

March 30, 2012

GeoMegA Resources Inc.
475 avenue Victoria
Saint-Lambert (Quebec) J4P 2J1

Attention: Mr. Simon Britt
President and Chief Executive Officer

Dear Sirs:

Industrial Alliance Securities Inc. (**IAS**) and National Bank Financial Inc. (**NBF**) (collectively the **Agents**) understand that GeoMegA Resources Inc. (the **Corporation**) proposes to offer by way of private placement (the **Offering**) any combination of (i) Flow-Through Shares of the Corporation (the **FT Shares**), at a price of \$0.75 per FT Share, and of (ii) units, at a price of \$0.55 per unit (the **Units**), for aggregate gross proceeds of a maximum of \$3,500,000.

Each Unit is comprised of (i) one Common Share (the **Unit Shares**) and of (ii) one-half of one Common Share purchase warrants (the **Unit Warrants**). Each full Unit Warrant, upon due exercise thereof, entitles its holder to subscribe for one additional Common Share in the capital of the Corporation (the **Unit Warrant Shares**) at a price of \$1.00 per Unit Warrant Share for a period of 18 months following the Closing Date, as the case may be (the **Unit Warrant Expiry Time**).

Subject to the terms and conditions set forth below, the Corporation hereby appoints IAS and NBF, as co-lead managers, IAS being the sole book runner, to solicit, on a best efforts agency basis, without underwriting liability, orders for the FT Shares and for the Units, and the Agents hereby agree to act as such agents. The Corporation agrees that the Agents are under no obligation to purchase any FT Shares or any Units. Offers to purchase the FT Shares and the Units solicited by the Agents will be subject to acceptance by the Corporation and to the requirements of applicable Securities Laws.

The Offering may be completed in one or more partial closings at the discretion of the Corporation and the Agents (subject to the necessary regulatory approvals) and each such partial closing shall be made in accordance with the terms of this Agreement.

1. Terms

In this Agreement,

- (a) **Accredited Investor** means an accredited investor as defined in Regulation 45-106;
- (b) **Act** means the *Income Tax Act* (Canada), together with any and all regulations promulgated thereunder, as amended from time to time and including any specific proposals to amend the Act that are publicly announced by the Minister of Finance (Canada) to have effect prior to the date hereof;
- (c) **Additional Closing Date(s)** means the dates on which additional closings may occur but no later than April 9, 2012;
- (d) **Affiliates** means, with respect to any specified Person, any other Person which, directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person (for the purposes of this

definition, "Control" (including, with correlative meanings, the terms "Controlling", "Controlled by" and "under common Control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise);

- (e) **Agents** has the meaning ascribed thereto in the preamble;
- (f) **Agents' Commission** has the meaning ascribed thereto at Section 3.3;
- (g) **Agents' Options** has the meaning ascribed thereto at Section 3.3;
- (h) **Agents' Option Certificates** means the certificates evidencing the Agents' Options and containing the terms of such Agents' Options;
- (i) **Agents' Option Shares** has the meaning ascribed thereto at Section 3.3;
- (j) **Agreement** means this Agency Agreement, as it may be amended, restated or supplemented from time to time;
- (k) **AMF** means l'Autorité des marchés financiers;
- (l) **Associate** has the meaning ascribed to such term in the *Securities Act* (Québec);
- (m) **Auditors** has the meaning ascribed thereto at Section 6.1(w);
- (n) **Business Day** means a day on which Canadian chartered banks are open for the transaction of regular business in the City of Montréal, Quebec;
- (o) **Claims** has the meaning ascribed thereto at Section 13.1;
- (p) **Closing Date** means the closing of the Offering to occur on or about March 30, 2012 or such other date as the Agents and the Corporation may agree upon;
- (q) **Closing Time** has the meaning ascribed thereto at Section 8;
- (r) **Common Share** means a Common Share of the Corporation;
- (s) **Corporation** has the meaning ascribed thereto in the preamble;
- (t) **Debt Instrument** means any mortgage, hypothec, loan bond, debenture, promissory note, indenture or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability;
- (u) **Documents** has the meaning ascribed thereto at Section 6.1(c);
- (v) **Exchange** means TSX Venture Exchange Inc.;
- (w) **Financial Statements** has the meaning ascribed thereto at Section 6.1(v);
- (x) **Flow-Through Shares** means the flow-through shares issued by the Corporation pursuant to section 66(15) of the Act;
- (y) **FT Shares** has the meaning ascribed thereto in the preamble;

- (z) **Hazardous Material** has the meaning ascribed thereto at Section 6.1(cc);
- (aa) **Indemnified Party(ies)** has the meaning ascribed thereto at Section 13.1;
- (bb) **Jurisdictions** means, in the case of any Purchaser, the province in Canada or other jurisdiction in which Purchaser is resident;
- (cc) **Knowledge of the Corporation** means the actual knowledge of a fact or other matter by one or more of Chief Executive Officer, President, Vice-President and Chief Financial Officer of the Corporation; or the knowledge such individuals would be expected to have after having made reasonable and diligent inquiries and investigations as to the fact or other matter to which the statement relates;
- (dd) **Material Adverse Change** means (a) a material adverse effect on the condition (actual or proposed, whether financial or otherwise) of the business, affairs, operations, assets, liabilities (contingent or otherwise), capital, net worth, results of operations or prospects of the Corporation; (b) a decision to implement a change referred to in (a) made by the board of directors of the Corporation or other persons acting in similar capacity or by senior management of the Corporation who believe that confirmation of the decision by the board of directors of the Corporation or such other persons acting in a similar capacity is probable;
- (ee) **Offering** has the meaning ascribed thereto in the preamble;
- (ff) **Person** means any individual, corporation or company with or without share capital, partnership, joint venture, association, trust, unincorporated organization, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;
- (gg) **Private Placement Exemptions** means the prospectus exemptions pursuant to which the FT Shares and the Units are to be offered for sale in each of the Selling Jurisdictions;
- (hh) **Public Disclosure Record** has the meaning ascribed thereto at Section 6.1(l);
- (ii) **Purchasers** means the eligible purchasers of the FT Shares and of the Units;
- (jj) **Qualifying Expenditures** means one or more expenses that are CEE at the date they are incurred and are incurred on or after the Closing Date or after any Additional Closing Date and on or before December 31, 2013 and are expenses which may be renounced by the Corporation pursuant to subsection 66(12.6) of the Act with an effective date not later than December 31, 2012 and in respect of which, but for the renunciation, the Corporation would be entitled to a deduction from income for income tax purposes, and on the date they are incurred are a "flow-through mining expenditure" as defined in subsection 127(9) of the Act;
- (kk) **Regulation 45-106** means *Regulation 45-106 respecting prospectus and registration exemptions* as amended from time to time;
- (ll) **Securities** means the FT Shares, the Units, the Unit Shares, the Unit Warrants, the Unit Warrant Shares, the Agents' Options and the Agents' Option Shares;
- (mm) **Securities Commissions** means the applicable securities commission or regulatory authority in each of the Jurisdictions;

- (nn) **Securities Laws** means the applicable securities legislation, rules, policies, notices and orders of the jurisdictions together with applicable published instruments, policies, notices and orders of the Securities Commissions;
- (oo) **Sub-Agents** has the meaning ascribed thereto at Section 3.2;
- (pp) **Subscription Agreements** means the subscription agreements to FT Shares and to Units to be entered into by each of the Purchasers of FT Shares and of Units and the Corporation in the Jurisdiction;
- (qq) **Transfer Agent** means Computershare Investors Services Inc.;
- (rr) **Units** has the meaning ascribed thereto in the preamble;
- (ss) **Unit Shares** has the meaning ascribed thereto in the preamble;
- (tt) **Unit Warrants** has the meaning ascribed thereto in the preamble;
- (uu) **Unit Warrant Certificates** means the certificates evidencing the Unit Warrant Shares and containing the terms of such Unit Warrants;
- (vv) **Unit Warrant Expiry Time** has the meaning ascribed thereto in the preamble;
- (ww) **Unit Warrant Shares** has the meaning ascribed thereto in the preamble;
- (xx) **United States** means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
- (yy) **U.S. Person** has the meaning given to such term in Rule 902(k) of Regulation S;
- (zz) **1933 Act** means the United States Securities Act of 1933, as amended.

