

AGENCY AGREEMENT

April 26, 2012

Batero Gold Corp.
3703-1011 W Cordova St.
Vancouver, BC, V6C 0B2

Attention: Brandon Rook, President, CEO and Director

Dear Mr. Rook:

Re: Private Placement of Special Warrants

The undersigned, Raymond James Ltd. (“**Raymond James**” or the “**Lead Agent**”), and Cormark Securities Inc. (each, an “**Agent**” and together the “**Agents**”) understand that Batero Gold Corp. (the “**Company**”) proposes to undertake a private placement of 9,114,700 special warrants (the “**Special Warrants**”) of the Company at a price of C\$0.65 per Special Warrant (the “**Issue Price**”) for gross proceeds of up to C\$5,924,555. The Special Warrants will be issued under the Special Warrant Indenture (as defined herein) and will entitle the holder thereof to acquire, on their deemed exercise on the Deemed Exercise Date (as defined herein), one Unit (as defined below) of the Company per Special Warrant without payment of additional consideration, subject to adjustment as provided in the Special Warrant Indenture. Each Special Warrant shall be deemed to be exercised on the earlier of (the “**Deemed Exercise Date**”) (i) August 27, 2012 and (ii) the 6th business day after a receipt is issued under Multilateral Instrument 11-102 – *Passport System* (“**MI 11-102**”) for a final prospectus qualifying the Units (the “**Prospectus Qualification**”).

Each Unit shall be comprised of one common share (a “**Unit Share**”) of the Company and one half of one common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will entitle the holder to acquire one common share (a “**Warrant Share**”) at a price of C\$0.90 per Warrant Share at any time prior to 4:00 p.m. (Vancouver time) on or before the date that is 24 months from the Closing Date (as hereinafter defined). The Warrants will be issued pursuant to a Warrant Indenture (as hereinafter defined).

Notwithstanding the foregoing, in the event the Prospectus Qualification has not occurred prior to 4:00 pm (Vancouver time) on June 25, 2012, being the date which is 60 days following the Closing Date, each unexercised Special Warrant will entitle the holder to acquire 1.1 Units without further payment.

Subject to the terms and conditions contained in this Agreement, the Company hereby appoints the Agents to act as the sole and exclusive agents to the Company, and the Agents hereby agree to act as the agents of the Company, to effect the sale of the Units on behalf of the Company on a “best efforts” basis to Purchasers resident in the Qualifying Provinces (as hereinafter defined) and in those jurisdictions outside of Canada (including the United States) as may be agreed to by the Company and the Agents, acting reasonably, through private placements or other offerings on an exempt basis and provided that the Company shall not become obligated to file a registration statement or prospectus in any jurisdiction except as provided herein. It is understood and agreed that the Agents are under no obligation to purchase any of the Special Warrants, although the Agents may subscribe for Special Warrants if they so desire.

The net proceeds of the Offering shall be used for advancing the Company’s 100% owned Batero-Quinchia Project to a completed preliminary economic assessment, including additional drilling and metallurgical work, and for working capital and general corporate purposes.

The additional terms and conditions of this agency agreement (the “**Agreement**”) are set forth below.

1. DEFINITIONS

1.1 In this Agreement, including any schedules forming a part of this Agreement:

- (a) “**Acts**” means the Securities Acts or equivalent securities regulatory legislation of the Qualifying Jurisdictions and “**Act**” means the Securities Act or equivalent securities regulatory legislation of a specified Qualifying Jurisdiction;
- (b) “**Agents**” has the meaning given to that term on page 1 of this Agreement;
- (c) “**Agents’ Fee**” means (i) a cash fee in an amount equal to 6.0% of the gross proceeds received by the Company from the issue and sale of the Special Warrants in the Offering, and (ii) a cash advisory fee in an amount equal to 3.0% of the gross proceeds received by the Company from the issue and sale of the Special Warrants in the Non-Brokered Offering;
- (d) “**Agreements and Instruments**” has the meaning given to that term in section 4.1(w);
- (e) “**Ancillary Documents**” means all agreements, certificates (including the certificates representing the Unit Shares, Warrants, Warrant Shares, Compensation Options, Compensation Shares), officer’s certificates, notices and other documents executed and delivered, or to be executed and delivered, by the Company in connection with the Offering and/or pursuant to this Agreement;
- (f) “**Annual Financial Statements**” has the meaning given to that term in subsection 4.1(cc);
- (g) “**Applicable Securities Laws**” means, collectively, and, as the context may require the Acts and Regulations and the rules, policies, instruments, notices and orders issued by the applicable Regulatory Authorities and the securities laws of the United States and any state of the United States;
- (h) “**Batero Quinchia Project**” means the gold project located in Risaralda, Columbia;
- (i) “**Beneficiaries**” has the meaning given to that term in section 12.4;
- (j) “**Claim**” has the meaning given to that term in section 12.1;
- (k) “**Closing**” and “**Closing Date**” have the meanings given to those terms in section 11.1;
- (l) “**Closing Materials**” has the meaning given to that term in subsection 8.1(b)(x) hereto;
- (m) “**Closing Time**” means 5:30 a.m. (Vancouver time) or such other time as may be agreed to by the Company and the Agents on the Closing Date;
- (n) “**Comfort Letter**” has the meaning given to that term in subsection 8.1(b)(i) hereto;
- (o) “**Commissions**” means the securities regulatory authorities (other than stock exchanges) of the Qualifying Jurisdictions and “**Commission**” means the securities regulatory authority of a specified Qualifying Jurisdiction;
- (p) “**Common Shares**” means the common shares of the Company;
- (q) “**Company**” means Batero Gold Corp., a company incorporated under the laws of the Province of British Columbia;
- (r) “**Compensation Option**” means compensation options entitling the agents to acquire an aggregate number of common shares of the Company equal to (i) 5.0% of the number of Special Warrants issued in the Offering plus (ii) 2.5% of the number of Special Warrants issued in the Non-Brokered Offering, each at a price per Compensation Share equal to the Issue Price for a period of 24 months from the Closing Date;

- (s) “**Compensation Option Agreement**” means the agreement to be entered into between the Company and the Agents governing the terms and conditions of the Compensation Option, which agreement(s) shall be substantially in the form attached hereto as Schedule “B”;
- (t) “**Compensation Shares**” has the meaning given to that term on page 1 of this Agreement;
- (u) “**Continuous Disclosure Materials**” has the meaning given to that term in subsection 4.1(j) hereto;
- (v) “**Deemed Exercise Date**” has the meaning given to it on page 1 of this Agreement;
- (w) “**Distribution**” (or “**distribute**” as derived therefrom) has the meaning given to that term in the *Securities Act* (British Columbia);
- (x) “**environmental laws**” has the meaning given to that term in subsection 4.1(tt) hereto;
- (y) “**Exchange**” means the TSX Venture Exchange;
- (z) “**Final Prospectus**” means the final long form prospectus of the Company and filed with the Commissions for the purpose of qualifying the distribution in Canada of the Units, Unit Shares, Warrants, the Over-Allotment Option and the Compensation Option to be issued in the Offering and the Non-Brokered Offering, and any Supplementary Material;
- (aa) “**Final Receipt**” means the receipt issued by the British Columbia Securities Commission, as principal regulator under NP 11-202, evidencing that a receipt has been, or has been deemed to be, issued for the Final Prospectus in each of the Qualifying Jurisdictions in Canada;
- (bb) “**IFRS**” means International Financial Reporting Standards;
- (cc) “**Indemnified Parties**” has the meaning given to that term in section 12.1 hereto;
- (dd) “**Issue Price**” means C\$0.65 per Special Warrant;
- (ee) “**Lead Agent**” means Raymond James Ltd.;
- (ff) “**Legal Opinions**” has the meaning given to that term in subsection 8.1(b)(ii) hereto;
- (gg) “**Local Counsel Opinions**” has the meaning given to that term in subsection 8.1(b)(iii);
- (hh) “**material adverse effect**” means (i) the effect resulting from any event or change which is materially adverse to the business, affairs, capital, operations, prospects, Property Rights or assets, liabilities (contingent or otherwise) of the Company or any of its Subsidiaries, taken as a whole, or which event or change would reasonably be expected to have a significant negative effect on the market price or value of the common shares of the Company or (ii) any fact, or change that would result in any Offering Document containing a misrepresentation;
- (ii) “**material change**” has the meaning given to that term in the *Securities Act* (British Columbia);
- (jj) “**Material Contracts**” has the meaning given to that term in subsection 4.1(oo) hereto;
- (kk) “**material fact**” has the meaning given to that term in the *Securities Act* (British Columbia);
- (ll) “**MI 11-102**” has the meaning given to that term on page 1 of this Agreement;

- (mm) “**misrepresentation**” has the meaning given to that term in the *Securities Act* (British Columbia);
- (nn) “**Money Laundering Laws**” has the meaning given to that term in subsection 4.1(cc) hereto;
- (oo) “**Named Executive Officers**” means the Chief Executive Officer, the Chief Financial Officer and each of the three most highly compensated executive officers, other than the Chief Executive Officer and Chief Financial Officer who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year end;
- (pp) “**NI 43-101**” has the meaning given to that term in subsection 4.1(t) hereto;
- (qq) “**NI 51-102**” has the meaning given to that term in subsection 4.1(ww) hereto;
- (rr) “**Non-Brokered Offering**” means the non-brokered private placement of 600,000 Special Warrants to be conducted by the Company concurrently with the Offering;
- (ss) “**NP 11-202**” means National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;
- (tt) “**OFAC**” means the Office of Foreign Assets Control of the United States Treasury Department;
- (uu) “**Offering**” means the offering and sale of the Special Warrants pursuant to the terms and conditions of this Agreement;
- (vv) “**Offering Documents**” means, collectively, the Prospectuses and any Supplementary Material;
- (ww) “**Officers’ Certificate**” has the meaning given to that term in subsection 8.1(b)(vi) hereto;
- (xx) “**Preliminary Prospectus**” means the preliminary long form prospectus of the Company and filed with the Commissions for the purpose of qualifying the distribution in Canada of the Units, Unit Shares, Warrants, the Over-Allotment Option and the Compensation Option to be issued in the Offering and the Non-Brokered Offering;
- (yy) “**Preliminary Receipt**” means the receipt issued by the British Columbia Securities Commission, as principal regulator under NP 11-202, evidencing that a receipt has been, or has deemed to be, issued for the Preliminary Prospectus in each of the Qualifying Jurisdictions;
- (zz) “**Prospectuses**” means collectively the Preliminary Prospectus and the Final Prospectus;
- (aaa) “**Prospectus Qualification**” has the meaning given to that term on page 1 of this Agreement;
- (bbb) “**Prospectus Review Procedures**” means the procedures of a prospectus review in multiple jurisdictions provided for under NP 11-202 and, other than for the Province of Ontario, Multilateral Instrument 11-102 *Passport System*;
- (ccc) “**Property Rights**” has the meaning given to such term in subsection 4.1(n);
- (ddd) “**Purchasers**” means, collectively, the purchasers of the Special Warrants;

- (eee) “**Qualifying Jurisdictions**” means British Columbia, Alberta, Saskatchewan, Ontario and the United States and such other jurisdictions to which the Agents and the Company may agree and “**Qualifying Jurisdiction**” means any one of them;
- (fff) “**Qualifying Provinces**” means British Columbia, Alberta, Saskatchewan and Ontario;
- (ggg) “**Regulation D**” means Regulation D promulgated under the U.S. Securities Act;
- (hhh) “**Regulation S**” means Regulation S promulgated under the U.S. Securities Act;
- (iii) “**Regulations**” means the securities rules or regulations proclaimed under the Acts and “**Regulation**” means the securities rules or regulations proclaimed under a specified Act;
- (jjj) “**Regulatory Authorities**” means collectively the Commissions and the Exchange;
- (kkk) “**Selling Firms**” has the meaning given to that term in subsection 3.8;
- (lll) “**Special Warrant Indenture**” means the special warrant indenture between the Company and Computershare Trust Company of Canada dated as of the Closing Date governing the terms of the Special Warrants;
- (mmm) “**Special Warrants**” means up to 9,714,700 special warrants of the Company issued pursuant to the Special Warrant Indenture;
- (nnn) “**Subsidiaries**” means Bahia Bonita Properties, S.A. and Minera Quinchia, S.A.S.;
- (ooo) “**Supplementary Material**” means any documents supplemental to the Prospectuses including any amending or supplementary prospectus or other supplemental documents or similar documents;
- (ppp) “**trade**” has the meaning given to that term in the *Securities Act* (British Columbia);
- (qqq) “**Title Opinion**” has the meaning given to that term in subsection 8.1(b)(v);
- (rrr) “**Unit Shares**” has the meaning given to that term on page 1 of this Agreement;
- (sss) “**Unit**” has the meaning given to that term on page 1 of this Agreement;
- (ttt) “**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (uuu) “**U.S. Accredited Investor**” means an institutional “accredited investor” that satisfies one or more of the criteria of Rule 501(a)(1), (2), (3) or (7) of Regulation D;
- (vvv) “**U.S. Affiliate**” means the U.S. registered broker-dealer affiliate of the Agents;
- (www) “**U.S. Legal Opinion**” has the meaning given to that term in subsection 8.1(b)(iii);
- (xxx) “**U.S. Person**” means a U.S. person as that term is defined in Regulation S under the U.S. Securities Act;
- (yyy) “**U.S. Exchange Act**” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations made thereunder;
- (zzz) “**U.S. Fiduciary**” means a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States holding a discretionary account or similar account

(other than an estate or trust) held for the benefit of a person excluded from the definition of “U.S. Person” pursuant to paragraph (k)(2)(i) of Rule 902 of Regulation S, provided that the U.S. Fiduciary is acting solely in its capacity as the holder of such accounts;

- (aaaa) “**U.S. Offeree**” means an offeree of Special Warrants, other than a U.S. Fiduciary, who: (i) is resident in the United States; (ii) is a U.S. Person; (iii) is acting for the account or benefit of a U.S. Person or person in the United States; or (iv) receives or received an offer of the Special Warrants while in the United States;
- (bbbb) “**U.S. Purchaser**” means: (i) any person, other than a U.S. Fiduciary, resident in the United States; (ii) any U.S. Person; (iii) any person purchasing Special Warrants for the account or benefit of a U.S. Person or person in the United States; (iv) any person, other than a U.S. Fiduciary, that receives or received an offer of the Special Warrants while in the United States; or (v) any person, other than a U.S. Fiduciary, that is (or whose authorized signatory is) in the United States at the time its buy order is originated or a subscription agreement for Special Warrants is executed;
- (cccc) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended, and the rules and regulations made thereunder;
- (dddd) “**Warrant**” has those meanings given to that term on page 1 of this Agreement;
- (eeee) “**Warrant Indenture**” means the warrant indenture between the Company and Computershare Trust Company of Canada dated as of the Closing Date governing the terms of the Warrants; and
- (ffff) “**Warrant Shares**” has those meanings given to that term on page 1 of this Agreement.

