

THE COMPENSATION OPTIONS EVIDENCED BY THIS COMPENSATION OPTION CERTIFICATE ARE EXERCISABLE AT ANY TIME AND FROM TIME TO TIME UNTIL 5:00 P.M. (MONTREAL TIME) ON ●, 2013, AFTER WHICH TIME THEY SHALL EXPIRE AND BE OF NO FURTHER FORCE OR EFFECT.

AGENT'S OPTION TO PURCHASE COMMON SHARES OF NQ EXPLORATION INC.

No. ●

THIS CERTIFIES that, for value received, • (the "**Holder**"), is the registered holder of ● non-assignable, non-transferable options (the "**Agent's Compensation Options**"). Each Agent's Compensation Option entitles the Holder, subject to the terms and conditions set forth in this certificate (the "**Agent's Compensation Option Certificate**"), to purchase from NQ Exploration Inc. (the "**Corporation**"), one common share in the share capital of the Corporation (a "**Common Share**"), on payment of $0.12 per Common Share (the "**Exercise Price**") at any time until 5:00 p.m. (Montreal time) on ●, 2013 (the "**Expiry Date**"). The number of Common Shares which the Holder is entitled to acquire upon exercise of the Agent's Compensation Option and the Exercise Price are subject to adjustment as hereinafter provided.

1. Exercise of Agent's Compensation Options

(a) Election to Purchase. The rights evidenced by this certificate may be exercised by the Holder in whole or in part and in accordance with the provisions hereof by delivery of an Election to Purchase in substantially the form attached hereto as Schedule 1, properly completed and executed, together with payment by certified cheque or bank draft of the Exercise Price for the number of Common Shares specified in the Election to Purchase at the head office of the Corporation or such other address in Canada as may be notified in writing by the Corporation (the "**Corporation Office**"). In the event that the rights evidenced by this Agent's Compensation Option Certificate are exercised in part, the Corporation shall, contemporaneously with the issuance of the Common Shares issuable on the exercise of the Agent's Compensation Options so exercised, issue to the Holder a new certificate on identical terms in respect of that number of Common Shares in respect of which the Holder has not exercised the rights evidenced by this Agent's Compensation Option Certificate.

(b) Exercise. The Corporation shall, within five Business Days after receiving a duly executed Election to Purchase and the Exercise Price for the number of Common Shares specified in the Election to Purchase (the **"Exercise Date"**), issue that number of Common Shares and register such Common Shares as specified in the Election to Purchase.

2. Exercise Procedure:

(a) Delivery. The Holder may exercise the right to subscribe and purchase the number of Common Shares herein provided for by delivering to the Corporation prior to the Expiry Date at its principal office this Agent's Compensation Option Certificate, with the subscription form attached hereto duly completed and executed by the Holder or its legal representative or attorney, duly appointed by an instrument in writing in form and manner satisfactory to the Corporation, together with a certified cheque or bank draft payable to or to the order of the Corporation in an amount equal to the aggregate Exercise Price in respect of the Common Shares so purchased. Any Agent's Compensation Option Certificate so surrendered shall be deemed to be surrendered only upon delivery thereof to the Corporation at the Corporation Office s.

(b) Issuance of Common Shares. Upon such delivery as aforesaid, the Corporation shall cause to be issued to the Holder hereof the Common Shares subscribed for not exceeding those which such Holder is entitled to purchase pursuant to this Agent's Compensation Option Certificate and the Holder hereof shall become a shareholder of the Corporation in respect of the Common Shares subscribed for with effect from the date of such delivery and shall be entitled to delivery of certificates evidencing the Common Shares and the Corporation shall cause such certificates to be mailed to the Holder hereof at the address or addresses specified in the Election to Purchase as soon as practicable, and in any event within five Business Days of such delivery.

(c) Certificates. As promptly as practicable after the Exercise Date, the Corporation shall issue and deliver to the Holder, registered in such name or names as the Holder may lawfully direct or if no such direction has been given, in the name of the Holder, certificates for the number of Common Shares specified in the Election to Purchase. To the extent permitted by law, such exercise shall be deemed to have been effected as of the close of business on the Exercise Date, and at such time the rights of the Holder with respect to the number of Agent's Compensation Options which have been exercised as such shall cease, and the person or persons in whose name or names any certificates for Common Shares shall then be issuable upon such exercise shall be deemed to have become the holder or holders of record of the Common Shares represented thereby. If required under Securities Laws the certificates shall bear a legend respecting the applicable temporal resale restrictions.