2. Units

- 2.1 The terms and conditions relating to the purchase and sale of the Units are described in the preamble.
- 2.2 Any Unit Warrant which has not been exercised or, if applicable, cancelled, prior to the Unit Warrant Expiry Time shall expire and shall be void and of no value.

3. Offering

- 3.1 The Corporation shall offer for sale and sell by way of private placement, the FT Shares and the Units to the Purchasers in the Jurisdiction, in compliance with all applicable Securities Laws and each Purchaser shall purchase the FT Shares and the Units under one or more Private Placement Exemptions as that the Purchasers will be exempt from the prospectus requirements, as applicable, of the Securities Laws. The Corporation hereby appoints the Agents to offer for sale on a “best efforts” agency basis, without underwriting liability, the FT Shares and the Units in accordance with the terms and conditions contained herein.
- 3.2 If it is necessary or desirable, in the opinion of the Agents, the Agents will form, manage and participate in a group of sub-agents (the **Sub-Agents**) to offer and sell the FT Shares and the Units as provided for hereunder, provided that the Agents shall at all times act as lead agents of the Offering. The Agents and each Sub-Agent shall be appropriately registered under the

applicable Securities Laws of the Jurisdictions so as to permit it to lawfully offer and sell the FT Shares and the Units in the Jurisdictions. In the event that a selling group is formed, the Agents, as the lead agents of the Offering, shall have the exclusive right to select syndicate members and to control syndicate arrangements. The Agents shall require each Sub-Agent and selling group member to agree for the benefit of the Corporation, to comply with, and shall use its best efforts to ensure each Sub-Agent and selling group member complies with Sections 4 and 5 of this Agreement as if such provisions applied to such Sub-Agent or selling group member.

- 3.3 The Corporation agrees to pay, on the Closing Time, (i) to IAS (on behalf of the Agents) a commission (the **Agents' Commission**) equal to an aggregate of 6.5% of the aggregate gross proceeds of the Offering as well as (ii) non-transferable agents' options, to each of the Agents, allowing the Agents, in the aggregate, to subscribe for up to 4% of the number of FT Shares and Units sold under the Offering (the **Agents' Options**), being understood that each of IAS and NBF will each receive an Agents' Option Certificate representing half of the Agents' Options issued in the context of the Offering. Each Agents' Option shall entitle the holder thereof to purchase one Common Share of the Corporation (the **Agents' Option Shares**) upon the payment of the exercise price of \$0.55, for a period of 18 months from the Closing Date or from the Additional Closing Date, as the case may be. Each Agents' Option Share shall bear restrictive legends for purposes of compliance with the applicable Securities Laws. Notwithstanding any other provision of this paragraph, the cash portion of the Agents' Commission with regards to the subscriptions of Units by Sodemex, SIDEX, Limited Partnership, Fonds de solidarité des travailleurs (F.T.Q.), Fonds régional de solidarité FTQ Nord-du-Québec, CREE Fund and Société de développement de la Baie-James shall be equal to an aggregate of 5% of the subscription amounts of each of such subscriptions. The obligation of the Corporation to pay the Agent's Commission and issue the Agents' Options shall arise at the Closing Time in consideration of the services to be rendered by the Agents in connection with the Offering.

4. **Representations of the Agents**

- 4.1 Each of the Agents represent and warrant to the Corporation that, (i) the Agents and all members of their selling group, if any, are valid and subsisting entities duly formed and in good standing under the laws of the jurisdiction in which they are organized, existing, incorporated, continued or amalgamated, (i) unless otherwise agreed to by the Agents and the Corporation, as of the date hereof, the Agents, or one of their Affiliates, are duly qualified to offer and sell the FT Shares and the Units in the Jurisdictions and that the FT Shares and Units will only be sold through such qualified Person in the applicable Jurisdictions, (ii) they have all requisite corporate power and authority to enter into this Agreement and to carry out the transactions contemplated under this Agreement on the terms and conditions set forth herein, and (iii) the representations and warranties of the Agents contained in this Agreement shall be true at the Closing Time as though they were made at the Closing Time and they shall not survive the completion of the transactions under this Agreement but shall terminate on the completion of the distribution of the FT Shares and of the Units.

5. **Covenants of the Agents**

- 5.1 The Agents will offer the FT Shares and the Units to resident in the Jurisdictions who will purchase such FT Shares and Units under the Private Placement Exemptions available under the applicable Securities Laws of such jurisdiction and the Agents will comply in all respects with applicable Securities Laws in connection with the Offering.
- 5.2 The Agents will conduct activities in connection with the proposed offering and sale of the FT Shares and of the Units in compliance with all applicable Securities Laws applicable to the Agents and will not, directly or indirectly, solicit offers to purchase or sell the FT Shares or Units so as to require registration of those FT Shares or Units or filing of a prospectus or

- offering memorandum with respect to those FT Shares or Units under the laws of any jurisdiction and they will not solicit offers to purchase or sell the Securities in any jurisdiction outside of Canada where the solicitation or sale of the Securities would result in any ongoing disclosure requirements in such jurisdiction on any registration requirements in such jurisdiction except for the filing of a notice or report of the solicitation or sale.
- 5.3 The Agents will deliver to, and obtain from, each Purchaser a completed and executed Subscription Agreement and all other applicable questionnaires and other forms required under applicable Securities Laws and supplied by the Corporation to the Agents for completion in connection with the distribution of the FT Shares and Units and deliver such Subscription Agreements and other applicable forms to the Corporation.
- 5.4 Subject to the terms and conditions of this Agreement and the Subscription Agreements, the Agents will release to the Corporation at the Closing Time the subscription funds received from the sale of the FT Shares and Units less the Agents' Commission and the Agents' fees and expenses.
- 5.5 On the Closing Date or on any Additional Closing Date, the Agents will provide to the Corporation all necessary information in respect of the Agents and the Subscribers to allow the Corporation to file, with the Securities Commissions, if required, reports of the trades of the FT Shares and Units in accordance with the applicable Securities Laws.
- 5.6 The Agents will keep strictly confidential and will use only for the purpose of performing their obligations hereunder all information, whether written or oral, acquired from the Corporation or its affiliates and their directors, officers, agents and advisors in connection with the Offering except information that (A) is or becomes generally available to the public (other than as a result of a disclosure by the Agents in violation hereof), (B) was in the possession of the Agents on a non-confidential basis prior to its disclosure by the Corporation or its affiliates, (C) becomes available to the Agents on a non-confidential basis from a person other than the Corporation or its affiliates who, to the knowledge of the Agents (after reasonable inquiry), is not bound by a confidentiality agreement with the Corporation or otherwise prohibited from transferring such information to the Agents, (D) the Corporation agrees in writing may be disclosed, or (E) the Agents are required by, law, regulation, legal process or regulatory authority to disclose, provided that in such circumstances the Agents will give prompt notice to the Corporation of such requirement to disclose so that the Corporation may seek an appropriate protective order.
- 6. Representations of the Corporation**
- 6.1 The Corporation represents and warrants to the Agents and to the Purchasers, and acknowledges that the Agents and the Purchasers are relying upon such representations and warranties, that as of the date hereof:
- (a) the Corporation has not sustained, since May 31, 2011, being the date of the latest audited financial statements of the Corporation, any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labour dispute or court or governmental action, order or decree. Since the dates as of which information is given in the Public Disclosure Record, the Corporation has carried on its business in the ordinary course;
 - (b) the Corporation has not incurred any liabilities or obligations (absolute, accrued, contingent or otherwise) or entered into any transactions not in the ordinary course of business that are material to the Corporation; there has not been any Material Adverse Change, or any development involving a prospective Material Adverse Change (including prospective Material Adverse Changes or, to the best of the Corporation's knowledge, threatened claims or contingent liabilities), in or affecting

the general affairs, management, financial position, shareholders' equity or results of operations of the Corporation, otherwise than as set forth or contemplated in the Public Disclosure Record and no disclosure has been made on a confidential basis; and the Corporation is not aware of any legislation, regulations or probable legislative or regulatory changes which would materially adversely affect the business, prospects or operations of the Corporation or the financial position, shareholders' equity or results of operations of the Corporation;