1.2 All references to dollar figures in this Agreement are to Canadian dollars.

1.3 Where any representation or warranty contained in this Agreement is expressly qualified by reference to the “**knowledge**” of the Company, or where any other reference is made herein to the “**knowledge**” of the Company, it shall be deemed to refer to the actual knowledge of the Named Executive Officers, after having made due inquiry of appropriate and relevant persons and after reviewing relevant documentation.

2. APPOINTMENT OF AGENTS

2.1 The Company appoints the Agents as its exclusive agents to effect the Offering and each of the Agents accepts the appointment and agrees to act as agent for such purpose and to use its commercially reasonable best efforts to effect the sale of Units on the Company’s behalf to Purchasers on the terms and conditions contained herein.

3. DISTRIBUTION AND CERTAIN OBLIGATIONS OF THE AGENTS AND THE COMPANY

3.1 The Agents covenant and agree that they will only offer Special Warrants, solicit subscriptions for Special Warrants and sell the Special Warrants to Purchasers resident or located (as applicable) in the Qualifying Jurisdictions.

3.2 The Agents covenant and agree to effect the sale of the Special Warrants to Purchasers in a manner exempt from any prospectus or offering memorandum filing or delivery requirements of Applicable Securities Laws and without the necessity of obtaining any order or ruling of the Regulatory Authorities in Canada. The Agents will notify the Company with respect to the identity and jurisdiction of residence or location, as applicable, of each Purchaser in the Offering as soon as practicable and with a

view to affording sufficient time to allow the Company to secure compliance with all Applicable Securities Laws in connection with the sale of the Special Warrants to the Purchasers.

- 3.3 The Agents will obtain from each Purchaser in the Offering and deliver to the Company at least 48 hours in advance of Closing, a properly completed and duly executed Subscription Agreement, a properly completed and duly executed Accredited Investor Certificate, together with any additional documentation as may be reasonably requested by the Company.
- 3.4 The Company covenants to use its commercially reasonable efforts to obtain all necessary regulatory approvals to complete the Offering.
- 3.5 No selling or promotional expenses will be paid or incurred in connection with the Offering, except for professional services or for services performed by a registered dealer, as provided for herein.
- 3.6 The Agents acknowledge that the offer and sale of the Special Warrants has not been, and will not be, registered under the U.S. Securities Act or applicable securities laws of any state of the United States, and that the Special Warrants may not be offered, sold, transferred, pledged, assigned, mortgaged, hypothecated or otherwise disposed of except outside the United States in accordance with Regulation S or, for offers in the United States, to or for the benefit or account of any U.S. Person or any person in the United States, by the Agents through the U.S. Affiliate, for sale by the Company, pursuant to Rule 506 of Regulation D and/or section 4(2) of the U.S. Securities Act in the manner described in Section 3.6(b) below. Accordingly, the Agents represent, warrant and covenant to the Company, without limiting the generality of Section 3.1 of this Agreement, as of the date of this Agreement and as of the Time of Closing and the Closing Date, (which representations, warranties and covenants shall survive the completion of the transactions contemplated under this Agreement), that:
- (a) except for offers and sales of Special Warrants that comply with Section 3.6(b) below or to U.S. Fiduciaries, it has offered, and will offer, the Special Warrants only outside the United States in accordance with Rule 903 of Regulation S and, accordingly, none of the Agents, the U.S. Affiliate, nor any persons acting on their behalf, has made or will make in connection therewith:
 - (i) any offer to sell, or any solicitation of an offer to buy, any Special Warrants to, or for the benefit or account of, any U.S. Person or any person in the United States, other than a U.S. Fiduciary;
 - (ii) any sale of Special Warrants to any Purchaser unless, at the time the buy order was or will have been originated, the Purchaser was outside the United States, or the Agents, the U.S. Affiliate or any persons acting on their behalf, reasonably believed that such Purchaser was either outside the United States or was a U.S. Fiduciary; or
 - (iii) any directed selling efforts (as defined in Rule 902(c) of Regulation S) in the United States with respect to any of the Special Warrants;
 - (b) it has only offered, and will only offer, Special Warrants to, or for the benefit or account of, U.S. Persons or persons in the United States, other than U.S. Fiduciaries, in the following manner:
 - (i) the Agents have offered, and will offer the Special Warrants only through their respective U.S. Affiliate, which was and is on the dates of such offers and sales a duly registered broker or dealer pursuant to Section 15(b) of the U.S. Exchange Act and under the securities laws of each state in which such offers and sales were or are made (unless exempted from the respective state's broker-dealer registration requirements) and was and is a member in good standing with the Financial Industry Regulatory Authority, Inc.;

- (ii) immediately prior to soliciting offerees and making the Company's sales of the Special Warrants, each of the Agents and its U.S. Affiliate has or will have reasonable grounds to believe and did or will believe that each U.S. Offeree and each U.S. Purchaser, as applicable, was and is a U.S. Accredited Investor;
 - (iii) no form of "general solicitation" or "general advertising" (as those terms are used in Regulation D) has been or will be used by it or its affiliates, including, but not limited to, advertisements, articles, notices or other communications published in any newspaper, magazine, or similar media or on the internet or broadcast over radio, television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer or sale of the Special Warrants;
 - (iv) any offer or solicitation of an offer to buy Special Warrants that has been made or will be made, was or will be made only to U.S. Accredited Investors by the Agents through their U.S. Affiliate, and in transactions that are exempt from registration pursuant to Rule 506 of Regulation D and section 4(2) under the U.S. Securities Act and under any applicable state securities laws and in accordance with any applicable U.S. federal and state laws and regulations governing the registration and conduct of securities brokers and dealers;
 - (v) all U.S. Offerees and U.S. Purchasers shall be informed that the offer and sale of the Special Warrants has not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and the Special Warrants are being offered and sold to such persons in reliance on an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws;
 - (vi) as a condition of the purchase of the Special Warrants, each U.S. Purchaser will be required to execute and deliver to the Agents a Subscription Agreement in a form that will be acceptable to the Agents and the Company, including the Accredited Investor Certificate wherein the U.S. Purchaser will certify that it qualifies as a U.S. Accredited Investor, among other terms and conditions;
 - (vii) at least 48 hours in advance of the Closing, the Agents will deliver to the Company a list of the U.S. Purchasers, together with the materials described in the foregoing paragraph;
 - (viii) none of the Agents, their affiliates nor any person acting on its or their behalf (other than the Company, its affiliates and any person acting on its or their behalf, as to which no representation is made) has taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act in connection with the offer and sale of the Special Warrants;
- (c) at the Closing, each of the Agents and their U.S. Affiliate will:
- (i) execute and deliver to the Company, and will make the representations and warranties set out in, the Agents' Certificate that is substantially in the form as in Schedule "C" of this Agreement, or
 - (ii) be deemed to represent and warrant that they did not arrange for any U.S. Purchasers to purchase any Special Warrants; and
- (d) except as provided herein, it has not entered and will not enter into any contractual arrangement with respect to the distribution of the Special Warrants except with its affiliates, any group members or with the prior written consent of the Company. The Agents shall cause

each affiliate or group member participating in the distribution of the Special Warrants to agree, for the benefit of the Company, to the same provisions contained in this Section 3.6 as if such provisions applied to such persons.

- 3.7 The obligations of the Agents hereunder are several and not joint, nor joint and several. No Agent shall be liable hereunder with respect to any act, omission or conduct of any other Agent.
- 3.8 The Company agrees that the Agents will be permitted to appoint other registered dealers (or other dealers duly licensed in their respective jurisdictions) as their sub-agents (the “**Selling Firms**”) to assist in the Offering and that the Agents may determine the remuneration payable to such other dealers appointed by them. Such remuneration shall be payable by the Agents. The Company grants all of the rights and benefits of this Agency Agreement to any Selling Firm so appointed by the Agents and appoints the Agents as trustee of such rights and benefits for such Selling Firms, and the Agents hereby accept such trust and agree to hold such rights and benefits for and on behalf of such Selling Firms.
- 3.9 The Agents shall, and shall require any Selling Firm to agree to, comply with the Applicable Securities Laws in the Qualifying Jurisdictions in connection with the distribution of the Special Warrants and shall only offer the Special Warrants for sale upon the terms and conditions set out in this Agency Agreement and in compliance with Applicable Securities Laws.

4. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

- 4.1 The Company represents and warrants to the Agents, and acknowledges that the Agents are relying upon such representations and warranties in entering into this Agreement, that:
- (a) the Company is a duly incorporated company and validly existing and in good standing under the corporate laws of its jurisdiction of incorporation and no proceedings have been instituted or, to the knowledge of the Company, are pending for the dissolution or liquidation or winding-up of the Company;
 - (b) all of the shares of the Subsidiaries are legally and beneficially owned by the Company, free and clear of all liens, charges and encumbrances of any kind whatsoever;
 - (c) the Subsidiaries are the only subsidiaries of the Company and each of the Subsidiaries is duly incorporated and validly existing and in good standing under the laws of their jurisdiction of incorporation and no proceedings have been instituted or, to the knowledge of the Company, are pending for the dissolution or liquidation or winding-up of the Subsidiaries;
 - (d) the form and terms of the certificates for the Special Warrants, the Unit Shares, the Warrants, the Compensation Shares, the Warrant Shares and for the Compensation Option have been approved and adopted by the directors of the Company and do not conflict with any applicable laws or the rules of the Exchange or the articles of the Company;
 - (e) the Company (i) is or will be at the Closing Time a reporting issuer (within the meaning of Applicable Securities Laws) or the equivalent in British Columbia, Alberta and Saskatchewan, and (ii) is not included on the list of defaulting issuers maintained by the securities regulatory authorities in British Columbia, Alberta and Saskatchewan;
 - (f) the Exchange has, or will have by the date of the Prospectus Qualification, conditionally accepted the listing of the Unit Shares, Warrant Shares and Compensation Shares subject only to the satisfaction of the Company fulfilling the standard post-closing conditions of the Exchange;
 - (g) the descriptions of the securities of the Company in the Prospectuses will be true, complete and accurate descriptions of the rights, privileges, restrictions, terms and conditions attaching to such securities;

- (h) the authorized capital of the Company consists of an unlimited number of Common Shares without par value of which 53,298,094 Common Shares were issued and outstanding as of the date hereof and an unlimited number of preferred shares, of which nil preferred shares are issued and outstanding. All of the issued and outstanding Common Shares are fully paid and non-assessable and have been duly and validly authorized and issued, in compliance with applicable laws;
- (i) except as disclosed in the Continuous Disclosure Materials, no person, firm or corporation has any agreement, option, right or privilege, whether pre-emptive, contractual or otherwise, capable of becoming an agreement for the purchase, acquisition, subscription for or issuance of any of the unissued shares of the Company or the Subsidiaries, or other securities convertible, exchangeable or exercisable for shares of the Company or the Subsidiaries;
- (j) the documents previously published or filed by the Company with the Regulatory Authorities (the “**Continuous Disclosure Materials**”) do not contain any misrepresentations and were prepared in accordance with and comply with Applicable Securities Laws of the Qualifying Jurisdictions and the Company is not in default of its filings under, nor has it failed to file or publish any material document required to be filed or published under Applicable Securities Laws of the Qualifying Jurisdictions;
- (k) all of the material transactions of each of the Company and the Subsidiaries have been properly recorded or filed in or with its books or records and the Company’s minute book contains, in all material respects all of its material transactions, all records of the meetings and proceedings of its directors, shareholders and other committees, if any, since incorporation;
- (l) each of the Company and the Subsidiaries has the corporate power and capacity to own the assets owned by it and to carry on the business carried on and proposed to be carried on by it, and each of the Company and the Subsidiaries holds all licences and permits that are required for carrying on its business in the manner in which such business has been carried on and is duly qualified to carry on business in all jurisdictions in which it carries on business, except where a failure to hold a licence or permit would not have a material adverse effect;
- (m) each of the Company and the Subsidiaries has good title to its respective material assets as disclosed in the Continuous Disclosure Materials, free and clear of all material liens, charges and encumbrances of any kind whatsoever;
- (n) all material property, options, leases, concessions, claims or other, direct or indirect, interests in natural resource properties and surface rights for exploration and exploitation, extraction and other mineral property rights in which the Company or Subsidiaries holds an interest or right (collectively, the “**Property Rights**”) are completely and accurately described in the Continuous Disclosure Materials, the Company is the legal and beneficial owner of such Property Rights and the Property Rights are in good standing and are valid and enforceable and free and clear of any liens, charges or encumbrances;
- (o) no material property rights, easements, rights of way, access rights (including but not limited to any mineral, geothermal and water rights) other than the Property Rights are necessary for the conduct of the business of the Company and the Subsidiaries as currently being conducted, and there are no material restrictions on the ability of the Company or the Subsidiaries to use or otherwise exploit any such Property Rights, and there is no claim or basis for a claim that may adversely affect such rights in any respects;
- (p) there are no claims with respect to indigenous person rights currently pending or, to knowledge of the Company, threatened with respect to any of the Properties;
- (q) the Company and the Subsidiaries have all material licences, registrations, qualifications, permits, consents and authorizations necessary for the conduct of the business of the Company

and the Subsidiaries as currently conducted and as proposed to be conducted and all such licences, registrations, qualifications, permits, consents and authorizations are valid and subsisting and in good standing in all material respects;