(d) Fractional Shares. No fractional Common Shares shall be issued upon exercise of any Agent's Compensation Option and no payments or adjustment shall be made upon any exercise on account of any cash dividends on the Common Shares issued upon such exercise.

(e) Shares to be Reserved. The Corporation will at all times keep available, and reserve if necessary under applicable law, out of its authorized Common Shares, solely for the purpose of issue upon the exercise of the Agent's Compensation Options, such number of Common Shares as shall then be issuable upon the exercise of the Agent's Compensation Options. The Corporation covenants and agrees that all Common

Shares which shall be so issuable will, upon issuance in accordance with the terms hereof, be duly authorized and issued as fully paid a non-assessable Common Shares.

(f) Listing. The Corporation will, at its expense and as expeditiously as possible, use its reasonable commercial efforts to cause all Common Shares issuable upon the exercise of the Agent's Compensation Options to be duly listed on such stock exchange upon which Common Shares are on the Exercise Date then listed prior to the issuance of such Common Shares.

(g) Expiry Time: At the Expiry Date, all rights under the Agent's Compensation Options evidenced hereby, in respect of which the right of subscription and purchase herein provided for shall not theretofore have been exercised, shall expire and be of no further force and effect.

(h) Not a Shareholder: Nothing in this Agent's Compensation Option Certificate or in the holding of an Agent's Compensation Option evidenced hereby shall be construed as conferring upon the Holder any right or interest whatsoever as a shareholder of the Corporation.

(i) No Obligation to Purchase: Nothing herein contained or done pursuant hereto shall obligate the Holder to subscribe for or the Corporation to issue any shares except those Common Shares in respect of which the Holder shall have exercised its right to purchase hereunder in the manner provided herein.

3. Adjustment of Number of Common Shares

The acquisition rights in effect at any date attaching to the Agent's Compensation Options shall be subject to adjustment from time to time as follows:

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

i) subdivide, redivide or change its outstanding Common Shares into a greater number of shares;
ii) reduce, combine or consolidate its outstanding Common Shares into a smaller number of shares; or
iii) issue common shares (or securities exercisable for or convertible into Common Shares) to all or substantially all of the holders of outstanding Common Shares by way of a stock dividend or other distribution of Common Shares or securities exercisable for or convertible into Common Shares (other than Dividends Paid in the Ordinary Course (as hereinafter defined));

the Exercise Price in effect on the effective date of such subdivision or consolidation, or on the record date of such stock dividend, as the case may be, shall be adjusted to equal the price determined by multiplying the Exercise Price in effect immediately prior to such effective date or record date by a fraction of which the numerator shall be the total number of Common Shares issued and outstanding immediately prior to such a date and the denominator shall be the total number of Common Shares issued and outstanding immediately after such date. Such adjustment shall be made successively whenever any event referred to in this subsection (a) shall occur, and any such issue of common shares by way of a stock dividend shall be deemed to have been made on the record date for the stock dividend for the purpose of calculating the number of issued and outstanding Common Shares under subsections (b) and (c). Upon any adjustment of the Exercise Price pursuant to this subsection (a), the number of Common Shares subject to the right of purchase under the Agent's Compensation Options not previously exercised shall be contemporaneously adjusted by multiplying the number of Common Shares which theretofore may have been purchased under such Agent's Compensation Options by a fraction of which the numerator shall be the respective Exercise Price in effect immediately prior to such adjustment and the denominator shall be the respective Exercise Price resulting from such adjustments;

(b) if and whenever at any time after the date hereof and prior to the Expiry Date, the Corporation shall fix a record date for the distribution to all or substantially all of the holders of Common Shares of rights, options or warrants (other than the Agent's Compensation Options) entitling them for a period expiring not more than ninety days after such record date to subscribe for or purchase Common Shares (or securities exercisable for or convertible into Common Shares) at a price (or having a conversion price or exchange price) less than 95% of the current market price (such price being the weighted average price per Common Share at which the Common Shares have traded during the period of 20 consecutive trading days (on which at least 500 Common Shares are traded in board lots) ending on the fifth business day before the relevant date, hereinafter the "**Current Market Price**") on such record date, the Exercise Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares issued and outstanding on such record date plus the number arrived at by dividing the aggregate price of the total number of additional Common Shares offered for subscription or purchase (or the aggregate conversion or exchange price of the securities so offered) by such Current Market Price, and of which the denominator shall be total number of Common Shares issued and outstanding on such record date plus the total number of additional Common Shares offered for subscription or purchase (or into which the securities so offered are exercisable or convertible); any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such computation; such adjustment shall be made successively whenever such a record date is fixed; to the extent that any rights, options or warrants are not so issued or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or to the Exercise Price which would then be in effect based upon the number and aggregate price of Common Shares (or securities exercisable for or convertible into Common Shares) actually issued upon the exercise of such rights, option or warrants, as the case may be;