- (c) the Corporation has been incorporated and organized and is validly subsisting under the laws of its jurisdiction of incorporation, is current and up-to-date with all filings required to be made by it in the Jurisdiction and other jurisdictions and has all requisite corporate capacity, power and authority and is qualified or authorized to carry on its businesses as now conducted and to own or lease and operate its property and assets in all jurisdictions where such qualification or authorization is required and, to undertake the Offering and to carry out all other obligations and transactions contemplated herein, including the entering into, executing and delivering this Agreement, the Subscription Agreements, the Unit Warrant Certificates, the Agents' Option Certificate and the other documents contemplated thereby (collectively, the **Documents**), carrying out its respective obligations under the Documents and issuing and selling the Securities, to incur Qualifying Expenditures prior to December 31, 2013 and to renounce to the Purchasers Qualifying Expenditures in an amount equal to the purchase price of the FT Shares with an effective date no later than December 31, 2012;
- (d) neither the Corporation or any affiliate (within the meaning of the Act) with the Corporation is party to any other agreement for the issuance of Flow-Through Shares for which the required expenditures have not been incurred;
- (e) the Corporation holds freehold title, mining leases, mining claims or participating interests or other conventional property, proprietary or contractual interests or rights, or has applied for such, recognized in the jurisdiction in which a particular property is located, in respect of the ore bodies and minerals located in properties in which the Corporation has an interest under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, or has applied for such, sufficient to permit the Corporation to explore the minerals relating thereto, all such property, leases or claims and all property, mining leases or mining claims in which the Corporation has an interest or right have been validly located and recorded or are in the process of being recorded, in accordance with all applicable laws and are valid and subsisting, the Corporation has all necessary surface rights, access rights and other necessary rights and interests in the properties in which the Corporation has an interest as are necessary to permit the Corporation to explore for minerals, ore and metals for development purposes as are appropriate in view of the rights and interest therein of the Corporation and the state of development of the property, except for the notice of hypothec registered on October 28, 2011 by Construction Val-d'Or Ltée and with only such exceptions as do not materially interfere with the use made by the Corporation of the rights or interests so held and each of the proprietary interests or rights and each of the documents, agreements and instruments and obligations relating thereto referred to above is currently in good standing in the name of the Corporation;
- (f) during the course of the distribution of the FT Shares and the Units by or through the Agents and no later than April 9, 2012, the Corporation shall promptly give to the Agents notice and inform same of the full particulars of: (a) any material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, growth strategy, operations, assets, liabilities (absolute, accrued, contingent or otherwise) of the Corporation, or in the capital of the Corporation; or (b)

any change in any material fact contained in the Public Disclosure Record or any supplementary material, or the existence of any new material fact or any event which occurred after the date hereof and which is of such a nature as to render the Public Disclosure Record or any supplementary material untrue or misleading in any material respect or to result in any misrepresentation in the Public Disclosure Record or any supplementary material; the Corporation shall promptly, and in any event within any applicable time limitation, comply, to the reasonable satisfaction of counsel to the Agents, with all applicable filings and other requirements under Securities Laws and with the rules of the Exchange as a result of any such change or event, provided that the Corporation shall not file any supplementary material or other documents without first consulting with the Agents with respect to the form and content thereof; the Corporation shall, in good faith, discuss with the Agents any change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) or event which is of such a nature that there may be a reasonable question as to whether notice need be given to the Agents pursuant to this Section 6.1(f).

- (g) the Corporation does not have any subsidiary;
- (h) the Corporation is, and will, at the Closing Time, be in compliance with the by-laws, rules and regulation of the Exchange and will at the Closing Time meet the applicable requirements to allow for a listing of the Common Shares on the Exchange; no material change relating to the Corporation has occurred within the past 18 months that has not been generally disclosed and that in relation thereto the requisite material change report has not been filed under the Securities Laws, and no such disclosure has been made on a confidential basis;
- (i) the Corporation is a reporting issuer in British Columbia, Alberta, Ontario and Quebec and does not appear on a list of defaulting reporting issuers maintained by any securities regulator under any Securities Laws and other applicable securities laws and (i) will use its best efforts to continue to be a reporting issuer in good standing in each such jurisdiction until the earlier of the termination of this Agreement and four months following the Closing Date or any Additional Closing Date, as the case may be, (ii) has no reasonable grounds to believe that it will not continue to be a reporting issuer in good standing in each such jurisdiction for at least four months from the Closing Date, or any Additional Closing Date, as the case may be, (iii) is in compliance, including with respect to its Public Disclosure Record, as of their respective dates, with all applicable Securities Laws, (iv) the Public Disclosure Record, as of their respective dates, do not contain any misrepresentation, and (v) has not filed any confidential material change reports;
- (j) except for the filing in the Jurisdictions of a report of exempt distribution on Form 45-106F1, all consents, approvals, permits, authorizations or filings as may be required under the Securities Laws, necessary for the execution and delivery of each of the Documents, the issuance of the Securities and the completion of the transaction contemplated hereby, have been made or obtained, as applicable;
- (k) the Corporation has not, for a period of six months prior to the date hereof sold, offered for sale or solicited any offer to buy any of its securities in the United States;
- (l) all press releases, material change reports, financial statements and other documents filed by or on behalf of the Corporation within the past 24 months with the Exchange and the securities regulatory authority in each of the jurisdiction where the Corporation is a reporting issuer and available on SEDAR (the **Public Disclosure Record**) were true and correct in all material respects and did not contain any misrepresentation as (defined in the Securities Laws), as of the respective dates of such filings;

- (m) the authorized capital of the Corporation consists of an unlimited number of Common Shares, of which 23,056,962 Common Shares are issued and outstanding, as fully paid and non-assessable Common Shares;
- (n) at the Closing Time, all necessary corporate actions will have been taken by the Corporation to: (A) validly issue the FT Shares and the Unit Shares as fully paid and non-assessable upon payment therefore; (B) validly create, authorize and issue the Unit Warrants upon payment therefore; and (C) allot, reserve and authorize the issuance of the Unit Warrant Shares, as fully paid and non-assessable Common Shares, upon the due exercise of the Unit Warrants; (D) validly create, authorize and issue the Agents' Options; (E) allot, authorize and reserve for issuance the Agents' Option Shares, as fully paid and non-assessable Common Shares, upon the due exercise of the Agents' Options in accordance with the Agents' Option Certificates;
- (o) save and except for the warrants granted to SIDEX, Limited Partnership in connection with the loan agreement executed on March 15, 2012 and except in respect of the Offering and as disclosed in the Public Disclosure Record; the Corporation is not party to and has not granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any Common Shares or securities convertible into or exchangeable for Common Shares;
- (p) the Corporation has conducted and is conducting its businesses in compliance in all material respects with all applicable laws, rules, regulations, tariffs, orders and directives of each jurisdiction in which it carries on its businesses including, without limitation, the Securities Laws and possesses all material certificates, authorities, permits or licenses issued by the Securities Commissions and appropriate provincial, state, municipal, federal or other governmental or regulatory agency or body necessary to carry on its businesses currently as carried on, or contemplated to be carried on, by it, is in compliance in all material respects with such certificates, authorities, permits and licenses and with all laws, regulations, tariffs, rules, orders and directives material to its operations, and the Corporation has not received notice of the revocation or cancellation of, or any intention to revoke or cancel, any such license, permit, approval, consent, certificate, registration or authorization;
- (q) save and except for (i) the hypothec on the universality of the Corporation's receivable from Revenu Québec tax credits for the fiscal years ended in 2011 and 2012 and related to mineral exploration granted to SIDEX, Limited Partnership on March 15, 2012 and for (ii) the notice of hypothec registered on October 28, 2011 by Construction Val-d'Or Ltée, the Corporation is the absolute legal and beneficial owner of, and has good and marketable title to, all of its assets, free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever other than as disclosed in the Public Disclosure Record, and no other property rights are necessary for the conduct of the business of the Corporation, and there are no restrictions on the ability of the Corporation to use, transfer or otherwise exploit such property rights, and the Corporation does not know of any claim or basis for a claim that might or could adversely affect their respective rights to use, transfer or otherwise exploit such property rights;
- (r) any and all agreements pursuant to which the Corporation holds its assets or is entitled to the use of its assets, are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms and the Corporation is not in default of any of the provisions of any such agreements nor has any such default been alleged, and the Corporation is not aware of any disputes with respect thereto and the Corporation is in compliance under the applicable statutes and regulations of the jurisdictions in which its assets are situated, and all leases, licenses, concessions, and claims pursuant to which the Corporation derives its