- (r) all assessments or other work required to be performed in relation to the material mining claims and/or concessions and the mining rights with respect to the Properties in order to maintain the Company's interest therein have been performed to date and the Company and the Subsidiaries have complied in all material respects with all applicable governmental laws, regulations and policies in this connection as well as with regard to legal, contractual obligations to third parties in this connection except for any non-compliance which would not either individually or in the aggregate have a material adverse effect on the Company or the Subsidiaries;
- (s) except as disclosed in the Continuous Disclosure Materials, the Company and the Subsidiaries do not have any responsibility or obligation to pay or have paid on its behalf any commission, royalty or similar payment to any person with respect to its Property Rights as of the Closing Date;
- (t) the technical reports filed by the Company with Regulatory Authorities have been prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Properties* (“**NI 43-101**”), and the Company has complied with, and is in compliance with, the applicable requirements of NI 43-101 in all material respects;
- (u) each of the Company and the Subsidiaries have conducted and is conducting its business in compliance in all material respects with all applicable laws, rules and regulations of each jurisdiction in which its business is carried on, is in compliance in all material respects with all terms and provisions of all contracts, agreements, indentures, leases, policies, instruments and licences that are material to the conduct of its business and all such contracts, agreements, indentures, leases, policies, instruments and licences are valid and binding in accordance with their terms and in full force and effect, and no material breach or default by the Company, or the Subsidiaries or event which, with notice or lapse or both, could constitute a material breach or default by the Company, or the Subsidiaries, exists with respect thereto;
- (v) the Company has all requisite corporate power and authority to enter into this Agency Agreement, the Subscription Agreements, the Special Warrant Indenture, the Warrant Indenture and the Compensation Option Agreement and to perform the transactions contemplated hereby and thereby, the granting of the Compensation Option and the sale by the Company of the Special Warrants and the issuance of the Unit Shares, Warrant Shares and Compensation Shares have been duly authorized by all necessary corporate action of the Company, and this Agreement has been, and the Subscription Agreements, the Special Warrant Indenture, the Warrant Indenture and the Compensation Option Agreement will be, duly executed and delivered by the Company and this Agreement is, and the Warrant Indenture and the Compensation Option Agreement will upon execution and delivery in accordance with the terms hereof be, a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, moratorium or similar laws affecting creditors' rights generally and except as limited by the application of equitable remedies which may be granted in the discretion of a court of competent jurisdiction and that enforcement of the rights to indemnity and contribution set out in this Agreement, the Warrant Indenture or the Compensation Option Agreement (as the case may be) as may be limited by applicable law;
- (w) neither the Company nor any of the Subsidiaries is in violation of its constating documents or in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any material contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease, license or other agreement or instrument to which the Company or any of the Subsidiaries is a party or by which it or any of them may be bound, or to which any of

the property or assets of the Company or any of the Subsidiaries is subject (collectively, “**Agreements and Instruments**”). The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein and in the Offering Documents (including the authorization, issuance, sale and delivery of the Special Warrants and Compensation Shares, if any, and the use of the proceeds from the sale of the Special Warrants, if any, as described in the Offering Documents under the caption “Use of Proceeds”) and compliance by the Company with its obligations hereunder, do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien upon any property or assets of the Company or any of the Subsidiaries pursuant to the Agreements and Instruments, nor will such action result in any violation or conflict with the provisions of the constating documents of the Company or any of the Subsidiaries or any existing applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of the Subsidiaries of their assets, properties or operations, except for such violations or conflicts that would not, singly or in the aggregate, reasonably be expected to have a material adverse effect. As used herein, a “**Repayment Event**” means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder’s behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of the Subsidiaries;

- (x) upon their issuance the Unit Shares, and upon their issuance in accordance with the terms of the Warrant Indenture and Compensation Option and full payment of the exercise price therefor, the Warrant Shares and Compensation Shares (as the case may be), will be validly allotted, issued and outstanding, fully paid and non-assessable, free and clear of all resale or trade restrictions (except control person restrictions and restrictions under applicable U.S. securities laws) and liens, charges or encumbrances of any kind whatsoever;
- (y) when issued and sold by the Company in accordance with the terms hereof or the terms of the Warrant Indenture or the Compensation Option (as the case may be) the Unit Shares, the Warrant Shares and the Compensation Shares shall have the rights, privileges, restrictions and conditions that conform in all material respects to the rights, privileges, restrictions and conditions attaching to common shares in the capital of the Company;
- (z) upon satisfaction of the standard post-closing listing conditions of the Exchange, the Shares will be qualified investments under the *Income Tax Act* (Canada) for a trust governed by a registered retirement savings plan, a registered retirement income fund, a deferred profit sharing plan, a registered education savings plan, a registered disability savings plan and for a tax-free savings account;
- (aa) Computershare Investor Services Inc. at its principal office in the City of Vancouver, British Columbia has been duly appointed as registrar and transfer agent for the Shares and Computershare Trust Company of Canada at its principal office in the City of Vancouver, British Columbia has been duly appointed as warrant agent for the Warrants;
- (bb) the minute books and records of the Company and the Subsidiaries made available to counsel for the Agents in connection with its due diligence investigation of the Company for the period from the date of incorporation, as the case may be, to the date of this Agreement are all of the minute books and records of the Company and the Subsidiaries from incorporation to present and contain copies of all material proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders, the directors and all committees of directors of the Company and the Subsidiaries to the date of review of such corporate records and minute books and there have been no other meetings, resolutions or proceedings of the shareholders, directors, or any committees of the directors of the Company or the Subsidiaries to the date of this Agreement not reflected in such minute books and other records;

- (cc) the audited annual financial statements of the Company for its fiscal year ended August 31, 2011 and notes thereto (the “**Annual Financial Statements**”) are true and correct in every material respect and present fairly and accurately the financial position and results of the operations of the Company for the period then ended and such financial statements have been prepared in accordance with Canadian generally accepted accounting principles applied on a consistent basis;
- (dd) the Company maintains, and will maintain, at all times prior to the Closing Date a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management’s general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS, and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management’s general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any difference, (v) material information relating to the Company and the Subsidiaries is made known to those responsible for the preparation of the financial statements during the period in which the financial statements have been prepared and that such material information is disclosed to the public within the time periods required by applicable laws, and (vi) all significant deficiencies and material weaknesses in the design or operation of such internal controls that could adversely affect any of the Company’s or the Subsidiaries’ ability to disclose to the public information required to be disclosed by them in accordance with applicable law and all fraud, whether or not material, that involves management or employees that have a significant role in the Company’s or the Subsidiaries’ internal controls have been disclosed to the audit committee of the Company;
- (ee) there has been no change in accounting policies or practices of the Company or the Subsidiaries since November 30, 2011, except as has been disclosed in the Continuous Disclosure Materials;
- (ff) the audit committee of the Company is comprised and operates in accordance with the requirements of National Instrument 52-110 – *Audit Committees* of the Commissions that are applicable to the Company;
- (gg) neither the Company nor any of its Subsidiaries is indebted or under any obligation to any of its respective directors, officers or shareholders, on any account whatsoever, other than for (i) payment of salary, bonus and other employment or consulting compensation, (ii) reimbursement for expenses duly incurred in connection with the business of the Company, and (iii) for other standard employee benefits made generally available to all employees;
- (hh) the Company and the Subsidiaries have not guaranteed or agreed to guarantee any debt, liability or other obligation of any kind whatsoever of any person, firm or corporation whatsoever;
- (ii) none of the directors, officers or shareholders of the Company or its Subsidiaries is indebted to or under any obligation to the Company or the Subsidiaries, in any material respect;
- (jj) there are no material liabilities of the Company, whether direct, indirect, absolute, contingent or otherwise which are not disclosed or reflected in the Annual Financial Statements;
- (kk) since November 30, 2011, there has not been any adverse material change of any kind whatsoever in the financial position or condition of the Company or its Subsidiaries or any damage, loss or other change of any kind whatsoever in circumstances materially affecting its business, affairs, capital, prospects or assets, or the right or capacity of the Company or its Subsidiaries to carry on its business, such business having been carried on in the ordinary course;

- (ll) the directors, officers and key employees of the Company are as disclosed in the Continuous Disclosure Materials and the compensation arrangements with respect to the Company's Named Executive Officers are as disclosed in the Company's management information circular dated November 14, 2011 and there are no pensions, profit sharing, group insurance or similar plans or other deferred compensation plans of any kind whatsoever affecting the Company;
- (mm) there are no "significant acquisitions", "significant dispositions" or "significant probable acquisitions" for which the Company is required, pursuant to Applicable Securities Laws of the Qualifying Jurisdictions to include additional financial disclosure in the Prospectuses;
- (nn) all contracts and agreements material to the Company and the Subsidiaries other than those entered into in the ordinary course of its business as presently conducted (collectively the "**Material Contracts**") have been publicly filed and neither the Company nor any of the Subsidiaries has approved, entered into any binding agreement in respect of, nor has any knowledge of, the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by the Company or the Subsidiaries, whether by asset sale, transfer of shares or otherwise;
- (oo) there are no amendments to the Material Contracts that have been, or are required to be, to the knowledge of the Company or any of the Subsidiaries, are proposed to be, made;
- (pp) all tax returns, reports, elections, remittances, filings, withholdings and payments of the Company and the Subsidiaries required by applicable laws to have been filed or made, have been filed or made (as the case may be) and are substantially true, complete and correct and all taxes owing of the Company as at August 31, 2011 have been paid or accrued in the Annual Financial Statements;
- (qq) the Company and its Subsidiaries have been assessed for all applicable taxes to and including the year ended August 31, 2011 and have received all appropriate refunds, made adequate provision for taxes payable for all subsequent periods and the Company is not aware of any material contingent tax liability of the Company or its Subsidiaries not adequately reflected in the Annual Financial Statements;
- (rr) to the Company's knowledge, no examination of any tax return of the Company or any of the Subsidiaries is currently in progress and there are no material issues or disputes outstanding with any governmental authority respecting any taxes that have been paid, or may be payable by the Company or any of the Subsidiaries. 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 Company or any of the Subsidiaries;
- (ss) other than as disclosed in the Continuous Disclosure Materials, there are no material actions, suits, judgments, investigations or proceedings of any kind whatsoever outstanding or, to the Company's knowledge, pending, threatened against or affecting the Company or any of the Subsidiaries, or to the Company's knowledge, its directors or officers at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency of any kind whatsoever and, to the Company's knowledge, there is no basis therefor;
- (tt) none of the Company nor any of the Subsidiaries has any knowledge of a violation of, in connection with the ownership, use, maintenance or operation of its property and assets, any applicable federal, provincial, state, municipal or local laws, by-laws, regulations, orders, policies, permits, licences, certificates or approvals having the force of law, domestic or foreign, relating to environmental, health or safety matters or hazardous or toxic substances or

wastes, pollutants or contaminants (collectively, “**environmental laws**”). Without limiting the generality of the foregoing:

- (i) each of the Company and the Subsidiaries has occupied its properties and has received, handled, used, stored, treated, shipped and disposed of all pollutants, contaminants, hazardous or toxic materials, controlled or dangerous substances or wastes in compliance with all applicable environmental laws and has received all permits, licenses or other approvals required of them under applicable environmental laws to conduct their respective businesses; and
- (ii) there are no orders, rulings or directives issued against the Company or any of the Subsidiaries and there are no orders, rulings or directives pending or threatened against the Company or any of the Subsidiaries under or pursuant to any environmental laws requiring any work, repairs, construction or capital expenditures with respect to any property or assets of the Company;
- (uu) no notice with respect to any of the matters referred to in the immediately preceding paragraph, including any alleged violations by the Company or any of the Subsidiaries with respect thereto has been received by the Company or any of the Subsidiaries and no writ, injunction, order or judgement is outstanding, and no legal proceeding under or pursuant to any environmental laws or relating to the ownership, use, maintenance or operation of the property and assets of the Company or any of the Subsidiaries is in progress, threatened or, to the best of the Company’s knowledge, pending, which could be expected to have a material adverse effect on the Company or any of the Subsidiaries and there are no grounds or conditions which exist, on or under any property now or previously owned, operated or leased by the Company or any of the Subsidiaries, on which any such legal proceeding might be commenced with any reasonable likelihood of success or with the passage of time, or the giving of notice or both, would give rise;
- (vv) none of the Company, the Subsidiaries nor any of their directors or officers are in breach of any law, ordinance, statute, regulation, by-law, order or decree of any kind whatsoever where non-compliance would have a material adverse effect on the Company or the Subsidiaries;
- (ww) the auditors who audited the Annual Financial Statements are and have been independent public accountants as required under Applicable Securities Laws and there has never been a reportable event (within the meaning of National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”)) between the Company and such auditors nor has there been any event which has led any of the Company’s current auditors to threaten to resign as auditors;
- (xx) the Prospectuses will be prepared and filed in compliance in all material respects with the Applicable Securities Laws of the Qualifying Jurisdictions, and, at the time of delivery of the Special Warrants and Compensation Option to the Agents, the Final Prospectus will comply in all material respects with the Applicable Securities Laws of the Qualifying Jurisdictions and the Company shall fulfill and comply with the necessary requirements of the Applicable Securities Laws of the Qualifying Jurisdictions in order to enable the Special Warrants and the Compensation Option, to be lawfully distributed in the Qualifying Jurisdictions (in the case of the Special Warrants only, through the Agents or any other investment dealers or brokers registered as such in the Qualifying Jurisdictions and acting in accordance with the terms of their registrations and the Applicable Securities Laws of the Qualifying Jurisdictions);
- (yy) the Prospectuses, including any and all amendments thereto, will contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Company and the securities to be issued pursuant to the Offering and comply with Applicable Securities Laws of the Qualifying Jurisdictions;

- (zz) the proceeds of the Offering will be used for the purposes and in the manner that will be specified in the Offering Documents;
- (aaa) except as provided herein, there is no person, firm or corporation which has been engaged by the Company to act for the Company and which is entitled to any brokerage or finder's fee in connection with this Agreement or the transactions contemplated hereunder;
- (bbb) none of the Company, the Subsidiaries nor, to the knowledge of the Company, any of their employees or agents have made any unlawful contribution or other payment to any official of, or candidate for, any federal, state, provincial or foreign office, or failed to disclose fully any contribution, in violation of any law, or made any payment to any foreign, Canadian, United States, Colombian or provincial or state governmental officer or official, or other person charged with similar public or quasi-public duties, other than payments required or permitted by applicable laws, in a manner that would reasonably be expected to have a material adverse effect;
- (ccc) the operations of the Company are and have been conducted at all times in material compliance with applicable financial recordkeeping and reporting requirements of the money laundering statutes in all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental authority (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court of governmental authority or any arbitrator non-governmental authority involving the Company with respect to the Money Laundering Laws is, to the knowledge of the Company, pending or threatened;
- (ddd) no material labour dispute with the employees of the Company or the Subsidiaries currently exists or, to the knowledge of the Company or the Subsidiaries, is imminent. None of the Company nor the Subsidiaries is a party to any collective bargaining agreement and, to the knowledge of the Company, no action has been taken or is contemplated to organize any employees of the Company or the Subsidiaries;
- (eee) the form of the certificate representing the Special Warrants, the Unit Shares, the Warrants, the Warrant Shares, the Compensation Shares and the Compensation Option has been duly approved by the Company and complies with the provisions of the *Business Corporations Act* (British Columbia);
- (fff) no filing with, or authorization, approval, consent, license, order, registration, qualification or decree of any court or governmental authority or agency in Canada is necessary or required for the performance by the Company of its obligations hereunder, in connection with the Offering in the Qualifying Jurisdictions, or the consummation of the transactions contemplated by this Agreement, except such as have been already obtained, or as may be required, under Applicable Securities Laws;
- (ggg) all information and documentation concerning the Company and the Subsidiaries (including but not limited to the Property Rights and Material Contracts) that has been provided to the Agents on their request by the Company in connection with this Agreement is accurate and complete in all material respects and not misleading and will not omit to state any fact or information which would be material to the Agents performing the services contemplated herein; and
- (hhh) neither the Company nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or person acting on behalf of the Company is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department ("**OFAC**"); and the Company will not knowingly, directly or indirectly, use the proceeds of the Offering, or knowingly lend, contribute or otherwise make available such proceeds to any joint venture partner or other person or entity, for the purpose

of financing the activities of any person currently subject to any United States sanctions administered by OFAC.