(c) if and whenever at any time from the date hereof and prior to the Expiry Date, there is a reclassification of the Common Shares or a capital reorganization of the Corporation other than as described in subsection 3(a) or a consolidation, amalgamation, arrangement or merger of the Corporation with or into any other body corporate, trust, partnership or other entity, or a sale or conveyance of the property and assets of the Corporation as an entirety or substantially as an entirety to any other body corporate, trust, partnership or other entity, the Holder, if it has not exercised its right of acquisition prior to the effective date of such reclassification, reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance, upon the exercise of such right thereafter, shall be entitled to receive and shall accept, for the same aggregate consideration, in lieu of the number of Common Shares originally sought to be acquired by it, the number of shares or other securities or property of the Corporation or of the body corporate, trust, partnership or other entity resulting from such merger, amalgamation, arrangement or consolidation, or to which such sale or conveyance may be made, as the case may be, that the Holder would have been entitled to receive on such reclassification, reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance, if, on the record date or the effective date thereof, as the case may be, the Holder had been the registered holder of the number of Common Shares originally sought to be acquired by it and to which it was entitled to acquire upon exercise of the Agent's Compensation Options. If determined appropriate by the board of directors of the Corporation to give effect to or to evidence the provisions of this subsection 3(c), the Corporation, its successor, or such purchasing body corporate, partnership, trust or other entity, as the case may be, shall, prior to or contemporaneously with any such reclassification, reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance, enter into an agreement which shall provide, to the extent possible, for the application of the provisions set forth in this Agent's Compensation Option Certificate with respect to the rights and interests thereafter of the Holder to the end that the provisions set forth in this Agent's Compensation Option Certificate shall thereafter correspondingly be made applicable, as nearly as may reasonably be, with respect to any shares, other securities or property to which the Holder is entitled on the exercise of its acquisition rights thereafter.

(d) if and whenever at any time from the date hereof and prior to the Expiry Date, the Corporation fixes a record date for the making of a distribution to all or substantially all the holders of its outstanding Common Shares of: (i) shares of any class other than Common Shares, other than shares distributed to holders of Common Shares pursuant to their exercise of options to receive dividends in the form of such shares in lieu of Dividends Paid in the Ordinary Course on the Common Shares or (ii) rights, options or warrants (excluding rights exercisable for ninety days or less where the exercise price per share is not less than 95% of the Current Market Price on such record date), or (iii) evidences of its indebtedness, or (iv) assets (excluding Dividends Paid in the Ordinary Course), including shares of other corporations, then, and in each such case, the Exercise Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date multiplied by the Current Market Price on such record date, less the aggregate fair market value (as determined by the directors, which determination shall be conclusive) of such shares, rights, options, warrants, evidences of indebtedness or assets so distributed, and of which the denominator shall be that total number of Common Shares outstanding on such record date multiplied by such Current Market Price; any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such computation; such adjustment shall be made successively whenever such a record date is fixed; to the extent that such distribution is not so made, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed or to the Exercise Price which would then be in effect based upon such shares, rights, options, warrants, evidences of indebtedness or assets actually distributed, as the case may be;

(e) the adjustments provided for in this section 3 in the Exercise Price and number of Common Shares and classes of securities which are to be received on the exercise of Agent's Compensation Options are cumulative. After any adjustment pursuant to this section, the term "Common Shares" where used in this Agent's Compensation Option Certificate shall be interpreted to mean securities of any class or classes which, as a result of such adjustment and all prior adjustments pursuant to this section, the Holder is entitled to receive upon the exercise of its Agent's Compensation Options, and the number of Common Shares indicated by any exercise made pursuant to Agent's Compensation Options shall be interpreted to mean the number of Common Shares or other property or securities the Holder is entitled to receive, as a result of such adjustment and all prior adjustments pursuant to this section, upon the full exercise of Agent's Compensation Options;

(f) for the purposes of this section 3, "**Dividends Paid in the Ordinary Course**" means cash dividends declared payable on the Common Shares in any fiscal year of the Corporation to the extent that such cash dividends do not exceed, in the aggregate, the greater of: (i) 150% of the aggregate amount of cash dividends declared payable by the Corporation on the Common Shares in its immediately preceding fiscal year; (ii) 100% percent of the aggregate net earnings of the Corporation from continuing operations, before extraordinary items, for its immediately preceding fiscal year;