interests in such assets are in good standing and there has been no default under any such leases, licenses, concessions, and claims and all taxes required to be paid with respect to such assets to the date hereof have been paid;

- (s) each of the Documents has been, or will be prior to the Closing Time, duly authorized, executed and delivered by the Corporation and each of them constitutes, or will constitute, a valid and binding obligation of the Corporation, enforceable against the Corporation in accordance with the terms thereof, except that (i) the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally, (ii) equitable remedies, including, without limitation, specific performance and injunction, may be granted only in the discretion of a court of competent jurisdiction, and (iii) rights of indemnity, contribution and the waiver of contribution provided for herein may be limited under applicable law;
- (t) the entering into of and the performance of the transactions contemplated herein and in the other Documents:
 - (i) except for the Exchange's consent pursuant to the Exchange's policies do not require any consent, approval, authorization or order of any court or governmental agency or body or under any Securities Laws, except those which have been obtained;
 - (ii) will not contravene any statute or regulation of any governmental authority which is binding on the Corporation;
 - (iii) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of the Corporation or any Debt Instrument to which the Corporation is a party, or any judgment, decree or order or any term or provision thereof; and
 - (iv) will not result in the violation of any obligations to any document to which the Corporation is a party;
- (u) there is no action, proceeding or investigation (whether or not purportedly on behalf of the Corporation) pending or threatened against or affecting the Corporation at law or in equity or before any international, federal, provincial, state, municipal or other governmental department, commission, board or agency, domestic or foreign, which could in any way reasonably be expected to adversely affect the Corporation or the condition of the Corporation or which questions the validity of the issuance of the Securities or any action taken or to be taken by the Corporation in connection with this Agreement;
- (v) the audited annual financial statements of the Corporation as at and for the fiscal year ended May 31, 2011 (the **Financial Statements**) have been prepared in accordance with Canadian generally accepted accounting principles or International Financial Reporting Standards, depending on their date, present fairly, in all material respects, the financial position of the Corporation as at May 31, 2011, and the results of its operations and the changes in its financial position for the periods presented;
- (w) Raymond Chabot Grant Thornton S.E.N.C.R.L. (the **Auditors**), who audited the Financial Statements and who provided their audit report thereon are independent public accountants as required under the Securities Laws and are registered under the Canadian Public Accountability Board;

- (x) to the Knowledge of the Corporation, since inception of the Corporation, there has never been a reportable event (within the meaning of National Instrument 51-102) with the Corporation's Auditors;
- (y) the Corporation maintains a system of internal accounting controls sufficient to provide commercially reasonable assurance that: (A) transactions are executed in accordance with management's general or specific authorizations; (B) transactions are recorded, processed, summarized and reported as necessary to permit preparation of financial statements within the time periods specified by, and in conformity with, generally accepted accounting principles and in accordance with the Securities Laws and to maintain asset accountability; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences;
- (z) other than the Agents and the Sub-Agents, there is no Person, firm or corporation acting or purporting to act at the request of the Corporation, who is entitled to any brokerage or finder's fee in connection with the Offering;
- (aa) save and except for the loan agreement entered into between the Corporation and SIDEX, Limited Partnership on March 15, 2012, the Corporation is not party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any Debt Instrument;
- (bb) the Corporation has filed all necessary tax returns and notices and has paid all applicable taxes of whatever nature for all tax years to the date hereof to the extent such taxes have become due or have been alleged to be due and the Corporation is not aware of any tax deficiencies or interest or penalties accrued or accruing, or alleged to be accrued or accruing, thereon with respect to itself;
- (cc) the operations carried on by the Corporation are in compliance with all applicable federal, provincial, state and municipal environmental, health and safety statutes, regulations and permits. None of such operations is subject to any judicial or administrative proceeding alleging the violation of any federal, provincial, state or municipal environmental, health or safety statute or regulation or is subject to any investigation concerning whether any remedial action is needed to respond to a release of any Hazardous Material (as defined below) into the environment. Except in material compliance with applicable environmental laws, none of the premises currently occupied by the Corporation has at any time been used by the Corporation or by any other occupier, as a waste storage or waste disposal site or to operate a waste management business. The Corporation has no contingent liability in connection with any release of any Hazardous Material on or into the environment from any of the premises currently occupied by the Corporation or from the operations carried out thereon except to the extent such release is in material compliance with all applicable laws. Neither the Corporation nor any occupier of the premises currently occupied by the Corporation, generates, transports, treats, stores or disposes of any waste, subject waste, hazardous waste, deleterious substance, industrial waste (as defined in applicable federal, provincial, state or municipal legislation) on any of the premises currently occupied by the Corporation in contravention of applicable federal, provincial, state or municipal laws or regulations enacted for the protection of the natural environment or human health. For the purposes of this subparagraph, "**Hazardous Material**" means any contaminant, pollutant, subject waste, hazardous waste, deleterious substance, industrial waste, toxic matter or any other substance that when released into the natural environment is likely to cause, at some immediate or future time, material harm or degradation to the natural environment or material risk to human health and, without restricting the generality of the foregoing, includes

- any contaminant, pollutant, subject waste, deleterious substance, industrial waste, toxic matter or hazardous waste as defined by applicable federal, provincial, state or municipal laws or regulations enacted for the protection of the natural environment or human health;
- (dd) to the Knowledge of the Corporation, no current or former employee or independent contractor of the Corporation is in violation of any term of any non-disclosure, proprietary rights or similar agreements between such employee or independent contractor and the Corporation;
 - (ee) the Corporation has operated and currently is in compliance in all material respects with all its applicable internal operating rules, regulations and policies;
 - (ff) to the Knowledge of the Corporation, none of the Corporation's current or former directors, officers, employees or consultants has by virtue of such director's, officer's, employee's or consultant's activities in connection with the Corporation's business, violated, infringed or misappropriated any right of any former employer of such director, officer, employee or consultant;
 - (gg) the Corporation has not approved, is not contemplating, has not entered into any agreement in respect of, or has no knowledge of:
 - (i) except for transactions made or contemplated by the Corporation in the ordinary course of business, the purchase of any material property or any interest therein or the sale, transfer or other disposition of any material property or any interest therein currently owned, directly or indirectly, by the Corporation whether by asset sale, transfer of shares, or otherwise;
 - (ii) the change of control (by sale or transfer of shares or sale of all or substantially all of the assets of the Corporation or otherwise) of the Corporation, or
 - (iii) a proposed or planned disposition of Common Shares by any shareholder of the Corporation who owns, directly or indirectly, 5% or more of the issued and outstanding Common Shares;
 - (hh) the minute books and records of the Corporation contain copies of all proceedings (or certified copies thereof) of the shareholders and the boards of directors of the Corporation to the date hereof;
 - (ii) the Corporation is not a party to or bound or affected by any commitment, agreement or document containing any covenant which: (A) expressly limits the freedom of the Corporation to compete in any line of business, transfer or move any of its assets or operations or which affects in any way the business practices, operations or condition of the Corporation taken as a whole; or (B) restricts the ability of the Corporation to complete the Offering on and subject to the terms contemplated herein;
 - (jj) no order ceasing or suspending trading in securities of the Corporation or prohibiting the sale of securities by the Corporation has been issued, and no proceedings for this purpose have been instituted, or are pending, contemplated or threatened;
 - (kk) during the previous 24 months from the date of this Agreement, the Corporation has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its shares or securities of any class, or, directly or indirectly, redeemed, purchased or otherwise acquired any of its shares or securities or agreed to do any of the foregoing;