4.2 The Company further represents, warrants, covenants and agrees that:

- (a) the Company is a “foreign issuer” as used in Regulation S and reasonably believes that, both at the commencement of the Offering and the Closing Date, there is no substantial U.S. market interest as defined by Regulation S in any class of its securities;
- (b) it is not, and after the sale of Special Warrants contemplated hereby will not be, registered or required to register as an “investment company” pursuant to the United States Investment Company Act of 1940, as amended;
- (c) the Company has not (i) sold, offered for sale or solicited any offer to buy any of its securities for the period beginning six months prior to the commencement of the Offering and (ii) will not sell, offer for sale or solicit any offer to buy any of its securities for the six month period following the Closing Date in a manner that would be integrated with the offer and sale of the Special Warrants and cause the exemption from registration set forth in Rule 506 of Regulation D or Section 4(2) of the U.S. Securities Act to become unavailable with respect to the offer and sale of the Special Warrants;
- (d) neither the Company nor any of the predecessors or affiliates thereof has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D concerning the filing of a notice of sales on Form D;
- (e) none of the Company, any of its affiliates, or any person acting on its or their behalf (other than the Agents, their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has made or will make: (i) any offer to sell, or any solicitation of an offer to buy, any Special Warrants to, or for the benefit or account of, a U.S. Person or a person in the United States; or (ii) any sale of the Special Warrants unless, at the time the buy order was or will have been originated, the Purchaser is (A) outside the United States or (B) the Company, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States;
- (f) none of it, any of its affiliates, or any person acting on its or their behalf (except the Agent, its affiliates and any person acting on any of its or their behalf, in respect of which no representation is made) has taken or will take any action that would cause the safe harbour from registration available under Rule 903 of Regulation S or the exemption from registration available under Rule 506 of Regulation D and Section 4(2) of the U.S. Securities Act to be unavailable for offers and sales of the Special Warrants pursuant to this Agreement;
- (g) none of the Company, its affiliates or any person acting on its or their behalf (except the Agent, its affiliates and any person acting on its behalf, in respect of which no representation is made) have engaged or will engage in any form of directed selling efforts as defined in Rule 902(c) of Regulation S with respect to offers or sales of the Special Warrants, or have taken or will take any action in violation of Regulation M under the U.S. Exchange Act in connection with the offer and sale of the Special Warrants, or have engaged in or will engage in any “general solicitation” or “general advertising” with respect to offers or sales of the Special Warrants in the United States, including, but not limited to, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the internet, or broadcast over radio, television or the internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising or in a manner involving a public offering within the meaning of Section 4(2) of the U.S. Securities Act;

- (h) the Company will execute or procure the execution of all documents in a timely manner and will use its commercially reasonable efforts to take or cause to be taken all such steps as may be reasonably necessary or desirable to establish, to the reasonable satisfaction of counsel for the Agent, any and all legal requirements to enable the Agent to offer the Special Warrants for sale in the United States under Rule 506 of Regulation D in accordance with this Agreement;
- (i) the Company will, within fifteen (15) days after the first sale of Special Warrants in the United States, prepare and file with the United States Securities and Exchange Commission a notice on Form D with respect to the Special Warrants. The Company shall also prepare and file within prescribed time periods any notices required to be filed with state securities authorities under applicable blue sky laws in connection with any Special Warrants sold pursuant to Rule 506 of Regulation D; and
- (j) if it is determined by the Company or any Purchaser that the Company is a “passive foreign investment company” within the meaning of section 1297(a) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), during any calendar year following the purchase of Common Shares pursuant to this Agreement, the Company shall provide to the Purchaser, upon written request, all information that would be required for income tax reporting purposes by a United States securityholder making an election to treat the Company as a “qualified electing fund” for the purposes of the Code.

4.3 The representations and warranties of the Company contained in this Agreement shall be true at the Closing Time as though they were made at the Closing Time and they shall survive the completion of the transactions contemplated under this Agreement in accordance with Section 13.6.

5. REPRESENTATIONS AND WARRANTIES OF THE AGENTS

5.1 Each Agent represents and warrants to the Company, severally and not jointly, and acknowledges that the Company is relying upon such representations and warranties in entering into this Agreement, that:

- (a) the Agent and its U.S. Affiliate are valid and subsisting corporations duly incorporated and in good standing under the laws of the jurisdiction in which they are incorporated;
- (b) the Agent has all requisite power and authority and good and sufficient right and authority to enter into, deliver and carry out its obligations under this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein;
- (c) the Agent and the U.S. Affiliate will conduct all their activities of, and in connection with, arranging for the sale of the Special Warrants in compliance with Applicable Securities Laws; and
- (d) the Agent and the U.S. Affiliate are appropriately registered under the Applicable Securities Laws or are exempt from the requirements under Applicable Securities Laws under a category that permits them to lawfully fulfill their obligations hereunder.

5.2 The representations and warranties of the Agent contained in this Agreement shall be true at the Closing Time as though they were made at the Closing Time and they shall survive the completion of the transactions contemplated under this Agreement.

6. PROSPECTUS QUALIFICATION

6.1 The Company covenants and agrees with the Agents that it shall:

- (a) elect and comply in all material respects with the Prospectus Review Procedures and shall use its reasonable commercial efforts to, as soon as reasonably practicable after the Closing Date, to:

- (i) prepare and file the Preliminary Prospectus and other documents required under the Applicable Securities Laws of the Qualifying Provinces with the Securities Commissions and designate the BCSC as the principal regulator; and
- (ii) as soon as reasonably practicable after obtaining the Preliminary Receipt, resolve any comments with respect to the Preliminary Prospectus received by the Securities Commissions in the Qualifying Provinces and prepare and file the Final Prospectus and other documents required under the Applicable Securities Laws of the Qualifying Provinces with the Securities Commissions; and

provided that the Company shall, in the event that the Final Receipt is not obtained by the 60th day following the Closing Date, continue to use its commercially reasonable best efforts until the Deemed Exercise Date to obtain the Final Receipt;

- (iii) otherwise fulfill all necessary legal requirements to enable the Units to be distributed in each of the Qualifying Provinces;
 - (iv) until the completion of the distribution of the Units, promptly take or cause to be taken all additional steps and proceedings that from time to time may be required under the Applicable Securities Laws of the Qualifying Provinces to continue to qualify the Units for distribution or, in the event that the Units have, for any reason, ceased to so qualify, to use reasonable commercial efforts to again qualify the Units for distribution; and
 - (v) prior to the filing of the Prospectuses and prior to the filing with any Securities Commissions of any Supplementary Material, have allowed the Agents and the Agents' counsel reasonable opportunity to participate fully in the preparation of and to approve the form of such documents (such approval not to be unreasonably withheld);
- (b) apply the net proceeds from the Offering to complete a preliminary economic assessment on the Batero Quinchia Project and for general working capital;
 - (c) deliver or cause to be delivered without charge to the Agents and the Agents' counsel the documents set out below at the respective times indicated:
 - (i) prior to the filing with the Securities Commissions of each of the Preliminary Prospectus and the Final Prospectus, copies of the Preliminary Prospectus and the Final Prospectus, signed by the Company as required by the Applicable Securities Laws of the Qualifying Provinces;
 - (ii) contemporaneously with, or prior to the filing of the Final Prospectus or any Supplementary Material in respect of the Final Prospectus, a certificate dated the date of the Final Prospectus, addressed to the Underwriters and signed by the Chief Executive Officer and Chief Financial Officer of the Company, certifying for and on behalf of the Company, and not in their personal capacities, after having made due inquiries, with respect to the following matters:
 - (A) the Company having complied with all of the covenants and satisfied all of the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the date of the Final Prospectus;
 - (B) no order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Company or prohibiting the issue of the Special Warrants or the Units or any of the Company's issued securities

- having been issued and no proceeding for such purpose being pending or, to the knowledge of such officers, threatened;
- (C) the representations and warranties of the Company contained in this agreement and in any certificates of Company delivered pursuant to or in connection with this agreement being true and correct as at the date of the Final Prospectus or Supplementary Material, with the same force and effect as if made on and as at the date of the Final Prospectus or Supplementary Material, as the case may be, after giving effect to the transactions contemplated by this agreement;
 - (D) since the Closing Time, there having been no material adverse change, financial or otherwise, in the assets, liabilities (contingent or otherwise), capital, business or results of operations of the Company; and
 - (E) the properties described in the Title Opinions delivered to the Agents on the Closing Date, as contemplated herein, are the only material properties described in the Final Prospectus and such Title Opinions, to the knowledge of the Chief Executive Officer and Chief Financial Officer, continue to be correct and complete in all material respects;
- (iii) contemporaneously with, or prior to the filing of the Final Prospectus, a “comfort letter” from the Company’s auditors, dated the date of the Final Prospectus, addressed to the Agents and satisfactory in form and substance to the Agents and the Agents’ counsel, acting reasonably, containing statements and information of the type ordinarily included in auditors’ comfort letters to an agent in connection with securities offerings in Canada with respect to certain financial and accounting information relating to the Company in the Final Prospectus which comfort letter shall be based on the Company’s auditors review having a cut-off date of not more than two Business days prior to the date of the Final Prospectus;
 - (iv) as soon as possible after the filing of the Final Prospectus, without charge, commercial copies of the Final Prospectus and any Supplementary Material in such numbers and in such cities as the Agents may reasonably request by written instructions to the Company, or the printer thereof, given no later than the time when the Company authorizes the printing of the commercial copies of such documents;
 - (v) upon the Final Receipt being issued, a favourable legal opinion of the Company’s counsel or other local counsel acceptable to the Agents acting reasonably, addressed to the Agents, in form and substance reasonably satisfactory to the Agents and the Agents’ counsel, acting reasonably, with respect the following matters relating to the filing of the Final Prospectus:
 - (A) the Company has the necessary corporate power and authority to execute and deliver the Prospectuses and all necessary corporate action has been taken by the Company to authorize the execution and delivery by it of the Prospectuses and the filing thereof, as the case may be, in each of the Qualifying Provinces in accordance with Applicable Securities Laws;
 - (B) the attributes of the Unit Shares, the Warrants, the Warrant Shares and the Compensation Shares conform in all material respects with the description thereof contained in the Prospectuses;
 - (C) the statements under the headings “Eligibility for Investment” and “Certain Canadian Federal Income Tax Considerations” in the Prospectus are true and correct; and

- (D) all necessary documents have been filed, all necessary proceedings have been taken and all legal requirements have been fulfilled as required under Applicable Securities Laws of the Qualifying Provinces in order to qualify the Unit Shares and the Warrants for distribution and sale to the public in each of the Qualifying Provinces by or through investment dealers and brokers duly registered under the applicable laws of such Provinces who have complied with the relevant provisions of Applicable Securities Laws of the Qualifying Provinces;
 - (E) the issuance of the Warrant Shares by the Company on exercise of the Warrants in accordance with the Warrant Indenture and the issuance of the Compensation Shares by the Company in accordance with the Compensation Option Agreement are exempt from the prospectus and registration requirements of Securities Laws; and
 - (F) subject only to standard post-closing conditions of the Exchange, the Unit Shares, the Warrant Shares and the Compensation Shares have been conditionally listed or approved for listing on the Exchange;
- (d) each delivery of the Preliminary Prospectus, the Final Prospectus or any Supplementary Material pursuant to subparagraph (b) hereof shall constitute a representation and warranty to the Agents by the Company (and the Company hereby acknowledges that the Agents are relying on such representations and warranties in entering into this agreement) that:
- (i) the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as applicable:
 - (A) are at the respective dates of such documents, true and correct in all material respects;
 - (B) contain no misrepresentation; and
 - (C) contain full, true and plain disclosure of all material facts relating to the Company, the Unit Shares, the Warrants and the Warrant Shares as required under Applicable Securities Laws of the Qualifying Provinces,

other than any information or statements relating solely to the Agents and furnished in writing to the Company by the Agents expressly for inclusion in the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as the case may be, and except any information and statements which are modified or superseded by information or statements contained in the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as the case may be;
 - (ii) the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as applicable, complies in all material respects with the Applicable Securities Laws of the Qualifying Provinces; and
 - (iii) except as has been disclosed in the Continuous Disclosure Materials, there has been no material change (actual, proposed or prospective, whether financial or otherwise) from the date of the Preliminary Prospectus, the Final Prospectus and any Supplementary Material to the time of delivery of such respective document in the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Company and its Subsidiaries, taken as a whole;