(g) in any case which this section 3 shall require that an adjustment shall become effective immediately after a record date for an event referred to herein, the Corporation may defer, until the occurrence of such event, issuing to the Holder of the Agent's Compensation Options exercised after such event the additional Common Shares issuable upon such conversion by reason of the adjustment required by such event before giving effect to such adjustment; provided, however, that the Corporation shall deliver to such holder an appropriate instrument evidencing such holder's rights to receive such additional Common Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on such additional Common Shares declared in favour of holders of record of Common Shares on and after the relevant date of exercise or such later date as such holder would, but for the provisions of this subsection (g), have become the holder of record of such additional Common Shares;

(h) if the purchase price provided for in any right, warrant or option issued as described in subsection 3(b) or 3(d) is decreased, or the price at which Common Shares are issued as described in subsection 3(a) is decreased or the rate of exercise or conversion at which any securities exercisable for or convertible into Common Shares which are issued as described in subsection 3(a) is increased, the Exercise Price shall, subject to subsection 3(g), forthwith be changed so as to decrease the Exercise Price to such Exercise Price as would have been obtained had the adjustment made in connection with the issuance of all such rights, warrants, options or securities been made upon the basis of such purchase price as so decreased or such rate as so increased;

(i) no adjustment in the Exercise Price or in the number of shares to be issued pursuant to the exercise of the Agent's Compensation Options shall be required unless such adjustment would result in a change of at least 1% in the Exercise Price then in effect or unless the number of shares to be issued would change by at least 1/100th of a share, provided, however, that any adjustments, which, except for the provisions of this subsection 3(i) would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment;

(j) no adjustment in the Exercise Price shall be made in respect of any event described in subsections 3(a)iii, 3(b) or 3(c):

i) if the Holder is entitled to participate in such event on the same terms *mutatis mutandis* as if he had exercised his purchase rights prior to the effective date or record date or such event, subject to the prior approval of any applicable stock exchange or over the counter market to such participation if the Common Shares are then listed on such exchange or market; or
ii) in respect of any rights to acquire shares of the Corporation which are presently outstanding;

(k) in determining at any time and from time to time the number of Common Shares outstanding at any particular time for purposes of this section 3, there shall be included that number of Common Shares which would be outstanding upon conversion of all convertible securities then outstanding, and upon exercise of all rights, options or warrants then outstanding to purchase Common Shares, and there shall be excluded any Common Shares (and Common Shares which would be outstanding upon conversion of securities exercisable for or convertible into Common Shares) held by or for the account of the Corporation;

(l) upon the expiry of the period for conversion of convertible securities and the exercise period for rights, options, warrants (other than rights, options or warrants in respect of which the Holder is entitled to participate, as contemplated in subsection 3(j) to purchase Common Shares or securities exercisable for or convertible into Common Shares) the Exercise Price shall be adjusted to what it would have been if such unconverted convertible securities and unexercised rights, options or warrants had not been issued;

(m) in case the Corporation, after the date hereof, shall take any action affecting the Common Shares other than actions described in section 3, which in the opinion of the directors of the Corporation would materially affect the rights of the Holder, the number of Common Shares which may be acquired upon exercise of the Agent's Compensation Options shall be adjusted in such manner and at such time, by action of the directors, as they determine, acting reasonably, to be equitable in the circumstances;

(n) all shares of any class or other securities which the Holder is at the time in question entitled to receive on the exercise of its Agent's Compensation Options, whether or not as a result of adjustments made pursuant to this section 3 shall, for the purposes of the interpretation of this Agent's Compensation Option Certificate, be deemed to be shares or securities which the Holder is entitled to acquire pursuant to such Agent's Compensation Options;

(o) notwithstanding anything to the contrary, in this section 3, no adjustment shall be made in the acquisition rights attached to the Agent's Compensation Options if the issue of Common Shares is being made pursuant to this Agent's Compensation Option Certificate or pursuant to any stock option or stock purchase plan in force from time to time or pursuant to any private placement or public offering of Common Shares or securities exercisable for or convertible into Common Shares of the Corporation;

(p) in the event of any question arising with respect to the adjustments provided for in this section 3, such question shall be conclusively determined by the Corporation's auditors who shall have access to all necessary records of the Corporation, and such determination, absent manifest error, shall be binding upon the Corporation, the Holder and all other persons interested therein;