- (ll) there is not, in the constating documents of the Corporation or in any Debt Instrument to which the Corporation is a party, any restriction upon or impediment to, the declaration or payment of dividends by the directors of the Corporation or the payment of dividends by the Corporation to the holders of its Common Shares;
- (mm) none of the directors or officers of the Corporation or any Associate or Affiliate of any of the foregoing had, has or intends to have any material interest, direct or indirect, in the transactions contemplated by this Agreement or in any proposed material transaction with the Corporation which, as the case may be, materially affects, is material to or will or may reasonably be expected to materially affect the Corporation;
- (nn) no order prohibiting the sale of the Securities by the Corporation has been issued and no proceedings for this purpose have been instituted, or are pending, contemplated or threatened;
- (oo) all information included in the Public Disclosure Record relating to the Corporation and its business, mining operations, property and liabilities and either publicly disclosed or provided to the Agents, including all financial, marketing, sale, geological reports and operational information provided to the Agents are, as of the date of such information, true and correct in all material respects, and no material fact or facts have been omitted therefrom which would make such information misleading;
- (pp) the Transfer Agent, at its office in Montreal, has been duly appointed as the transfer agent and registrar for the Common Shares;
- (qq) the Corporation has not withheld, and will not withhold from the Agents any material facts or material change (both as defined in the Securities Laws) relating to the Corporation;
- (rr) the Corporation will not, directly or indirectly, sell, offer for sale, solicit offers to buy or otherwise negotiate in respect of any security (as defined in the 1933 Act) which is or could be integrated with the sale of the FT Shares and of the Units under the 1933 Act. No FT Shares and no Units will be offered or sold to U.S. Persons;
- (ss) there are no agreements, understandings or proposed transactions between the Corporation and any of its officers, directors of Affiliates other than those disclosed in the Public Disclosure Record;
- (tt) there are no obligations of the Corporation for indebtedness or other amounts owing to any of the officers, directors, shareholders, or employees of the Corporation other than within the normal course of business or (i) for payment for services rendered, (ii) reimbursement for reasonable expenses incurred on behalf of the Corporation, or (iii) for other standard employee benefits made generally available to all employees of the same level (including stock option agreements approved by the board of directors of the Corporation), in this case, as disclosed in the Public Disclosure Record. Other than as disclosed in the Public Disclosure Record, none of the officers, directors or material shareholders of the Corporation or any members of their immediate families, are indebted to the Corporation or have any direct or indirect ownership interest in any firm or corporation with which the Corporation is affiliated or with which the Corporation has a business relationship, or any firm or corporation which competes with the Corporation, other than passive investments in publicly traded companies (representing less than 5% of such company) which may compete with the Corporation. No officer, director or material shareholder, or any member of their immediate families, is, directly or indirectly, interested in any material contract with the Corporation (other than such agreements related to employment or the ownership of stock options). The Corporation is not a guarantor or indemnitor of any indebtedness

of any officer, director or material shareholder of the Corporation or any member of their immediate families other than as disclosed in the Public Disclosure Record. For the purposes of this section “material shareholder” means any shareholder who would be required to file insider trading reports pursuant to the Securities Laws;

- (uu) all the documents and information delivered by the Corporation to the Agents and their counsel as a part of their due diligence in connection with the Offering were complete and accurate in all material respects;
 - (vv) the Corporation has satisfied all obligations under, and there are no outstanding defaults or violations with respect to, and no taxes, penalties, or fees are owing or exigible under or in respect of, any employee benefit, incentive, pension, retirement, stock option, stock purchase, stock appreciation, health, welfare, medical, dental, disability, life insurance and similar plans, arrangements or practices relating to the current or former employees, officers or directors of the Corporation maintained, sponsored or funded by them, whether written or oral, funded or unfunded, insured or self-insured, registered or unregistered and all contributions or premiums required to be paid thereunder have been made in a timely fashion and any such plan or arrangement which is a funded plan or arrangement is fully funded on an ongoing and termination basis;
 - (ww) the Corporation maintains insurance policies with reputable insurers against risks of loss of or damage to its properties, assets and business of such types as are customary in the case of entities engaged in the same or similar businesses as the business of the Corporation to the full insurable value of their properties and assets and the Corporation is not in default with respect to any provisions of such policies and have not failed to give any notice or to present any claim under any such policy in a due and timely fashion;
 - (xx) there are no shareholders’ agreements, escrow agreements, voting trusts, proxy or other agreements governing the rights of shareholders of the Corporation; and
 - (yy) the Corporation has provided the Agents with all information reasonably requested by the Agents in connection with the Offering. There is no material fact known to the Corporation that has not been disclosed herein, or to the Agents, or in any other agreement, document or written instrument furnished by the Corporation to the Agents in connection with the transactions contemplated hereby and thereby and which materially adversely affects or is reasonably likely to have a Material Adverse Effect on the business, properties, assets or financial conditions of the Corporation.
- 6.2 The Agents shall have the benefit of the representations, warranties and covenants made by the Corporation to the Purchaser and set forth in the Subscription Agreement. Such representations, warranties and covenants shall form an integral part of this Agreement and shall survive the closing of the Offering and shall continue in full force and effect for the benefit of the Agents in accordance with the Agreement.
- 6.3 The representations and warranties of the Corporation contained in this Agreement shall be true at the Closing Time as though they were made at the Closing Time.

7. **Covenants of the Corporation**

The Corporation hereby covenants to the Agents and the Purchasers that it will:

- (a) permit the Agents to conduct such due diligence investigation of the Corporation and its assets, businesses and undertakings, as the Agents consider appropriate and to complete formal due diligence question and answer sessions with the Corporation, its

senior management, counsel and auditors and such other persons as the Agents may reasonably require before the closing of the Offering. The Corporation will make available to the Agents, on a timely basis, all corporate, business and operating records, financial information, budgets and other information which the Agents may reasonably request, as well as access to key officers of the Corporation and to advisors and experts retained by the Corporation in order to enable the Agents to complete their due diligence investigation. From the effective date hereof to the Closing Time, it 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 Corporation, report to shareholders, information circular or any press release or material change report, subject to the Corporation'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;