- (e) it will use its reasonable commercial efforts to obtain, prior to the Closing Time, all necessary approvals of the Exchange required for the issuance of the Unit Shares, the Warrants, the Warrant Shares, the Compensation Options and the Compensation Shares and the listing of the Unit Shares, the Warrants, the Warrant Shares and the Compensation Shares and shall comply with all requirements of the Exchange in connection with the issuance of the Unit Shares, the Warrants, the Warrant Shares and the Compensation Shares, and the listing of the Unit Shares, the Warrants, the Warrant Shares and the Compensation Shares on the Exchange including the filing of all necessary documentation in accordance with the requirements of the Exchange in connection with the listing of the Unit Shares, the Warrants, the Warrant Shares and the Compensation Shares on the Exchange;
- (f) during the period commencing with the date hereof and ending on the Deemed Exercise Date, the Company will promptly provide to the Agents, for review by the Agents and the Agents' counsel, prior to filing or issuance of the same, any proposed public disclosure document, including without limitation, any financial statements of the Company, report to shareholders, information circular or any press release or material change report, subject to the Company's obligations under Applicable Securities Laws to make timely disclosure of material information, and the Agents agree to keep such information confidential until it is disseminated into the marketplace, and any press release issued by the Company concerning the offering of Special Warrants or Units shall comply with Rule 135e under the U.S. Securities Act and shall be marked, at the top of the press release, as follows: "NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES";
- (g) during the period commencing with the date hereof and ending on the Deemed Exercise Date, the Company will promptly inform the Agents of the full particulars of:
 - (i) any material change (actual, anticipated or threatened) in or affecting the business, operations, revenues, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Company and its Subsidiaries, taken as a whole;
 - (ii) any change in any material fact contained or referred to in the Continuous Disclosure Materials; and
 - (iii) the occurrence of a material fact or event, which, in any such case, is, or may be, of such a nature as to: (A) render any portion of the Continuous Disclosure Materials untrue, false or misleading in any material respect; (B) result in a misrepresentation in the Continuous Disclosure Materials; or (C) result in the Continuous Disclosure Materials not complying in a material respect with the Applicable Securities Laws;provided that if the Company is uncertain as to whether a material change, change, occurrence or event of the nature referred to in this subparagraph 6.1(g)(iii) has occurred, the Company shall promptly inform the Agents of the full particulars of the occurrence giving rise to the uncertainty and shall consult with the Underwriters as to whether the occurrence is of such a nature;
- (h) during the period commencing with the date hereof and ending on the Deemed Exercise Date, the Company will promptly inform the Agents of:
 - (i) any request of the Securities Commission for any amendment to the Preliminary Prospectus, the Final Prospectus or any other part of the Continuous Disclosure Materials or for any additional information;

- (ii) the receipt by the Company of any communication from any Securities Commission or similar regulatory authority, the Exchange, or any other competent authority relating to any part of the Continuous Disclosure Materials or the Offering; and
 - (iii) the issuance by any Securities Commission or similar regulatory authority, the Exchange or by any other competent authority, of any order to cease or suspend trading of any securities of the Company or of the institution or threat of institution of any proceedings for that purpose;
- (i) the Company will promptly, and in any event within any applicable time limitation, comply to the reasonable satisfaction of the Agents and the Agents' counsel, with Applicable Securities Laws with respect to any material change or change, occurrence or event of the nature referred to in subparagraphs 6.1(f)(g)(iii) and 6.1(h) and the Company will prepare and file promptly at the Agents' request, acting reasonably, any amendment to the Preliminary Prospectus, the Final Prospectus or Supplementary Material as may be required under Applicable Securities Laws of the Qualifying Provinces; provided that the Company shall have allowed the Agents and the Agents' counsel reasonable opportunity to participate fully in the preparation of any amendment to the Preliminary Prospectus, the Final Prospectus or Supplementary Material and to conduct all due diligence investigations which the Agents may reasonably require in order to fulfil their obligations as Agents and in order to enable the Agents to execute the certificate required to be executed by them in, or in connection with, such Supplementary Material;
 - (j) the Company will duly, faithfully and punctually perform all the obligations to be performed by it and comply with its covenants and agreements hereunder and under the Subscription Agreements;
 - (k) all representations, warranties and covenants in sections 4, 6 and 8 in this Agreement made by the Company to the Agents shall also be deemed to be made for the benefit of the Subscribers as if the Subscribers were also parties hereto (it being agreed that the Agents are acting for and on behalf of the Subscribers for this purpose);
 - (l) use its commercially reasonable efforts to maintain its status as a "reporting issuer" or the equivalent not in default in each of the Qualifying Jurisdictions for a period of two years from the Closing Date, other than in connection with a merger, amalgamation, arrangement, take-over bid, going private transaction or other similar transaction involving the purchase or sale of all of the outstanding Common Shares; and
 - (m) use its commercially reasonable efforts to maintain the listing of the Common Shares on the Exchange or other recognized stock Exchange for a period of two years from the Closing Date, other than in connection with a merger, amalgamation, arrangement, take-over bid, going private transaction or other similar transaction involving the purchase or sale of all of the outstanding Common Shares.

7. DUE DILIGENCE REVIEW

- 7.1 During the period from the date hereof until the date of the Prospectus Qualification, the Company shall allow the Agents the opportunity to conduct required due diligence and to obtain, acting reasonably, satisfactory results therefrom and in particular, the Company shall allow the Agents and Agents' counsel to conduct all due diligence which the Agents may reasonably require in order to confirm the Offering Documents are accurate, complete and current in all material respects and to fulfill the Agents' obligations as registrants and, in this regard, without limiting the scope of the due diligence inquiries the Agents may conduct, the Company shall cause its senior management, auditors, legal counsel, technical advisors and such other persons as the Agents may require, to answer any questions which the Agents may reasonably have and to participate in one or more due diligence sessions to be held prior to the date of the Prospectus Qualification.

8. ADDITIONAL COVENANTS OF THE COMPANY

8.1 The Company covenants and agrees with the Agents that it shall:

- (a) take all steps as may be reasonably necessary to enable the Units to be sold on a private placement basis in the Qualifying Jurisdictions by way of exemptions from the prospectus or registration statement filing requirements of Applicable Securities Laws and otherwise fulfill all legal requirements required to be fulfilled by the Company (including, without limitation, compliance with all Applicable Securities Laws) in connection with the Offering;
- (b) deliver to the Agents and their legal counsel, as applicable:
 - (i) a copy of all letters, submissions and other materials with respect to the Offering filed with the Regulatory Authorities in Canada or elsewhere, if any, at the same time that the materials are filed with such Regulatory Authorities;
 - (ii) at the Closing Time, such legal opinions (the “**Legal Opinions**”) of the Company’s legal counsel (excluding U.S. legal counsel), addressed to the Agents and their legal counsel and dated as of the Closing Date, in form and content acceptable to the Agents, acting reasonably, relating to the matters set forth in Schedule “A”;
 - (iii) at the Closing Time, if any Special Warrants are being sold in the United States or to or for the benefit or account of U.S. Persons or persons in the United States, a legal opinion of U.S. legal counsel, addressed to the Agents and dated as of the Closing Date in form and content acceptable to the Agents, acting reasonably, to the effect that such offer and sale of the Special Warrants is not required to be registered under the U.S. Securities Act (the “**U.S. Legal Opinion**”);
 - (iv) the Company will have caused favourable legal opinions (the “**Local Counsel Opinions**”) to be delivered by local counsel addressed to the Agents and their counsel, in form and substance satisfactory to the Agents, acting reasonably, with respect to the following matters:
 - (A) the incorporation and existence of each of the Subsidiaries under the laws of its jurisdiction of incorporation;
 - (B) as to the holders of the issued and outstanding shares of each of the Subsidiaries;
 - (C) that each of the Subsidiaries has all requisite corporate power under the laws of its jurisdiction of incorporation to carry on its business as presently carried on and own its properties; and
 - (D) to the knowledge of such counsel, there are no outstanding, pending or threatened legal claims, proceedings or actions pending or threatened against the Subsidiaries;
 - (v) at the Closing Time, a certificate (the “**Officers’ Certificate**”) of the Company signed by its Chief Executive Officer and Chief Financial Officer, addressed to the Agents and their legal counsel and dated as of the Closing Date, in form and content acceptable to the Agents, acting reasonably, certifying for and on behalf of the Company and not in their personal capacities that, to the actual knowledge of the persons signing such certificate, after having made due and relevant inquiry:
 - (A) the Company has complied in all material respects with all covenants and satisfied all terms and conditions of this Agreement on its part to be

complied with and satisfied at or prior to the Closing Time on the Closing Date;

- (B) no order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Company or prohibiting the sale of the Special Warrants or any of the Company's issued securities has been issued and no proceeding for such purpose is pending or, to the knowledge of such officers, threatened;
 - (C) all of the representations and warranties made by the Company in this Agreement are true and correct as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated hereby;
 - (D) there has not occurred since November 30, 2011 any adverse material change (actual, anticipated, contemplated or, to the knowledge of the Company, threatened, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise), prospects, financial position or capital of the Company;
- (vi) at the Closing Time, such legal opinions (the "**Title Opinion**") of the Company's Colombian legal counsel, addressed to the Agents and their legal counsel, dated as of the Closing Date, in the form and content acceptable to the Agents acting reasonably, with respect to each of properties comprising the Batero Quinchia Project;
 - (vii) certificates dated the Closing Date signed by the Chief Executive Officer of the Company or another officer acceptable to the Agents, acting reasonably, in form and content satisfactory to the Agents, acting reasonably, with respect to the constating documents of the Company and the Subsidiaries; the resolutions of the directors of the Company relevant to the Offering, including the allotment, issue (or reservation for issue) and sale of the Special Warrants, the Units, the Unit Shares, the Warrants and the Warrant Shares, the grant of the Compensation Option, the issuance of the Compensation Shares, the authorization of this Agreement, the listing of the Unit Shares, Warrants, Warrant Shares and Compensation Shares on the Exchange and transactions contemplated by this Agreement and the Compensation Option Agreement; and the incumbency and signatures of signing officers of the Company;
 - (viii) at the Closing Time, a Certificate of Good Standing for the Company dated within one (1) business day (or such earlier or later date as the Agents may accept) of the Closing Date;
 - (ix) at the Closing Time, a certificate of the registrar and transfer agent of the Shares, which certifies the number of Shares issued and outstanding on the date prior to the Closing Date;
 - (x) at the Closing Time, such other materials (the "**Closing Materials**") as the Agents may reasonably require and as are customary in a transaction of this nature, and the Closing Materials will be addressed to the Agents and to such parties as may be reasonably directed by the Agents and will be dated as of the Closing Date or such other date as the Agents may reasonably require;
- (c) during the period commencing on the Closing Date and ending on the date which is 90 days after the Deemed Exercise Date, not, without the written agreement of Raymond James, which agreement will not be unreasonably withheld, issue, announce any issue or agree to issue any Shares or any securities convertible into or exchangeable for or exercisable to acquire Shares except in conjunction with: (i) under existing director or employee stock option, bonus or

purchase plans, as detailed in the Company's most recent information circular, (ii) under director or employee stock options or bonuses granted subsequently in accordance with regulatory approval, or (iii) as a result of the exercise of currently outstanding share purchase warrants or options or previously scheduled property payments, as detailed in the Company's public disclosure record;

- (d) cause each of its directors, officers and employees to enter into lock-up agreements in form and substance satisfactory to the Lead Agent evidencing their agreement to not, without the consent of the Lead Agent, which consent shall not be unreasonably withheld, sell or agree to sell (or announce any intention to do so), any Shares or securities convertible into or exercisable or exchangeable for Shares held by them for a period of 90 days following the Deemed Exercise Date;
- (e) from the date of this Agreement to and including the Deemed Exercise Date, not reproduce, disseminate, quote from or refer to any written or oral opinions, advice, analysis and materials provided by the Agents to the Company in connection with the Offering in whole or in part at any time, in any manner or for any purpose, without the Lead Agent's prior written consent in each specific instance, and the Company shall and shall cause its affiliates, officers, directors, shareholders, agents and advisors (including those shareholders who have an advisory relationship with the Company and the directors, officers, and employees of such shareholders) to keep confidential the opinions, advice, analysis and materials furnished to the Company by the Agents and their counsel in connection with the Offering;
- (f) from the date of this Agreement to and including the Deemed Exercise Date, promptly do, make, execute, deliver or cause to be done, made, executed or delivered, all such acts, documents and things as the Agents may reasonably require from time to time for the purpose of giving effect to this Agreement; and
- (g) from the date of this Agreement to and including the Deemed Exercise Date, forthwith notify the Agents of any breach of any covenant of this Agreement by any party thereto, or upon it becoming aware that any representation or warranty of the Company contained in this Agreement is or has become untrue or inaccurate in any material respect.

8.2 The Agents and Company agree that the Company will undertake the Non-Brokered Offering for the sale of up to 600,000 Special Warrants to purchasers whose subscriptions will be arranged for by the Company. The Company agrees that the sale of the Special Warrants to Purchasers in the Non-Brokered Offering is to be effected in the same manner as the Offering as set out in this Agreement. The Agents agree that the securities issued in the Non-Brokered Offering will be qualified by the Prospectuses. The sale of the Special Warrants to Purchasers in the Non-Brokered Offering shall be completed in a manner exempt from any prospectus or offering memorandum filing or delivery requirements of Applicable Securities Laws and without the necessity of obtaining any order or ruling of the Regulatory Authorities in Canada. The Company will notify the Agents with respect to the identity and jurisdiction of residence or location, as applicable, of each Purchaser in the Non-Brokered Offering as soon as practicable.

8.3 The Company will obtain from each Purchaser in the Non-Brokered Offering and deliver to the Agents at least 48 hours in advance of Closing, a properly completed and duly executed Subscription Agreement, a properly completed and duly executed Accredited Investor Certificate, together with any additional documentation as may be reasonably requested by the Agents.

8.4 The Company covenants to use its commercially reasonable efforts to obtain all necessary regulatory approvals to complete the Offering.

9. AGENTS' FEES AND EXPENSES

- 9.1 In consideration of the services to be rendered by the Agents to the Company under this Agreement, the Company agrees to pay to the Agents' Fee and issue the Compensation Option to the Agents, at the time and in the manner specified in this Agreement.
- 9.2 Whether or not the sale of the Special Warrants shall be completed, all reasonable costs and expenses of or incidental to the sale and delivery of the Special Warrants and of or incidental to all matters in connection with the transactions herein shall be borne by the Company, and the Company shall reimburse the Agents for any and all expenses incurred by the Agents, including, without limitation and for greater certainty, the reasonable fees and disbursements of Agents' legal counsel up to a maximum of \$75,000 and the reasonable "out-of-pocket" expenses of the Agents.
- 9.3 All fees, expenses and other payments under this Agreement shall be paid without giving effect to any withholding or deduction of any tax or similar governmental assessment. If any sales taxes or other similar tax is payable with respect to the fees paid or payable to the Agents under this engagement, the Agents will add the amount of such tax to its invoice and the Company shall pay the Agents such tax.