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

(r) the Corporation shall from time to time immediately after the occurrence of any event which requires an adjustment or readjustment as provided in section 3, deliver a certificate of the Corporation to the Holder specifying the nature of the event requiring the same and the amount of the adjustment or readjustment necessitated thereby and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based, which certificate shall be supported by a certificate of the Corporation's auditors verifying such calculation;

(s) the Corporation covenants with the Holder that, so long as any Agent's Compensation Options remains outstanding, it will give notice to the Holder of its intention to fix a record date that is prior to the Expiry Date for any event referred to in subsections 3(a), 3(b) or 3(d) (other than subdivision, consolidation or reclassification of its Common Shares) which may give rise to an adjustment in the Exercise Price. Such notice shall specify the particulars of such event and the record date for such event, provided that the Corporation shall only be required to specify in the notice such particulars of the event as shall have been fixed and determined on the date on which the notice is given. The notice shall be given not less than 14 days prior to such applicable record date; and

(t) the Corporation covenants with the Holder that it will not close its transfer books or take any other corporate action which might deprive the Holder of the Agent's Compensation Options of the opportunity to exercise its right of acquisition pursuant thereto during the period of 14 days after the giving of the certificate or notices set forth in subsection 3(g) and 3(r).

4. Replacement

Upon receipt of evidence satisfactory to the Corporation of the loss, theft, destruction or mutilation of this Agent's Compensation Option Certificate and, if requested by the Corporation, upon delivery of a bond of indemnity satisfactory to the Corporation (or, in the case of mutilation, upon surrender of this Agent's Compensation Option Certificate), the Corporation will issue to the Holder a replacement certificate (containing the same terms and conditions as this Agent's Compensation Option Certificate).

5. Covenant

So long as any Agent's Compensation Options remain outstanding, unless otherwise inconsistent with the fiduciary duties of the directors of the Corporation, the Corporation covenants that it shall use its commercially reasonable efforts to maintain its status as a reporting issuer not in default and ensure the Common Shares will be listed and posted for trading on a recognized stock exchange.

6. Inability to Deliver Shares

If for any reason, other than the failure of the Holder, the Corporation is unable to issue and deliver the Common Shares as contemplated herein to the Holder upon the proper exercise by the Holder of the right to purchase any of the Common Shares covered by this Agent's Compensation Option Certificate, the Corporation may pay, at its sole option and in complete satisfaction of its obligations hereunder, to the Holder, in cash for each Common Share so purchased, an amount equal to the difference between the Exercise Price and the closing price of the Common Shares on the stock exchange on which the Common Shares are then listed on the Exercise Date.

7. Defined Terms

All capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Agency Agreement dated ______________, 2011.

8. Governing Law

The laws of the Province of Québec and the laws of Canada applicable therein shall govern the Agent's Compensation Options and this Agent's Compensation Option Certificate.

9. Successors

This Agent's Compensation Option Certificate shall enure to the benefit of the Holder and its successors or permitted assigns and shall be binding on the Corporation and its respective successors.

10. Notice

Unless herein otherwise expressly provided, a notice to be given hereunder will be deemed to be validly given if the notice is sent by telecopier or prepaid same day courier addressed as follows:

If to the Holder at the latest address of the Holder as recorded on the books of the Corporation; and

If to the Corporation at:

NQ Exploration Inc.
370, Magnolias
Laval, Quebec
H7A 0A3

Attention: Mr. David Grondin, President
Facsimile No.:
Email:

IN WITNESS WHEREOF the Corporation has caused this Agent's Compensation Option Certificate to be signed by a duly authorized officer.

DATED as of •, 2011.

NQ EXPLORATION INC.

Per: ______________________________
Authorized Signatory

SCHEDULE "1"

Election to Purchase

The undersigned hereby irrevocably elects to exercise the number of Agent's Compensation Options of NQ Exploration Inc., set out below for the number of Common Shares (or other property or securities subject thereto) as set forth below:

(a)	Number of Agent's Compensation Options to be Exercised:	____________
(b)	Number of Common Shares to be Acquired:	____________
(c)	Exercise Price per Common Share:	____________
(d)	Aggregate Purchase Price [(b) multiplied by (c)]	____________

and hereby tenders by certified cheque or bank draft such aggregate purchase price, and directs the Common Shares to be registered and certificates therefor to be issued and delivered as directed below.

This election has been executed and delivered in Canada.

DATED this _____ day of ____________________ 20__.

●

Per: ____________________________

Direction as to Registration
Name of Registered Holder: ______________________________
Address of Registered Holder: ______________________________
____
____

Direction as to Delivery
Address of Delivery: ______________________________
____
____
Attention: ______________________________