- (b) fulfill all legal requirements to qualify and to permit the creation, issuance, offering and sale of the Securities, including, without limitation, compliance with Securities Laws to enable such securities to be issued by the Corporation on a Private Placement Exemption basis pursuant to the Securities Laws;
- (c) obtain the necessary regulatory consents from the Exchange and complete the required filings under the Securities Laws to effect the Offering;
- (d) obtain the listing of the FT Shares, of the Unit Shares, of the Unit Warrant Shares and of the Agents' Option Shares on the Exchange as soon as practically feasible upon closing;
- (e) use its best efforts to maintain the listing of the Common Shares, including the FT Shares, the Unit Shares and the Agents' Option Shares on the Exchange (or a comparable stock exchange) and to maintain its status as a reporting issuer (or the equivalent) under applicable Securities Laws;
- (f) not issue any Common Shares of the Corporation or any securities convertible into or exchangeable or exercisable for Common Shares of the Corporation, at a price per Common Share which is less than the issue price of the Securities, for a period of 60 days after the latter of (i) the Closing Date, or (ii) any Additional Closing Date. Notwithstanding the foregoing, the Corporation shall be entitled to issue any securities of the Corporation at any time: (i) pursuant to a security compensation plan or stock option plan approved by the shareholders of the Corporation; (ii) pursuant to rights, securities, agreements or commitments currently outstanding; (iii) in connection with an arm's length acquisition or corporate transaction involving the Corporation; (iv) in connection with an arm's length strategic business partnership transaction involving the Corporation, (v) in the context of the bridge financing completed with SIDEX, Limited Partnership on March 15, 2012 or with any other group with respect to a bridge financing of the same nature, or (vi) with the prior written consent of the Agents, which consent will not be unreasonably withheld;
- (g) use the net proceeds of the Offering to fund exploration work on its properties, for land acquisition and for working capital purposes;
- (h) from the date hereof until the Closing date or until any Additional Closing Date, the Corporation will notify the Agents of any notice or other correspondence received by the Corporation from any governmental body requesting any information, meeting or hearing relating to the business of the Corporation, the Offering or any other event or state of affairs that the Corporation reasonably believes may be material to the

Agents or the holders of the Securities. During the period commencing on the date hereof and ending on the completion of the distribution of the FT Shares and of the Units hereunder, the Corporation will inform and provide all necessary information to the Agents, promptly after receiving notice, or obtaining knowledge of the occurrence or any threat or any announcement, of:

- (i) any request of any Securities Commission for any information, meeting or hearing relating to the Corporation, the FT Shares, the Units or the Offering or any amendment to any of the Public Disclosure Record or for any material additional information; or
- (ii) the issuance by any Securities Commission, the Exchange or any other competent authority of any order to cease or suspend trading of any securities of the Corporation or of the institution or threat of institution of any proceedings for that purpose or any notice of investigation that could potentially result in an order to cease or suspend trading.

The Corporation will use its best efforts to prevent the issuance of any such cease-trading order, and, if issued, shall forthwith take all reasonable steps in order to obtain the withdrawal thereof as soon as possible;

- (i) as soon as reasonably possible, and in any event by the Closing Date or by any Additional Closing Date, the Corporation shall take all such steps as may reasonably be requested by the Agents and the Agents' Counsel to enable the FT Shares and the Units to be offered for sale and sold on a private placement basis to Purchasers in the Jurisdictions that qualify as "accredited investors" under the applicable Securities Laws or by way of any other applicable exemptions set forth in applicable Securities Laws of each of the Jurisdictions through the Agents or any other investment dealers or brokers registered in any of the Jurisdictions;
- (j) the Corporation 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) the Corporation will not, during the period commencing on the date hereof and ending on the latter of the (i) Closing Date, (ii) any Additional Closing Date or (iii) April 9, 2012 (A) enter into any discussion with any other investment dealer or broker concerning any equity or convertible debenture offering or other financing by or involving the Corporation, or (B) offer to sell, or solicit any offer to sell, any material assets or undertakings of the Corporation, without the prior consent of the Agents, which shall not be unreasonably withheld or delayed. Moreover, the Corporation shall direct all enquiries from persons expressing interest in participating in the Offering to the Agents, provided, however, that nothing in this Section shall in any way prohibit, prevent or impair the directors of the Corporation from exercising or complying with their fiduciary duties.

8. Closing Deliveries

- 8.1 The purchase and sale of the FT Shares and of the Units shall be completed at the offices of Lavery, de Billy, L.L.P. at 8:30 a.m. (Montréal time) (the **Closing Time**) on the Closing Date or on any Additional Closing Date, or at such other place, date or time as the Agents and the Corporation may agree upon in writing. At the Closing Time, the Corporation shall, subject to the provisions of Section 9 of this Agreement, if the FT Shares, the Unit Shares, the Unit Warrants and are not delivered in an uncertificated form, duly and validly deliver to IAS (on behalf of the Agents) certificates in definitive form representing the FT Shares, the Unit Shares and the Unit Warrants in the names of such Purchasers or as indicated on their

respective Subscription Agreements, against payment to the Corporation of the subscription price therefore, by certified cheque, bank draft or wire transfer payable at par in the City of Montréal. The Agents and the Corporation may discharge their payment obligations under Sections 8 and 10 herein, by delivery of a certified cheque, bank drafts or wire transfer from IAS to the Corporation equal to the aggregate purchase price for the FT Shares and the Units less the Agents' Commission and the reasonable out-of-pocket costs and expenses of the Agents as set forth under Section 10 herein.

- 8.2 The Corporation shall also duly and validly deliver to each of IAS and NBF at or prior to the Closing Time, certificates representing the Agents' Options to be issued to the Agents pursuant to the terms of this Agreement.
- 8.3 The Corporation shall also deliver the opinions, certificates and other documents provided for in Section 9 and such further documentation as may be contemplated herein, as reasonably requested by the Agents or the Agents' counsel or as the applicable regulatory authorities may require.

9. **Conditions of Closing**

- 9.1 The obligations of the Agents to complete the purchase of the FT Shares and of the Units shall be subject to the fulfilment at or before the Closing Time of the following conditions:
- (a) The Agents, in their sole discretion, shall be satisfied with the results of their due diligence review of the Corporation, including, financial, technical and legal due diligence; a due diligence session will take place prior to the Closing Date and to any Additional Closing Date, the results of which shall be satisfying to the Agents in their sole discretion;
 - (b) The Corporation shall have obtained all requisite regulatory approvals and consents required to be obtained by the Corporation in respect of the Offering;
 - (c) The Corporation and the Agents shall have fully complied with all relevant statutory and regulatory requirements required to be complied with prior to the Closing Time (including, without limitation, the regulatory requirements of the Exchange and of the Securities Commissions) in connection with the Offering;
 - (d) The Corporation shall have received the conditional approval of the Exchange for the Offering;
 - (e) The Corporation shall have taken all necessary corporate action to authorize and approve the Documents, the issuance of the Securities and all other matters relating thereto;
 - (f) There shall not have occurred any event of national or international consequence or any other event, action, condition, law, governmental action of any nature whatsoever which, in the reasonable opinion of the Agents, could have a Material Adverse Effect on the operations, business or condition of the Corporation or any related company or enterprise;
 - (g) The Corporation shall have complied with all the covenants and satisfied all terms of each of the Documents;
 - (h) The Agents and the Purchasers shall have received at the Closing Time a legal opinion of Lavery, de Billy L.L.P., as counsel to the Corporation, addressed to the Agents and each of the Purchasers, acceptable to counsel to the Agents;

- (i) The Agents and each of the Purchasers shall have received a certificate of the Corporation, dated the Closing Date or any Additional Closing Date, signed by the Chief Executive Officer of the Corporation or by such other officers acceptable to the Agents, certifying on behalf of the Corporation and not in their personal capacities, as to certain matters reasonably requested by the Agents with respect to the Corporation, including certification that:
 - (i) the Corporation has complied with all covenants and satisfied all terms and conditions of this Agreement on its part to be complied with and satisfied up to the Closing Time;
 - (ii) all of the representations and warranties contained in this Agreement are true and correct as of the Closing Date or as of any Additional Closing Date;
 - (iii) no order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Corporation (including the Securities) has been issued and no proceedings for such purposes are pending, or contemplated or threatened;
 - (iv) no material change relating to the Corporation has occurred in the past 24 months with respect to which the requisite material change statement has not been filed and no disclosure of any material change has been made on a confidential basis;
 - (v) the execution and delivery of the Documents and the performance of the transactions contemplated thereby, including the issuance of the Securities do not and will not result in a breach of, and do not create a state of facts which, after notice, or lapse of time or both, will result in a breach of, and do not and will not conflict with, any of the terms, conditions or provisions of the constating documents of the Corporation or any Debt Instrument, trust indenture, agreement or instrument to which the Corporation is contractually bound on the Closing Date or, as the case may be, as of any Additional Closing Date; and
 - (vi) as to such other matters as the Agents may reasonably request.
- (j) The Corporation shall have delivered a certificate of the Corporation signed on behalf of the Corporation by an officer of the Corporation, addressed to the Agents and dated the Closing Date or any Additional Closing Date, in form and content satisfactory to the Agents and their counsel, acting reasonably, with respect to the following matters:
 - (i) The articles of incorporation and by-laws of the Corporation attached to the certificate are full, true and correct copies, unamended, and in effect on the date thereof;
 - (ii) The minutes, resolutions or other records of various proceedings and actions of the Corporation's board of directors attached to the certificate relating to the transactions contemplated by this Agreement are full, true and correct copies thereof and have not been modified or rescinded as of the date thereof;
 - (iii) The incumbency and signatures of signing officers of or on behalf of the Corporation; and