10. CONDITIONS TO CLOSING

- 10.1 The following are conditions to the obligations of the Agents to complete the transactions contemplated in this Agreement, which conditions may be waived in writing in whole or in part by the Agents in their sole discretion:
- (a) there shall be no requirement under applicable law and no requirement imposed on the Company by the Regulatory Authorities to obtain, nor shall the Company voluntarily seek, shareholder approval of the Offering or of the issuance of the Special Warrants or Compensation Shares;
 - (b) the Company will have made all necessary filings with and obtained all necessary approvals, consents and acceptances of the Regulatory Authorities for the Offering to permit the Company to complete its obligations hereunder;
 - (c) the Company will have, within the required time set out hereunder, delivered or caused the delivery of the required Comfort Letter, Legal Opinions, U.S. Legal Opinion, the Local Counsel Opinions, Officer's Certificate, the Title Opinion and the Closing Materials, in form and substance satisfactory to the Agents and their counsel, acting reasonably;
 - (d) no order ceasing or suspending trading in any securities of the Company, or ceasing or suspending trading by the directors, officers or promoters of the Company, or any one of them, or prohibiting the trade or distribution of any of the securities referred to herein will have been issued and no proceedings for such purpose, to the knowledge of the Company, will be pending or threatened;
 - (e) the Agents shall have received at the Closing Time a letter from the transfer agent of the Company dated the date of Closing and signed by an authorized officer of such transfer agent confirming the issued and outstanding capital of the Company;
 - (f) there shall not have occurred since December 31, 2011 and until the Closing Time, any adverse material change (actual, anticipated, contemplated or, to the knowledge of the Company, threatened, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise), prospects, financial position or capital of the Company;

- (g) the due diligence conducted by the Agents shall not have revealed any adverse material change or adverse material fact in respect of the Company not generally known to the public which should have been previously disclosed pursuant to Applicable Securities Laws;
- (h) the Company will have, as of the Closing Time, entered into the Special Warrant Indenture providing for the creation and issuance of the Special Warrants, in form and substance satisfactory to the Agents;
- (i) the Company will have, as of the Closing Time, complied with all of its covenants and agreements contained in this Agreement; and
- (j) the representations and warranties of the Company contained in this Agreement will be materially true and correct as of the Closing Time as if such representations and warranties had been made as of the Closing Time.

11. CLOSING

- 11.1 The Company and the Agents shall cause the Closing to occur on April 26, 2012 or such other date as may be agreed by the Company and the Agents (the “**Closing Date**”). The closing of the transactions contemplated under this Agreement (the “**Closing**”) shall be completed at the Vancouver offices of McMillan LLP, legal counsel to the Company.
- 11.2 On the Closing, the Company shall issue and deliver to the Agents:
 - (a) one or more global certificates (in physical or electronic form as the Lead Agent may advise) representing the Special Warrants to be issued at Closing in the names and denominations reasonably requested by the Agents;
 - (b) the Company shall deliver to the Agents such documents set forth in subsection 8.1(a) as the Agents may request; and
 - (c) original certificates representing the Compensation Options, registered as directed by the Agents.
- 11.3 If the Company has satisfied all of its obligations under this Agreement that are required to be satisfied before or at the Closing Time, on the Closing the Agents shall pay to the Company by certified cheque the aggregate gross proceeds of the sale of the Special Warrants, less (i) the Agents’ Fee and, (ii) if so desired by the Lead Agent, any costs and expenses owing to the Agents pursuant to section 9.2.

12. INDEMNITY

- 12.1 The Company shall protect, hold harmless and indemnify each of the Agents and their respective affiliates and their respective directors, officers, partners, employees, shareholders, advisors and agents (as applicable) (collectively, the “**Indemnified Parties**” and individually an “**Indemnified Party**”) from and against all losses, claims, damages, liabilities, costs and expenses, including, without limitation, all amounts paid to settle actions or satisfy judgments or awards and all reasonable legal fees and expenses on a solicitor and own client basis (collectively, a “**Claim**”) caused by or arising directly or indirectly by reason of the transactions contemplated in this Agreement including, without limitation:
 - (a) any information or statement (except any information or statement relating solely to the Agents, or any of them, provided by the Agents to the Company in writing expressly for inclusion in the Prospectuses or the U.S. Memorandum) contained in any of the Prospectuses or the U.S. Memorandum being or being alleged to be a misrepresentation or untrue or any omission or alleged omission to state in those documents any material fact (except facts relating to the Agents, or any of them, provided by the Agents in writing for inclusion in the Prospectuses or the U.S. Memorandum) required to be stated in those documents or necessary

to make any of the statements therein not misleading in light of the circumstances in which they were made;

- (b) any breach by the Company of, or default under, any representation, covenant or agreement of the Company in this Agreement or any other document delivered pursuant to this Agreement or under Applicable Securities Laws or the failure by the Company to comply with its obligation under the Agency Agreement or Applicable Securities Laws;
- (c) the Company not complying prior to the completion of the distribution of the Special Warrants with any requirement of any Applicable Securities Laws or other applicable securities legislation of any jurisdiction;
- (d) any order made or any inquiry, investigation or proceeding instituted, threatened or announced by any court, securities regulatory authority or stock exchange (including the Exchange) or by any other competent authority, based upon any untrue statement, omission or misrepresentation or alleged untrue statement, omission or misrepresentation (except a statement, omission or misrepresentation relating to the Agents, or any of them, provided by the Agents to the Company in writing expressly for inclusion in the Prospectuses or the U.S. Memorandum) contained in any of the Prospectuses or the U.S. Memorandum, which operates to prevent or restrict the trading in or the sale or distribution of the Special Warrants,

and shall reimburse the Indemnified Parties for all reasonable costs, charges and expenses, as incurred, which any of them may pay or incur in connection with investigating or disputing any Claim or action related thereto including the fees and expenses of legal counsel on a solicitor and own client basis and including reimbursement paid to the Agents for the time spent by the Indemnified Parties in connection with any Claim payable at the normal per diem rates of such Indemnified Parties.

This indemnity shall be in addition to any liability that the Company may otherwise have.

- 12.2 If any Claim contemplated by this section 12 is asserted against any of the Indemnified Parties, or if any potential Claim contemplated by this section 12 comes to the knowledge of any of the Indemnified Parties, the Indemnified Party concerned shall notify in writing the Company as soon as reasonably practicable, of the nature of the Claim (provided that any failure or delay to so notify in respect of any potential Claim shall not affect the liability of the Company under this section 12, except to the extent that such failure or delay significantly prejudices the Company's ability to contest such Claim). The Company shall, subject to the following, be entitled (but not required) to assume the defence on behalf of the Indemnified Party of any suit brought to enforce the Claim; provided that the defence shall be through legal counsel selected by the Company and acceptable to the Indemnified Party, acting reasonably, and no admission of liability or settlement of the Claim shall be made by the Company without the prior written consent of the Indemnified Party. An Indemnified Party shall have the right to employ separate counsel in any such suit and participate in its defence but the fees and expenses of that counsel shall be at the expense of the Indemnified Parties unless:

- (a) the Company fails to assume the defence of the suit on behalf of the Indemnified Party within 30 days of receiving notice of the suit; or
- (b) the employment of that counsel has been authorized in writing by the Company.

In each of the cases set out in subsections 12.2(a) or (b), the Company shall not have the right to assume the defence of the suit on behalf of the Indemnified Party, but the Company shall be liable to pay the reasonable fees and expenses of separate counsel for all Indemnified Parties and, in addition, of local counsel in each applicable jurisdiction on a solicitor and own client basis.

- 12.3 The Company shall not be liable under this section 12 for any settlement of any claim or action effected without its prior written consent, which consent shall not be unreasonably withheld.

- 12.4 The Company hereby acknowledges and agrees that, with respect to this section 12, the Agents are contracting on their own behalf and as agents for their affiliates, directors, officers, employees and agents and their respective affiliates, directors, officers, employees, partners, shareholders, advisers and agents (collectively, the “**Beneficiaries**”). In this regard, each of the Agents shall act as trustee for the Beneficiaries of the covenants of the Company under this section 12 with respect to the Beneficiaries and accepts these trusts and will hold and enforce those covenants on behalf of the Beneficiaries.
- 12.5 In order to provide for just and equitable contribution in circumstances in which the indemnity provided in this section 12 would otherwise be available in accordance with its terms but is, for any reason not solely attributable to any one or more of the Indemnified Parties, held to be unavailable to or unenforceable by an Indemnified Party or is insufficient to hold the Indemnified Party harmless, the Company shall contribute to the amount paid or payable (or, if such indemnity is unavailable only in respect of a portion of the amount so paid or payable, such portion of the amount so paid or payable) by such Indemnified Party as a result of such liabilities, claims, demands, losses, costs, damages and expenses:
- (a) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand (being the proceeds of the Offering net of the Agents’ Fee but before deducting expenses) and the Agents (being the Agents’ Fee and, for greater certainty shall not be the Compensation Option) on the other hand from the offering of the Special Warrants; or
 - (b) if the allocation provided by clause (a) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (a) above but also the relative fault of the Company on the one hand and the Agents on the other hand in connection with the matters or things referred to in which resulted in such liabilities, claims, demands, losses, costs, damages or expenses, as well as any other relevant equitable considerations,

provided that the Agents shall not in any event be liable to contribute, in the aggregate, any amount in excess of the Agents’ Fee or any portion thereof actually received.

The relative fault of the Company on the one hand and of the Agents on the other shall be determined by reference to, among other things, whether the matters or things referred to in this section 12 which resulted in such liabilities, claims, demands, losses, costs, damages and expenses relate to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Company or to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Agents and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission or misrepresentation, or other matter or thing referred to this section 12. The amount paid or payable by an Indemnified Party as a result of the liabilities, claims, demands, losses, costs, damages and expenses referred to above shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such liabilities, claims, demands, losses, costs, damages and expenses, whether or not resulting in an action, suit, proceeding or claim.

The parties agree that it would not be just and equitable if contribution pursuant to this section were determined by any method of allocation which does not take into account the equitable considerations referred to in this section.

13. GENERAL

- 13.1 Any notice to be given hereunder shall be in writing and may be given by facsimile or by hand delivery and shall, in the case of notice to the Company, be addressed and faxed or delivered to:

Batero Gold Corp.
3703-1011 W Cordova St.
Vancouver, BC, V6C 0B2

Attention: Brandon Rook
Fax No.: (604) 568-6834

with a copy to:

McMillan LLP
Royal Centre, 1055 West Georgia Street
Suite 1500, PO Box 11117
Vancouver, BC, V6E 4N7

Attention: Darrell Podowski
Fax No.: (604) 685-7084

and in the case of the Agents, be addressed and faxed or delivered to each of:

Raymond James Ltd.
5300-40 King Street West
Scotia Plaza, P.O. Box 415
Toronto, Ontario, M5H 3Y2

Attention: John Willett
Fax No.: (416) 777-7020

Cormark Securities Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2800
P.O. Box 63
Toronto, Ontario, M5J 2J2

Attention: Darren Wallace
Fax No.: (416) 943-6499

with a copy to:

Blake, Cassels & Graydon LLP
595 Burrard Street
Suite 2600, Three Bentall Centre
Vancouver BC V7X 1L3

Attention: Bob Wooder
Fax No.: 604-631-3309

The Company and the Agents may change their respective addresses for notice by notice given in the manner referred to above.

13.2 The forbearance or failure of one of the parties hereto to insist upon strict compliance by the other with any provision of this Agreement, whether continuing or not, shall not be construed as a waiver of any rights or privileges hereunder. No waiver of any right or privilege of a party arising from any default or failure hereunder of performance by the other shall affect such party's rights or privileges in the event of a further default or failure of performance.

13.3 Time and each of the terms and conditions of this Agreement shall be of the essence of this Agreement.

- 13.4 This Agreement constitutes the entire agreement between the parties hereto in respect of the matters referred to herein and there are no representations, warranties, covenants or agreements, expressed or implied, collateral hereto other than as expressly set forth or referred to herein and this Agreement supersedes any previous agreements, arrangements or understandings among the parties.
- 13.5 The headings in this Agreement are for reference only and do not constitute terms of the Agreement.
- 13.6 Except as expressly provided for in this Agreement, all warranties, representations, covenants and agreements of the Company herein contained, or contained in, documents submitted or required to be submitted pursuant to this Agreement, shall survive the Closing of the Offering and shall continue in full force and effect, regardless of the closing of the sale of the Units and any Additional Units and regardless of any investigation which may be carried on by the Agents, or on their behalf, subject only to the applicable limitation period prescribed by law. For greater certainty, the provisions contained in this Agreement in any way related to the indemnification or the contribution obligations, including those provided for in section 12, shall survive and continue in full force and effect, subject only to the applicable limitation period prescribed by law.
- 13.7 Raymond James, as the Lead Agent, is hereby authorized by each of the other Agents to act on its behalf and the Company shall be entitled to and shall act on any notice given hereunder by the Lead Agent or agreement entered into by or on behalf of the Agents by the Lead Agent, which represents and warrants that it has irrevocable authority to bind the Agents, except in respect of any consent to a settlement pursuant to section 12, which consent shall be given by the Indemnified Party, a notice of termination pursuant to section 13, which notice may be given by any of the Agents exercising such right, or any waiver pursuant to section 13.1, which waiver must be signed by all the Agents. The Lead Agent shall, where practicable, consult with the other Agents concerning any matter in respect of which they act as representative of the Agents.
- 13.8 The Company hereby acknowledges that the Agents are acting solely as Agents in connection with the sale of the Special Warrants contemplated hereby. The Company further acknowledges that the Agents are acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Agents act or be responsible as a fiduciary to the Company, its management, shareholders or creditors or any other person in connection with any activity that the Agents may undertake or have undertaken in furtherance of such sale of the Special Warrants, either before or after the date hereof. The Agents hereby expressly disclaim any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Agents agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Agents to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Common Shares or Warrants, do not constitute advice or recommendations to the Company. The Company and the Agents agree that the Agents are acting as principal and not the agent or fiduciary of the Company and no Agent has assumed, and no Agent will assume, any advisory responsibility in favour of the Company with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether any Agent has advised or is currently advising the Company on other matters). The Company hereby waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Agents with respect to any breach or alleged breach of any fiduciary, advisory or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions.
- 13.9 No alteration, amendment, modification or interpretation of this Agreement or any provision of this Agreement shall be valid and binding upon the parties hereto unless such alteration, amendment, modification or interpretation is in written form executed by the parties directly affected by such alteration, amendment, modification or interpretation.

- 13.10 The parties hereto shall execute and deliver all such further documents and instruments and do all such acts and things as any party may, either before or after the Closing Date, reasonably require in order to carry out the full intent and meaning of this Agreement.
- 13.11 This Agreement may not be assigned by any party hereto without the prior written consent of all of the parties hereto.
- 13.12 This Agreement shall be subject to, governed by, and construed in accordance with the laws of the Province of British Columbia and the Canadian federal laws applicable therein.
- 13.13 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.
- 13.14 The parties may sign this Agreement as many counterparts as may be deemed necessary and may be delivered by facsimile, all of which so signed and delivered shall be deemed to be an original and together shall constitute one and the same instrument.
- 13.15 The Agents hereby acknowledge that they have consented that this Agreement and all documents evidencing or relating in any way to the sale be drawn up in the English language only. Nous reconnaissons par les présentes avoir consenti que tous les documents faisant foi ou se rapportant de quelque manière à notre achat soient rédigés en anglais seulement.