- (iv) Such other matters as may be requested by the Agents or their counsel, acting reasonably.
- (k) The Corporation has delivered to the Agents a certificate of the Transfer Agent, which certifies the number of Common Shares issued and outstanding on the date prior to the Closing Date or prior to the Additional Closing Date;
- (l) This Agreement shall not have been terminated in accordance with any termination right of the Agents;
- (m) The Agents shall have received certificates of status or similar certification with respect to the jurisdiction in which the Corporation is incorporated;
- (n) The Agents shall have received confirmation that the Corporation is not in default under the applicable Securities Laws in the jurisdictions in which it is a reporting issuer;
- (o) the Subscription Agreements having been executed and delivered by the parties thereto in form and substance satisfactory to the Agents and their counsel, acting reasonably;
- (p) the Agents' Options have been duly authorized, issued, executed and delivered by the Corporation and constitute legal, valid and binding obligations of the Corporation enforceable in accordance with their terms;
- (q) the Agents' Option Shares have been reserved and conditionally allotted for issuance such that, when issued in accordance with the terms of the Agents' Options and, upon full payment therefore, such Agents' Option Shares will be validly issued as fully paid and non-assessable Common Shares;
- (r) the Corporation shall have paid the Agents' Commission and issued the Agents' Options to the Agents; and
- (s) the Agents having received at the Closing Time such further certificates, opinions of counsel and other documentation from the Corporation, as may be contemplated herein or as the Agents or the Agents' Counsel may reasonably require.
- (t) the foregoing conditions are for the sole benefit of the Agents and may be waived in whole or in part by the Agents at any time and, without limitation, the Agents shall have the right, on behalf of potential Purchasers, to withdraw all Subscription Agreements delivered and not previously withdrawn or rescinded by such Persons. If any of the foregoing conditions are not met, the Agents may terminate their obligations under this Agreement without prejudice to any other remedies they may have.

10. Expenses

- 10.1 The Corporation shall pay all costs, fees and expenses of or incidental to the performance of the obligations under the Documents including, without limitation, (i) the reasonable fees, disbursements and tax payable thereon of the Agents' counsel, Norton Rose Canada LLP, disbursements and (ii) the Agents reasonable out-of-pocket expenses for an aggregate amount not exceeding \$15,000 (plus applicable taxes). Such amounts payable under this Section shall be paid by the Corporation upon release of the net proceeds of the Offering as described herein against invoices in respect of such expenses. In the event the transactions provided for herein are not completed, the Corporation shall pay the expenses set out in (i) and (ii) above, promptly upon receipt of invoices for such expenses.

11. **Parties in Interest; Survival of Representations, Warranties and Covenants**

- 11.1 This Agreement is made solely for the benefit of the Corporation and the Agents (including, in each case, any successor thereto) and no other Person shall have or acquire any rights hereunder or by virtue hereof. No Purchaser shall be deemed to be successor by reason merely of the purchase of FT Shares or Units by such Purchaser. Notwithstanding anything else contained herein, all warranties, representations, covenants and agreements of the Corporation herein contained or contained in documents submitted or required to be submitted pursuant to this Agreement shall survive the purchase of the FT Shares or Units by the Purchasers and shall continue in full force and effect for the benefit of the Agents and the Purchasers, as the case may be, for a period of two years following the Closing, regardless of the closing of the Offering and regardless of any investigation which may be carried out by any such party or on such party's behalf. The representations, warranties, covenants and agreements of the Agents herein contained and in connection with the transactions herein contemplated shall survive Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Corporation with respect thereto, shall continue in full force and effect for the benefit of the Corporation for a period of two years following Closing.

12. **Material Changes**

- 12.1 If after the date hereof until the Closing Time, there occurs any material change or material changes (actual, imminent or reasonably expected) in respect of the Corporation, it shall:
- (a) promptly notify the Agents, in writing, providing full particulars of any such change; and
 - (b) file or cause to be filed with reasonable promptness, and in any event within any statutory limitation period therefore, any document required to be filed with any regulatory body having jurisdiction, and comply with all requirements of any applicable securities legislation of such jurisdiction.
- 12.2 The Corporation shall after the date hereof until the Closing Time in good faith discuss with the Agents any change in circumstances (actual, proposed or prospective) in respect of which there is reasonable doubt whether written notice should be given to the Agents pursuant to this section.
- 12.3 In this Agreement, the terms "**material change**", "**material fact**", "**misrepresentation**" and "**distribution**" shall have the respective meanings ascribed thereto in the Securities Laws.

13. **Indemnities**

- 13.1 The Corporation hereby agrees to indemnify and save harmless the Agents, their affiliates and their directors, officers, employees and shareholders (collectively, the **Indemnified Parties** and individually, an **Indemnified Party**) from and against all losses, claims, actions, suits, proceedings, damages, liabilities or expenses of whatsoever nature or kind (excluding loss of profits), including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees, disbursements and taxes of their counsel in connection with any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this indemnity (collectively, the **Claims**) to which an Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the Offering and to reimburse each Indemnified Party in connection with any Claim.

- 13.2 The Corporation also agrees that no Indemnified Party shall have any liability (either direct or indirect, in contract or tort or otherwise) to the Corporation or any Person asserting Claims on the Corporation's behalf or in right for or in connection with the Offering, except to the extent that any losses, expenses, claims, actions, damages or liabilities incurred by the Corporation are determined by a court of competent jurisdiction in a final judgement that has become non-appealable to have resulted from the negligence, dishonesty, fraud or wilful misconduct of such Indemnified Party.
- 13.3 In the event and to the extent that a court of competent jurisdiction in a final judgement that has become non-appealable determines that an Indemnified Party was negligent, dishonest or guilty of wilful misconduct or a fraudulent act in connection with a Claim in respect of which the Corporation has advanced funds to the Indemnified Party or which funds are payable by the Corporation to the Indemnified Party pursuant to this indemnity, such Indemnified Party shall immediately reimburse such funds to the Corporation, if applicable, and thereafter this indemnity shall not apply to such Indemnified Party in respect of such Claim.
- 13.4 In case any action, suit, proceeding or claim is brought against an Indemnified Party or an Indemnified Party has received notice of the commencement of any investigation in respect of which indemnity may be sought against the Corporation, the Indemnified Party will give the Corporation prompt written notice of any such action, suit, proceeding, claim or investigation of which the Indemnified Party has knowledge and the Corporation will undertake the investigation and defence thereof on behalf of the Indemnified Party, including the prompt employment of counsel acceptable to the Indemnified Parties affected and the payment of all expenses. Failure by the Indemnified Party to so notify shall not relieve the Corporation of its obligation of indemnification hereunder unless (and only to the extent that) such failure results in forfeiture by the Corporation of substantive rights or defences.
- 13.5 No admission of liability and no settlement, compromise or termination of any action, suit, proceeding, claim or investigation shall be made without the Corporation's consent and the consent of the Indemnified Parties affected, such consents not to be unreasonably withheld.
- 13.6 Notwithstanding that the Corporation will undertake the investigation and defence of any Claim, an Indemnified Party will have the right to employ separate counsel with respect to any Claim and participate in the defence thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless:
- (a) employment of such counsel has been authorized in writing by the Corporation;
 - (b) the Corporation has not assumed the defence of the action within a reasonable period of time after receiving notice of the claim;
 - (c) the named parties to any such claim include both the Corporation and the Indemnified Party and the Indemnified Party shall have been advised by counsel to the Indemnified Party that there may be a conflict of interest between the Corporation and the Indemnified Party; or
 - (d) there are one or more defences available to the Indemnified Party which are different from or in addition to those available to the Corporation;
- in which case such fees and expenses of such counsel to the Indemnified Party will be for the Corporation's account.
- 13.7 The rights accorded to the Indemnified Parties hereunder shall be in addition to any rights an Indemnified Party may have at common law or otherwise.

- 13.8 If for any reason the foregoing indemnification is unavailable (other than in accordance with the terms hereof) to the Indemnified Parties (or any of them) or is insufficient to hold them harmless, the Corporation will contribute to the amount paid or payable by the Indemnified Parties as a result of such Claims in such proportion as is appropriate to reflect not only the relative benefits received by the Corporation on the one hand and the Indemnified Parties on the other, but also the relative fault of the parties and other equitable considerations which may be relevant.
- 13.9 Notwithstanding the foregoing, the Corporation will in any event contribute to the amount paid or payable by the Indemnified Parties as a result of such Claim any amount in excess of the fees actually received by the Indemnified Parties hereunder.
- 13.10 The Corporation hereby constitutes the Agents as trustees for each of the other Indemnified Parties of the Corporation's covenants under this indemnity with respect to such persons and the Agents agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

14. Termination Rights

- 14.1 The Agents shall be entitled, at their option, to terminate all of their obligations under this Agreement, and the obligations of any person from whom the Agents have solicited an order to purchase the FT Shares and the Units, by notice to that effect delivered to the Corporation prior to the Closing Time if:
- (a) an adverse "**material change**", as that term is defined in the Securities Laws, in the affairs of the Corporation occurs or is announced by the Corporation;
 - (b) there is an event, accident, governmental law or regulation or other occurrence of any nature which, in the reasonable opinion of the Agents, seriously affects or will materially and adversely affect the financial markets in Canada, or the business of the Corporation or the ability of the Agents to perform its obligations under this Agreement, or an investor's decision to purchase the FT Shares and the Units;
 - (c) the state of the financial markets in general, or the industry or the state of the markets in which the Corporation operates become such that, in the sole opinion of the Agents, it would be impractical or unprofitable to offer or continue to offer the FT Shares and the Units for sale;
 - (d) an inquiry or investigation (whether formal or informal), in relation to the Corporation or the Corporation's directors or officers, is commenced or threatened by an officer or official of any competent authority;
 - (e) any order to cease or suspend trading (including communicating with persons in order to obtain expressions of interest) in the securities of the Corporation is made by a competent regulatory authority and that order is still in effect;
 - (f) the Corporation is in material breach of any term of this Agreement;
 - (g) the Agents are not satisfied with their due diligence review; or
 - (h) the Agents, acting reasonably, determine that any of the representations or warranties made by the Corporation in this Agreement is false or has become false.

- 14.2 If the Agents terminate this Agreement pursuant to this section, there shall be no further liability on the part of the Agents or of the Corporation to the Agents except in respect of any liability that may have arisen or may thereafter arise under Sections 10 and 13 hereof.
- 14.3 The right of the Agents to terminate its obligations under this Agreement is in addition to such other remedies as it may have or have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement.

15. Breach of Agreement

Any breach of, or failure by the Corporation to comply with, any term or condition of this Agreement shall entitle the Agents, on behalf of the Purchasers of the FT Shares and of the Units, to terminate its obligations to purchase the FT Shares and the Units by notice to that effect given to the Corporation prior to the Closing Time, and there shall be no further liability on the part of the Corporation or the Agents except in respect of any liability which may have arisen or may thereafter arise under Section 10 or Section 13 hereof. The Agents may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other terms and conditions or any other or subsequent breach or non-compliance provided, however, that any waiver or extension must be in writing and signed by the Agents in order to be binding upon it.

16. Press Releases

If the Corporation is required to issue a press release by regulatory authorities describing the proposed private placement such press release and any further press release relating to the issue of the FT Shares and the Units shall be in form and content agreed to by the Agents, acting reasonably.

17. Notices

Any notice under this Agreement shall be given in writing and either delivered, faxed or mailed by prepaid registered post to the party to receive such notice at the address or facsimile numbers indicated below:

- (a) to the Corporation at:

GeoMegA Resources Inc.

475 avenue Victoria
Saint-Lambert (Quebec) H2Y 1N3

Attention: Mr. Simon Britt

Facsimile: (450) 465-0012

with a copy to:

Lavery, de Billy, L.L.P.

4000 – 1 Place Ville Marie
Montréal (Quebec) H3B 4M4

Attention: Mtre Sébastien Vézina

Facsimile: (514) 871-8977

(b) to IAS at:

Industrial Alliance Securities Inc.
2200 McGill College Avenue, Suite 350
Montréal (Quebec) H3A 3P8

Attention: Mr. Mathieu Séguin

Facsimile: (514) 842-1408

With a copy to:

Norton Rose Canada LLP
2828 Laurier Boulevard, Suite 1500
Québec (Quebec) G1V 0B9

Attention: Mtre Henrick Simard

Facsimile: (418) 640-1500

(c) to NBF at:

National Bank Financial Inc.
1155 Metcalfe Street
Montréal (Quebec) H3B 4J5

Attention: Mr. Tony Fionda

Facsimile: (514) 390-7840

With a copy to:

Norton Rose Canada LLP
2828 Laurier Boulevard, Suite 1500
Québec (Quebec) G1V 0B9

Attention: Mtre Henrick Simard

Facsimile: (418) 640-1500

to the other party. If a notice is delivered, it shall be effective from the date of delivery; if such notice is faxed (with receipt confirmed), it shall be effective on the Business Day following the date such notice is faxed; if such notice is sent by mail, it shall be effective four Business Days following the date of mailing, excluding all days when normal mail service is interrupted.

18. Entire Agreement

The provisions herein contained constitute the entire agreement between the parties hereto and supersede all previous communications, representations, understandings and agreements between the parties with respect to the subject matter hereof whether verbal or written.

19. Counterparts

This Agreement may be executed in any number of counterparts and may be executed by facsimile, all of which when taken together shall be deemed to be one and the same document and notwithstanding the actual date of execution of each counterpart, this Agreement shall be deemed to be dated as of the date first above written.

20. General

This Agreement shall be governed by and interpreted in accordance with the laws of Québec and the laws of Canada applicable therein and time shall be of the essence hereof.

21. Severability

If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

22. Language

The parties acknowledge that they have required that the present Agreement, as well as all documents, notices and legal proceedings executed, given or instituted pursuant to or relating directly or indirectly hereto be drawn up in English. *Les parties reconnaissent avoir exigé la rédaction en anglais de la présente convention, ainsi que de tous documents conclus, avis donnés et procédures judiciaires intentées, directement ou indirectement, à la suite ou relativement à la présente convention.*

[Signature page follows]

If the above is in accordance with your understanding, please sign and return to the Agents a copy of this letter, whereupon this letter and your acceptance shall constitute a binding agreement between the Corporation and the Agents.

INDUSTRIAL ALLIANCE SECURITIES INC.

By: (signed) Mathieu Séguin

NATIONAL BANK FINANCIAL INC.

By: (signed) Tony Fionda

The above offer is hereby accepted and agreed to as of the date first above written.

GEOMEGA RESOURCES INC.

By: (signed) Simon Britt
President and Chief Executive Officer