[THIS SPACE IS INTENTIONALLY LEFT BLANK]

If the foregoing is in accordance with your understanding and agreed to by you, please signify your acceptance on the accompanying counterparts of this letter and return same to the Agents whereupon this letter as so accepted shall constitute an agreement between the Company and the Agents enforceable in accordance with its terms.

Yours truly,

RAYMOND JAMES LTD.

By: "John Willett"
Name: John Willett
Title: Managing Director

CORMARK SECURITIES INC.

By: "Darren Wallace"
Name: Darren Wallace
Title: Managing Director

The foregoing is accepted and agreed to on April 26, 2012, effective as of the date appearing on the first page of this Agreement.

BATERO GOLD CORP.

By: "Brandon Rook"
Name: Brandon Rook
Title: President, CEO and Director

SCHEDULE "A"

MATTERS IN RESPECT OF WHICH COMPANY'S COUNSEL SHALL DELIVER OPINIONS PURSUANT TO SUBSECTION 6.1(k)(ii)

- (a) the Company is a reporting issuer (within the meaning of Applicable Securities Laws) or the equivalent in British Columbia, Alberta and Saskatchewan, and (ii) is not included on the list of defaulting issuers maintained by the securities regulatory authorities in British Columbia, Alberta and Saskatchewan;
- (b) the Company is duly incorporated and validly existing and in good standing under the laws of its jurisdiction of incorporation;
- (c) the Company the requisite corporate power and capacity to execute and deliver this Agreement and to carry out the transactions contemplated hereby;
- (d) the authorized and issued capital of the Company;
- (e) all necessary corporate action having been taken by the Company to authorize the execution and delivery of this Agreement and the performance by the Company of its obligations hereunder and to authorize the issuance, sale and delivery of the Special Warrants, the Unit Shares, the Warrants, the Warrant Shares, the Compensation Option, and the Compensation Shares;
- (f) the Special Warrants have been, subject to receipt of payment therefor, validly issued as fully paid Special Warrants in accordance with the provisions of the Special Warrant Indenture;
- (g) the Compensation Options have been validly issued in accordance with the terms of the Compensation Options;
- (h) the Unit Shares, Warrant Shares and Compensation Shares have been allotted and reserved for issuance by the Company and upon valid exercise including full payment therefor and the issue thereof, the Unit Shares, Warrant Shares and Compensation Shares will have been validly issued as fully paid and non-assessable common shares in the capital of the Company;
- (i) the form and terms of the certificates for the Special Warrants, the Warrants and the Compensation Shares have been approved and adopted by the directors of the Company and comply in all material respects with applicable corporate legislation and requirements;
- (j) the Company has all necessary corporate power and capacity: (i) to execute and deliver this Agreement and the Special Warrant Indenture and perform its obligations under this Agreement and the Special Warrant Indenture; (ii) to issue the Special Warrants; (iii) and to issue the Unit Shares, Warrant Shares and Compensation Shares; and (iv) to grant the Compensation Option;
- (k) each of this Agreement, the Special Warrant Indenture, the Subscription Agreements, the Warrant Indenture and the Compensation Option Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to customary qualifications;
- (l) the execution and delivery of this Agreement, the Special Warrant Indenture, the Subscription Agreements, the Warrant Indenture and the Compensation Option Agreement, the fulfillment of the terms thereof by the Company and the offering and sale of the Special Warrants, the Unit Shares, the Warrants, the Warrant Shares and the Compensation Shares, and the grant of the Compensation Option do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with any of the terms, conditions or provisions of

the articles or notice of articles of the Company, any resolutions of the shareholders or directors (or any committee thereof) of the Company or any applicable laws of the Province of British Columbia or federal laws of Canada applicable therein;

- (m) the offering, sale, issuance and delivery of the Special Warrants by the Company to Purchasers in accordance with the Subscription Agreements in the Qualifying Jurisdictions are exempt from the prospectus requirements of Applicable Securities Laws of the Qualifying Provinces and no prospectus is required nor are other documents required to be filed, proceeding taken or approval, consent or authorization obtained by the Company under Applicable Securities Laws of the Qualifying Provinces to permit the offering, sale, issuance and delivery of the Special Warrants to Subscribers in the Qualifying Provinces, provided that the Company files, within the time periods stipulated by the Applicable Securities Laws of the Qualifying Provinces, the reports stipulated by the Applicable Securities Laws of the Qualifying Provinces, in each case prepared and executed in accordance with Applicable Securities Laws of the Qualifying Provinces, together with the requisite filing fees, assuming distribution by registrants who comply with the relevant provisions of such Applicable Securities Laws of the Qualifying Provinces;
- (n) the issuance and delivery of the Unit Shares and Warrants by the Company to Purchasers in the Qualifying Provinces upon deemed exercise of Special Warrants are exempt from the prospectus requirements of Applicable Securities Laws of the Qualifying Provinces and no prospectus is required nor are other documents required to be filed, proceeding taken or approval, consent or authorization obtained by the Company under Applicable Securities Laws of the Qualifying Provinces to permit the issuance and delivery of the Unit Shares and Warrants to Purchasers in the Qualifying Provinces;
- (o) the issuance and delivery of the Warrant Shares by the Company to Purchasers in the Qualifying Provinces upon valid exercise of Warrants are exempt from the prospectus requirements of Applicable Securities Laws of the Qualifying Provinces and no prospectus is required nor are other documents required to be filed, proceeding taken or approval, consent or authorization obtained by the Company under Applicable Securities Laws of the Qualifying Provinces to permit the issuance and delivery of the Unit Shares and Warrants to Purchasers in the Qualifying Provinces;
- (p) the issuance and delivery of the Compensation Options and the Compensation Shares are exempt from the prospectus requirements of Applicable Securities Laws of the Qualifying Provinces and no prospectus is required nor are other documents required to be filed, proceeding taken or approval, consent or authorization obtained by the Company under Applicable Securities Laws of the Qualifying Provinces to permit the issuance and delivery to the Agents of the Compensation Option and the Compensation Shares;
- (q) the first trade of the Special Warrants, the Unit Shares, the Warrants, the Warrant Shares, the Compensation Options and the Compensation Shares;
- (r) the first trade of the Unit Shares, the Warrants, the Warrant Shares and the Compensation Shares are exempt from the prospectus requirements of the Applicable Canadian Securities Laws, and no documents are required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations of regulatory authorities required to be obtained under the Applicable Canadian Securities Laws in connection with the first trade by the Purchasers or the Agents, as applicable;
- (s) Computershare Investor Services Inc. is the duly appointed registrar and transfer agent for the common shares of the Company;
- (t) Computershare Trust Company of Canada is the duly appointed agent for the Special Warrants and the Warrants; and

- (u) the Exchange has conditionally accepted the Offering subject only to the satisfaction of the Company fulfilling the standard post-closing conditions of the Exchange.

SCHEDULE "B"

FORM OF COMPENSATION OPTION AGREEMENT

AGENTS' COMPENSATION OPTION CERTIFICATE

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE AUGUST 27, 2012.

WITHOUT THE PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL AUGUST 27, 2012.

Void after 4:00 p.m. (Vancouver time) on the Expiry Date.

BATERO GOLD CORP.

Agents' Compensation Option to Subscribe for Shares

Certificate No.: •

[•], 2012

1. THIS IS TO CERTIFY THAT, for value received, [name of Agent] (the "Holder") is entitled (the "Compensation Option") to subscribe for and purchase, subject to the terms hereof, up to • fully paid and non-assessable common shares (each a "Share"), as constituted on the date hereof, of Batero Gold Corp. (the "Company") at an exercise price of C\$0.65 per Share in lawful money of Canada (the "Exercise Price") at any time up to 4:00 p.m. Vancouver time (the "Time of Expiry") on [•], 2014 (the "Expiry Date"), all subject to adjustment as hereinafter provided, by surrendering this certificate with the subscription form duly completed and executed together with payment of the Exercise Price therefor to the executive office of the Company.
2. The Holder may subscribe for and purchase less than the full number of Shares entitled to be subscribed for and purchased hereunder. In the event that the Holder subscribes for and purchases less than the full number of Shares entitled to be subscribed for and purchased under this certificate prior to the Time of Expiry, the Company will issue a new certificate to the Holder in the same form as this certificate representing the balance of the Compensation Options remaining unexercised.
3. Within three business days of receipt of this certificate with the subscription form attached as Schedule "A" hereto duly completed and executed (and including any additional documents contemplated thereby) together with payment for such subscribed Shares by certified cheque, bank draft, money order or wire transfer received by the Company in lawful money of Canada payable to or to the order of the Company, the Company will deliver or cause to be delivered to the Holder a certificate representing the Shares subscribed for and purchased by the Holder hereunder, and a replacement certificate representing the balance of the Compensation Options remaining unexercised, if any.
4. Nothing contained in this certificate will be construed as conferring upon the Holder any right or interest whatsoever as a holder of Shares of the Company or any other right or interest except as herein expressly provided.
5. From and after the date hereof, the Exercise Price and the number of Shares purchasable upon the exercise of this Compensation Option will be subject to adjustment in the events and in the following manner:

- (a) In case of any reclassification of the Shares or change of the Shares into other shares, or in case of the consolidation, merger, reorganization or amalgamation of the Company with or into any other corporation or entity which results in any reclassification of the Shares or a change of the Shares into other shares, or in case of any transfer of the undertaking or assets of the Company as an entirety or substantially as an entirety to another person (any such event being hereinafter referred to as a “**Reclassification of Shares**”), at any time prior to the Time of Expiry, the options to purchase Shares held by the Holder which have not been exercised prior to the effective date of such Reclassification of Shares will, after the effective date of such Reclassification of Shares and upon the due exercise of the right to purchase Shares hereunder, will entitle the Holder to receive, and the Holder will accept, in lieu of the number of Shares to which the Holder was theretofore entitled upon such exercise, the kind and amount of securities or other property which the Holder would have been entitled to receive as a result of such Reclassification of Shares if, on the effective date thereof, the Holder had been the registered holder of the number of Shares to which the Holder was theretofore entitled upon such exercise. If necessary, appropriate adjustments will be made in the application of the provisions set forth in this Section 5 with respect to the rights and interests thereafter of the Holder to the end that the provisions set forth in this Section 5 will thereafter correspondingly be made applicable as nearly as may be reasonable in relation to any securities or other property thereafter deliverable upon the exercise of this Compensation Option.
- (b) If and whenever at any time prior to the Time of Expiry the Company:
- (i) subdivides the Shares into a greater number of shares;
 - (ii) consolidates the Shares into a lesser number of shares; or
 - (iii) issues Shares, Participating Shares (as hereinafter defined) or Convertible Securities (as hereinafter defined) to all or substantially all of the holders of Shares by way of a stock dividend or other distribution on the Shares payable in Shares, Participating Shares or Convertible Securities;
- (any such event being hereinafter referred to as a “**Capital Reorganization**”), and any such event results in an adjustment in the Exercise Price pursuant to paragraph 5(c) below, the number of Shares purchasable pursuant to this Compensation Option shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Shares, theretofore purchasable on the exercise thereof by a fraction the numerator of which shall be the Exercise Price in effect immediately prior to such adjustment and the denominator of which shall be the Exercise Price resulting from such adjustment.
- (c) If and whenever at any time prior to the Time of Expiry, the Company shall engage in a Capital Reorganization, the Exercise Price will, on the effective date, in the case of a subdivision or consolidation, or on the record date, in the case of a stock dividend or other distribution, be adjusted by multiplying the Exercise Price in effect on such effective date or record date by a fraction: (A) the numerator of which will be the number of Shares and Participating Shares, if applicable, outstanding before giving effect to such Capital Reorganization; and (B) the denominator of which will be the number of Shares and Participating Shares, if applicable, outstanding after giving effect to such Capital Reorganization (including after giving effect to the deemed conversion into or exchange for Shares or Participating Shares of any Convertible Securities distributed by way of stock dividend or other such distribution). Such adjustment will be made successively whenever any event referred to in this paragraph will occur.
- (d) To the extent that any adjustment to the Exercise Price or the number of Shares which the Holder is entitled to purchase occurs pursuant to paragraphs 5(b) and 5(c) as a result of the Company fixing a record date for the distribution of Convertible Securities and to the extent that any such Convertible Securities are not exchanged or converted prior to any applicable expiration of such exchange or conversion right, the Exercise Price and the number of Shares, respectively, which the

Holder is entitled to purchase shall be readjusted, immediately after the expiration of such exchange or conversion right, to the Exercise Price and the number of Shares, respectively, which the Holder is entitled to purchase which would then be in effect based upon the number of Shares actually issued and remaining issuable after such expiration.

- (e) If and whenever at any time prior to the Time of Expiry, the Company will fix a record date for the issuance of rights, options or warrants to all or substantially all of the holders of Shares entitling them, for a period expiring not more than 45 days after such record date, to subscribe for or purchase Shares, Participating Shares or Convertible Securities at a price per share (or having a conversion or exchange price per share) of less than 95% of the Current Market Price (as hereinafter defined) of the Shares on the earlier of the date of the first public announcement of the proposed issuance of such rights, options or warrants and such record date (any such event being hereinafter referred to as a “**Rights Offering**”), the Exercise Price will be adjusted immediately after such record date so that it will equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction:
- (i) the numerator of which will be the aggregate of: (A) the number of Shares outstanding on such record date; and (B) a number determined by dividing whichever of the following is applicable by the Current Market Price of the Shares on the record date: (1) the amount obtained by multiplying the number of Shares or Participating Shares which the holders of Shares are entitled to subscribe for or purchase by the subscription or purchase price; or (2) the amount obtained by multiplying the maximum number of Shares or Participating Shares which the holders of Shares are entitled to receive on the conversion or exchange of the Convertible Securities by the conversion or exchange price per share; and
- (ii) the denominator of which will be the aggregate of: (A) the number of Shares outstanding on such record date; and (B) whichever of the following is applicable: (1) the number of Shares or Participating Shares which the holders of Shares are entitled to subscribe for or purchase; or (2) the maximum number of Shares or Participating Shares which the holders of Shares are entitled to receive on the conversion or exchange of the Convertible Securities.

and if any such event results in an adjustment in the Exercise Price, the number of Shares purchasable pursuant to this Compensation Option shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Shares theretofore purchasable on the exercise thereof by a fraction the numerator of which shall be the Exercise Price in effect immediately prior to such adjustment and the denominator of which shall be the subscription or conversion price, as applicable.

Any Shares owned by or held for the account of the Company will be deemed not to be outstanding for the purpose of such computation. Such adjustment will be made successively whenever such a record date is fixed.

To the extent that such Rights Offering is not so made or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price and the number of Shares purchasable pursuant to this Compensation Option will then be readjusted to the Exercise Price and number of Shares purchasable which would then be in effect if such record date had not been fixed or if such expired rights, options or warrants had not been issued.

- (f) If and whenever at any time prior to the Time of Expiry, the Company will fix a record date for the distribution to all or substantially all the holders of Shares of:
- (i) shares of any class, whether of the Company or any other corporation;

- (ii) rights, options or warrants;
- (iii) evidences of indebtedness; or
- (iv) other assets or property;

and if such distribution does not constitute a Dividend Paid in the Ordinary Course (as hereinafter defined), Capital Reorganization or a Rights Offering or does not consist of rights, options or warrants entitling the holders of Shares to subscribe for or purchase Shares, Participating Shares or Convertible Securities for a period expiring not more than 45 days after such record date and at a price per share (or having a conversion or exchange price per share) of at least 95% of the Current Market Price of the Shares on the earlier of the date of the first public announcement of such distribution and such record date (any such non-excluded event being hereinafter referred to as a **“Special Distribution”**) the Exercise Price will be adjusted immediately after such record date so that it will equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction: (A) the numerator of which will be the amount by which (1) the amount obtained by multiplying the number of Shares outstanding on such record date by the Current Market Price of the Shares on such record date, exceeds (2) the fair market value (as determined by the directors of the Company, which determination will be conclusive, subject to TSX Venture Exchange (**“TSX-V”**) acceptance) to the holders of such Shares of such Special Distribution; and (B) the denominator of which will be the total number of Shares outstanding on such record date multiplied by such Current Market Price, and if any such event results in an adjustment in the Exercise Price, the number of Shares purchasable pursuant to this Compensation Option shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Shares theretofore purchasable on the exercise thereof by a fraction the numerator of which shall be the Exercise Price in effect immediately prior to such adjustment and the denominator of which shall be the Exercise Price resulting from such adjustment.

Any Shares owned by or held for the account of the Company will be deemed not to be outstanding for the purpose of any such computation. Such adjustment will be made successively whenever such a record date is fixed.

To the extent that such Special Distribution is not so made or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price and the number of Shares purchasable pursuant to this Compensation Option shall then be readjusted to the Exercise Price and number of Shares which would then be in effect if such record date had not been fixed or if such expired rights, options or warrants had not been issued.

- (g) For the purpose of this Section 5: (i) **“Participating Share”** means a share (other than a Share) that carries the right to participate in earnings to an unlimited degree; and (ii) **“Convertible Security”** means a security convertible into or exchangeable for a Share or Participating Share or both.
- (h) For the purpose of this Section 5, **“Dividend Paid in the Ordinary Course”** means, during the time any options to purchase Shares hereunder remain outstanding and may be exercised, a dividend paid on the Shares in any fiscal year of the Company in cash, provided that the aggregate amount of such dividends does not in such fiscal year exceed 5% of the Exercise Price, and for such purpose the amount of any dividend paid in shares shall be the aggregate stated capital of such shares, and the amount of any dividend paid in other than cash or shares shall be the fair market value of such dividend as determined by a resolution passed by the board of directors of the Company, subject, if applicable, to the prior consent of any stock exchange or any other over-the-counter market on which the Shares are traded.
- (i) In any case in which this Section 5 will require that an adjustment will become effective immediately after a record date for an event referred to herein, the Company may defer, until the

occurrence of such event, issuing to the Holder, upon the exercise this Compensation Option after such record date and before the occurrence of such event, the Shares issuable upon such exercise by reason of the adjustment required by such event; provided, however, that the Company will deliver to the Holder an appropriate instrument evidencing the Holder's right to receive such Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on the Shares comprising such Shares on and after such exercise.

- (j) The adjustments provided for in this Section 5 are cumulative and shall, in the case of adjustments to the Exercise Price be computed to the nearest one tenth of one cent and shall be made successively whenever an event referred to therein shall occur, subject to the following subsections of this Section 5. No adjustment of the Exercise Price shall be required unless such adjustment would result in a change of at least 5% in the prevailing Exercise Price and no adjustment shall be made in the number of Shares purchasable upon exercise of a Compensation Option unless it would result in a change of at least one one-hundredth of a Share; provided, however, that any adjustments which, except for the provisions of this paragraph 5(j) would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment.
 - (k) No adjustment in the number of Shares which may be purchased upon exercise of this Compensation Option or in the Exercise Price will be made pursuant to this certificate if the Holder is entitled to participate in such event on the same terms *mutatis mutandis* as if the Holder had exercised this Compensation Option for Shares prior to the effective date or record date of such event.
 - (l) In the event of any question arising with respect to the adjustments provided in this Section 5, such question will conclusively be determined by a firm of chartered accountants appointed by the Company and acceptable to the Holder (who may be the Company's auditors). Such accountants will have access to all necessary records of the Company and such determination will be binding upon the Company and the Holder.
 - (m) As a condition precedent to the taking of any action which would require an adjustment in the subscription rights pursuant to this Compensation Option, including the Exercise Price and the number(s) and class(es) of securities or other property which are to be received upon the exercise thereof, the Company will take the any corporate action which may, in the opinion of counsel, be necessary in order that the Company has unissued and reserved and there will remain unissued out of its authorized capital a sufficient number of Shares for issuance upon exercise of this Compensation Option, and that the Company may validly and legally issue as fully paid and non-assessable all the shares of such classes or other securities or may validly and legally distribute the property which the Holder is entitled to receive on the full exercise thereof in accordance with the provisions hereof.
 - (n) At least 14 days prior to the effective date or record date, as the case may be, of any event which requires an adjustment in the subscription rights pursuant to this certificate, including the Exercise Price and the number(s) and class(es) of securities or other property which are to be received upon the exercise thereof, the Company will give notice to the Holder of the particulars of such event and the required adjustment.
6. The Company will not be required to issue fractional Shares upon the exercise of this certificate and no cash or other consideration will be paid in lieu of fractional Shares. If any fractional interest in a Share would, except for the provisions of this Section 6, be deliverable upon the exercise of this certificate, such exercise will be deemed to be for the next smallest whole number of Shares.
7. For the purpose hereof, the "**Current Market Price**" per Share as at any date means the price per share (denominated in Canadian dollars based, if necessary, on the noon rate of exchange as reported by the Bank of Canada) equal to the volume weighted average price at which the Shares have traded:

- (a) on the TSX-V, or
- (b) if the Shares are not traded on the TSX-V, on any other recognized stock exchange or over-the-counter market, or
- (c) if the Shares are not traded on such recognized exchange or market, on the over-the counter market during the 20 consecutive trading days (on each of which at least 500 Shares are traded in board lots) ending on the fifth trading day immediately prior to such date as reported by such market or exchange in which the Shares are then trading or quoted.

The volume weighted average price per Share shall be determined by dividing the aggregate sale price of all such shares sold on the TSX-V, the aforementioned over-the-counter market, recognized exchange or market, as the case may be, during the aforementioned 20 consecutive trading days by the total number of such Shares so sold. If the Shares are not then traded on the TSX-V, in the over-the-counter market or on a recognized exchange or market, the Current Market Price of the Shares shall be the fair market value of the Shares as determined in good faith by the board of directors of the Company after consultation with a nationally or internationally recognized investment dealer or investment banker.

- 8. Any notice to be provided to the Holder hereof will be given to the Holder at the address set forth in the register of Compensation Option holders maintained by the Company and, until otherwise notified in writing by the Holder, will be as provided by the Holder at the time of issuance hereof.
- 9. Upon receipt of evidence satisfactory to the Company of the loss, theft, destruction or mutilation of this certificate, and if requested by the Company, upon delivery of a bond of indemnity satisfactory to the Company (or, in the case of mutilation, upon surrender of this certificate) the Company will issue to the Holder a replacement certificate (containing the same terms and conditions as this certificate).
- 10. This Compensation Option is non-assignable and non-transferrable.
- 11. This certificate will be governed and construed in accordance with the laws of the Province of British Columbia.
- 12. Time will be of the essence hereof.
- 13. This Compensation Option and the securities deliverable upon exercise thereof have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state of the United States. This Compensation Option may not be exercised in the United States or by or on behalf of, or for the account or benefit of a person in the United States or U.S. person unless this Compensation Option and the securities issuable upon exercise of this Compensation Option have been registered under the U.S. Securities Act and the applicable securities legislation of any such state or an exemption from such registration requirements is available. By taking receipt of this Compensation Option, the Holder shall be deemed to represent and warrant to the Company that: (i) it is not, and is not acquiring the Compensation Option on behalf of (as agent or otherwise), or for the account or benefit of, a person in the United States or a U.S. person; (ii) was not offered or sold the Compensation Option in the United States; (iii) did not, nor did its authorized signatory, receive the Compensation Option inside the United States; and (iv) it has not acquired the Compensation Option as a result of any directed selling efforts (as such term is used in Regulation S) or any general solicitation or general advertising, as such terms are defined in Regulation D under the U.S. Securities Act, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising. “United States” and “U.S. person” are as defined by Regulation S under the U.S. Securities Act.

14. This certificate is not valid for any purpose until it has been signed by the Company.

IN WITNESS WHEREOF the Company has caused this certificate to be executed by a duly authorized officer.

BATERO GOLD CORP.

By: _____
Authorized Signatory

APPENDIX I
TO SCHEDULE "B"
SUBSCRIPTION FORM

TO: BATERO GOLD CORP.

The undersigned Holder of the within Compensation Option certificate hereby irrevocably subscribes for the number of Shares at the Exercise Price referred to in such certificate and encloses herewith a certified cheque, bank draft or money order payable to the order of Batero Gold Corp. in full payment of the subscription price of the Shares hereby subscribed for.

The undersigned represents and warrants that it: **[check one only]**

- A. is not in the United States or a U.S. person and is not exercising the Compensation Option for the account or benefit of a U.S. person or a person in the United States, and did not execute or deliver this subscription form in the United States (for purposes hereof "United States" and "U.S. person" shall have the meanings given to such terms in Regulation S under the U.S. Securities Act); or

- B. is delivering a written opinion of U.S. counsel of recognized standing in form and substance reasonably satisfactory to the Company to the effect that the Compensation Option and the Shares to be delivered upon exercise hereof have been registered under the U.S. Securities Act and all applicable state securities laws or are exempt from registration thereunder.

The undersigned Holder understands that the certificates representing the Shares issued upon exercise of this Compensation Option will not be registered or delivered to an address in the United States unless Box B above is checked and the requirements in connection therewith have been satisfied.

The undersigned Holder further understands that unless Box A above is checked, the certificates representing the Shares issued upon exercise of this Compensation Option will bear a legend in substantially the following form:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATIONS UNDER THE U.S. SECURITIES ACT, OR (C) IN ACCORDANCE RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, OR ANOTHER AVAILABLE EXEMPTION UNDER THE U.S. SECURITIES ACT AND IN EACH CASE IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS IN THE UNITED STATES OR SECURITIES LAWS OF ANY OTHER APPLICABLE JURISDICTIONS.

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

provided, that if the corporation is a "foreign issuer" within the meaning of Regulation S under the U.S. Securities Act at the time of sale, a new certificate, bearing no legend, may be obtained from the corporation's transfer agent upon delivery of this certificate and a duly executed declaration, in a form satisfactory to the transfer agent and the corporation, to the effect that the sale of the securities represented hereby is being made in compliance with Rule 904 of Regulation S under the U.S. Securities Act. The corporation's transfer agent may also require an opinion of counsel in connection with any offer, sale or transfer of the securities by the holder hereof.

The undersigned hereby directs that the said Shares be issued as follows:

13.16	NAME(S) IN FULL	13.17	ADDRESS(ES)	13.18	NUMBER OF
				13.19	SHARES
13.20		13.21		13.22	
13.23		13.24		13.25	
13.26		13.27		13.28	

(Please print. If securities are issued to a person other than the Holder, the Holder must pay all exigible taxes and the signature of the Holder must be guaranteed.)

DATED this ____ day of _____, 20__.

Signature

Print full name

Address in full

SCHEDULE C

AGENTS' CERTIFICATE

In connection with the private placement in the United States of Special Warrants of Batero Gold Corp. (the "**Company**") pursuant to the Agency Agreement dated for reference April ◆, 2012, among the Company and the Agents named therein (the "**Agency Agreement**"), the undersigned Agent and its U.S. Affiliate, do hereby certify as follows:

- (a) the Special Warrants have been offered and sold to or for the benefit or account of U.S. persons or persons in the United States only through the U.S. Affiliate, which was on the dates of such offers and sales, and is on the date hereof, a duly registered broker or dealer pursuant to Section 15(b) of the United States Securities Exchange Act of 1934, as amended, and under the securities laws of each state in which such offers and sales were made (unless exempted from the respective state's broker-dealer registration requirements) and was on the date of such offers and sales and is on the date hereof a member in good standing with the Financial Industry Regulatory Authority, Inc.;
- (b) all offers of Special Warrants to or for the benefit or account of U.S. persons or persons in the United States have been effected through the U.S. Affiliate in accordance with all applicable federal and state laws and regulations governing the registration and conduct of securities brokers and dealers;
- (c) each offeree that was in the United States or purchasing for the benefit or account of a U.S. person or a person in the United States was provided with a copy of a Subscription Agreement in the form agreed to by the Agents and the Company;
- (d) immediately prior to transmitting the Subscription Agreement to such offeree, we had reasonable grounds to believe and did believe that each such offeree was an Accredited Investor and, on the date hereof, we have reasonable grounds to believe and do believe that each person in the United States, and each person acting for the account or benefit of a U.S. person or a person in the United States, that we have arranged to purchase Special Warrants from the Company is an Accredited Investor;
- (e) no form of "general solicitation or general advertising" (as those terms are used in Regulation D) was used by us, including, but not limited to, any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the Internet or broadcast over radio, television, or the Internet or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer or sale of the Special Warrants in the United States, and to or for the benefit or account of any U.S. person or any person in the United States;
- (f) the offering of the Special Warrants has been conducted in accordance with the terms of the Agency Agreement; and
- (g) prior to any sale of Special Warrants to or for the benefit or account of person in the United States, or to a person offered such securities in the United States, we caused the purchaser to execute a Subscription Agreement in the form agreed to by the Agents and the Company, including the U.S. Accredited Investor Certificate contained therein.

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

Dated this _____ day of _____, 2012.

Per:

Per:

Name:

Name:

Title:

Title: