

UNDERWRITING AGREEMENT

As of November 2, 2012

Aureus Mining Inc.
Burleigh House
355 Strand
London
WC2R 0HS
UK

Attention: David Reading, Chief Executive Officer

Dear Sirs:

Re: Aureus Mining Inc. - Public Offering of Units and Concurrent Private Placement

GMP Securities L.P. (“GMP”), RBC Dominion Securities Inc. (“RBC” and together with GMP, the “Co-Lead Underwriters”) and Clarus Securities Inc. (collectively with the Co-Lead Underwriters, the “Underwriters”) understand that Aureus Mining Inc. (the “Company”) proposes to issue and sell 15,000,000 units (the “Firm Units”) of the Company at a price of \$0.80 per Firm Unit (the “Offering”) for gross proceeds of \$12,000,000, with each Firm Unit consisting of one common share in the capital of the Company (each, a “Firm Share”) and one-quarter of one common share purchase warrant (each whole common share purchase warrant, a “Warrant”). Each Warrant will entitle the holder thereof to purchase one common share (each, a “Warrant Share”) at a price of £0.625 (which may be satisfied at the option of the holder in Canadian dollars at the noon buying rate for one British Pound Sterling expressed in Canadian dollars as quoted by the Bank of Canada on the Business Day immediately prior to the date of exercise) at any time up to 5:00 p.m. (Toronto time) on the date which is 18 months from the Closing Date (as defined below).

Concurrently with closing of the Offering, the Underwriters understand that the Company will complete a private placement (the “Concurrent Private Placement”) with investors in the Placement Jurisdictions (as defined below), of 84,700,000 units (the “Placement Units”) of the Company at £0.50 per Placement Unit for gross proceeds of £42,350,000. Each Placement Unit will consist of one common share in the capital of the Company (each, a “Placement Share”) and one-quarter of one common share purchase warrant (each whole placement common share purchase warrant, a “Placement Warrant”). Each Placement Warrant will entitle the holder thereof to purchase one common share of the Company (each, a “Placement Warrant Share”) at a price of £0.625 (which may be satisfied at the option of the holder in Canadian dollars at the noon buying rate for one British Pound Sterling expressed in Canadian dollars as quoted by the Bank of Canada on the Business Day immediately prior to the date of exercise) at any time up to 5:00 p.m. (Toronto time) on the date which is 18 months from the Closing Date.

The Underwriters understand that the Company has previously filed the Preliminary Prospectus (as defined below) with respect to the Offered Securities (as defined below) with the Securities Commissions (as defined below) in the Qualifying Jurisdictions (as defined below) and has received the Preliminary Passport Decision

Document (as defined below). The Underwriters also understand that the Company has prepared the Amended and Restated Preliminary Prospectus (as defined below) and will file the same with the Securities Commissions promptly after execution of this Agreement (as defined below).

Upon and subject to the terms and conditions, and in reliance on the representations and warranties contained herein, the Underwriters hereby severally but not jointly, nor jointly and severally, agree to purchase on the Closing Date (in the respective percentages provided for in Section 19 hereof), as principals, the Firm Units and the Placement Units from the Company at a price of \$0.80 per Firm Unit and £0.50 per Placement Unit. It is understood that the Underwriters intend to arrange for substitute purchasers by using commercially reasonable best efforts to obtain subscriptions therefor in the Qualifying Jurisdictions with respect to the Firm Units and in the Placement Jurisdictions with respect to the Placement Units.

In addition, the Company hereby grants to the Underwriters a non-assignable option (the "**Over-Allotment Option**") to purchase at the Underwriters' election, severally, and not jointly, nor jointly and severally, any combination of (i) up to an additional number of 2,250,000 common shares in the capital of the Company (each, a "**Over-Allotment Share**") at a price of \$0.78 per Over-Allotment Share, and (ii) an additional number of 562,500 common share purchase warrants (each whole common share purchase warrant, a "**Over-Allotment Warrant**", and the combination of such Over-Allotment Shares and Over-Allotment Warrants so purchased pursuant to the Over-Allotment Option, the "**Over-Allotment Securities**") at a price of \$0.08 per Over-Allotment Warrant, provided that the aggregate number of additional Over-Allotment Shares and Over-Allotment Warrants acquired pursuant to the exercise of the Over-Allotment Option shall not exceed 15% of the number of Firm Shares and 15% of the Warrants comprising the Firm Units issued hereunder, upon the terms and conditions set forth herein for the purpose of covering over-allotments, if any, and for market stabilization purposes. Each Over-Allotment Warrant will entitle the holder thereof to purchase one common share (each, a "**Over-Allotment Warrant Share**") at a price of £0.625 (which may be satisfied at the option of the holder in Canadian dollars at the noon buying rate for one British Pound Sterling expressed in Canadian dollars as quoted by the Bank of Canada on the Business Day immediately prior to the date of exercise) at any time up to 5:00 p.m. (Toronto time) on the date which is 18 months from the Over-Allotment Closing Date (as defined below). The Over-Allotment Option shall be exercisable, in whole or in part, by the Co-Lead Underwriters on behalf of the Underwriters, by giving written notice to the Company not later than 30 days following the Closing Date, such notice to be provided by 8:00 a.m. (Toronto time) on or before the 30th day following the Closing Date, and to set forth (i) the aggregate number of type of Over-Allotment Securities to be purchased, and (ii) the closing date for the Over-Allotment Securities, provided that such closing date shall not be less than three (3) Business Days (as defined below) and no more than five (5) Business Days following the date of such notice (the "**Over-Allotment Closing Date**"). Pursuant to such notice, the Underwriters shall severally purchase, and not jointly, nor jointly and severally (in the respective percentages provided for in Section 19 hereof), and the Company shall deliver and sell the number of Over-Allotment Securities to the Underwriters at the price per Over-Allotment Security indicated above, in accordance with the provisions of this Agreement. The Underwriters shall not be under any obligation to purchase any of the Over-Allotment Securities prior to the exercise of the Over-Allotment Option.

The Firm Units and the Over-Allotment Securities are collectively referred to herein as the “**Offered Securities**”. The Firm Shares and the Over-Allotment Shares are collectively referred to herein as the “**Offered Shares**”. The Warrants and the Over-Allotment Warrants are collectively referred to as the “**Offered Warrants**”. The Warrant Shares, the Over-Allotment Warrant Shares and the Placement Warrant Shares are collectively referred to herein as the “**Underlying Shares**”. The Offered Warrants and the Placement Warrants shall be created and issued pursuant to the Warrant Indenture (as defined herein).

The Underwriters propose to distribute the Offered Securities in the Qualifying Jurisdictions pursuant to the Final Prospectus and the Placement Units in the Placement Jurisdictions pursuant to prospectus exemptions, all in the manner contemplated by this Agreement (including Schedule A hereto).

The Underwriters shall be entitled (but not obligated) in connection with the Offering and Concurrent Private Placement to retain as sub-agents other registered securities dealers and may receive (for delivery to the Company) subscriptions for Offered Securities and Placement Units from subscribers from other registered dealers. The fee payable to such sub-agents shall be for the account of the Underwriters and shall not exceed the fee payable to the Underwriters hereunder.

In consideration of the agreement of the Underwriters to acquire the Offered Securities and the Placement Units in the manner set forth herein, the Company agrees to pay to the Underwriters the Underwriters’ Fee (as defined below) and the Placement Fee (as defined below) at the Time of Closing (as defined below) and Over-Allotment Time of Closing, if applicable.

The following are additional terms and conditions of this Agreement between the Company and the Underwriters.

Section 1 Definitions

- (1) Where used in this Agreement, or in any amendment to this Agreement, the following terms will have the following meanings, respectively:
 - (a) “**Admission**” means, in relation to any Offered Shares, Placement Shares and Underlying Shares, the admission to trading on AIM of such Offered Shares, Placement Shares and Underlying Shares becoming effective and a reference to Admission “becoming effective” shall be construed as a reference to the London Stock Exchange issuing a dealing notice in accordance with Rule 6 of the AIM Rules;
 - (b) “**affiliate**” has the meaning ascribed thereto in section 1.2 of National Instrument 45-106 - *Prospectus and Registration Exemptions* of the Canadian Securities Administrators, as constituted at the date of this Agreement;
 - (c) “**Agreement**” means the agreement resulting from the acceptance by the Company of the offer made by the Underwriters by this agreement and the agreement of the Underwriters and the Company to be bound hereby and includes any amendment to or restatement of this Agreement;

- (d) “**AIM**” means the AIM market operated by the London Stock Exchange;
- (e) “**AIM Rules**” means “the AIM Rules for Companies” applicable to companies whose securities are admitted to trading on AIM published by the London Stock Exchange plc, as amended from time to time;
- (f) “**Amended and Restated Preliminary Passport Decision Document**” means the receipt for the Amended and Restated Preliminary Prospectus issued by the Ontario Securities Commission on its own behalf and on behalf of the other Securities Commissions in accordance with the Passport System;
- (g) “**Amended and Restated Preliminary Prospectus**” means the amended and restated preliminary short form prospectus of the Company dated November 2, 2012, including all documents incorporated by reference therein, relating to the qualification for distribution of the Offered Securities under applicable Securities Laws in the Qualifying Jurisdictions;
- (h) “**Application**” the application made by, or on behalf of, the Company to the London Stock Exchange for Admission in the form required by the AIM Rules;
- (i) “**Announcements**” means (i) the announcement in relation to the Preliminary Prospectus released by the Company on November 1, 2012; (ii) the announcement in relation to the Amended and Restated Preliminary Prospectus released by the Company on November 2, 2012; (iii) the announcement in relation to the filing of the Final Prospectus in a form agreed between the parties and to be released by the Company; and (iv) the announcement in relation to the Closing in a form agreed between the parties and to be released by the Company as required by the AIM Rules to (inter alia) a Regulatory Information Service relating to the distribution of the Offered Securities and Placement Units;
- (j) “**Authorization**” means, with respect to any Person, any order, permit, approval, consent, waiver, license, qualification, registration or similar authorization of any Governmental Body having jurisdiction over the Person;
- (k) “**Bea**” means Bea Mountain Mining Corporation, a corporation existing under the laws of Liberia, and a subsidiary of the Company;
- (l) “**Bea MDA**” means the current mineral development agreement granted to Bea on November 28, 2001 which covers 457 km²;
- (m) “**Bea Mining Licence**” means the Class “A” Mining Licence relating to the Bea MDA property granted on July 29, 2009;
- (n) “**Beneficiaries**” has the meaning given to that term in subsection 12(6) of this Agreement;

- (o) **“Business Day”** means a day other than a Saturday, a Sunday or a day on which chartered banks are not open for business in Toronto, Ontario or in London, United Kingdom;
- (p) **“Buy back and Stabilization Regulation”** means Commission Regulation (EC) No. 2273/2003 implementing Directive 2003/6/EC as regards exemptions for buy back programmes and the stabilisation of financial instruments
- (q) **“CDS”** means The Canadian Depository for Securities Limited, or its nominee which as at the date hereof is “CDS & Co.”, or a successor thereto;
- (r) **“Claim”** has the meaning given to that term in subsection 12(1) of this Agreement;
- (s) **“Closing”** means a concurrent closing of both the purchase and sale of Units hereunder and the Concurrent Private Placement;
- (t) **“Closing Date”** means November 16, 2012 or such other earlier or later date or dates as may be agreed to in writing by the Company and the Underwriters, each acting reasonably, but no Closing shall occur after November 30, 2012;
- (u) **“Common Shares”** means common shares in the capital of the Company.
- (v) **“CREST System”** means the computerized settlement system which facilitates the holding and transfer of title of shares in uncertificated form, operated by Euroclear;
- (w) **“Directed Selling Efforts”** means “directed selling efforts” as that term is defined in Regulation S; without limiting the foregoing, but for greater clarity in this Agreement, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Securities, and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of any of the Offered Securities;
- (x) **“distribution”** means **“distribution”** or **“distribution to the public”**, as the case may be, as those terms are defined in applicable Securities Laws and **“distribute”** has a corresponding meaning;
- (y) **“Employment Laws”** has the meaning given to that term in subsection 7(15);
- (z) **“Euroclear”** means Euroclear UK & Ireland Limited, a company incorporated in England and Wales which is the operator of the CREST System;

- (aa) **“Environmental Laws”** has the meaning given to that term in subsection 7(13);
- (bb) **“Final Passport Decision Document”** means a final receipt for the Final Prospectus issued in accordance with the Passport System;
- (cc) **“Final Prospectus”** means the final short form prospectus of the Company, including all documents incorporated by reference therein, approved, signed and certified in accordance with the Securities Laws, relating to the qualification for distribution of the Offered Securities under applicable Securities Laws in the Qualifying Jurisdictions;
- (dd) **“Financial Information”** means:
 - (i) the audited consolidated statement of financial position of the Company as at December 31, 2011 and the consolidated statement of comprehensive income, cash flows and changes in equity for the period from incorporation to December 31, 2011, together with the notes thereto and the auditors’ report thereon;
 - (ii) management’s discussion and analysis of the financial condition and results of operations of the Company for the period from incorporation to December 31, 2011;
 - (iii) the unaudited interim consolidated statement of financial position as at June 30, 2012 and the unaudited consolidated statements of comprehensive income, cash flows and changes in equity for the six month period ended June 30, 2012 , together with the notes thereto; and
 - (iv) management’s discussion and analysis of the financial condition and results of operations of the Company for the six month period ended June 30, 2012;
- (ee) **“Financial Promotion Order”** means the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended);
- (ff) **“FSA”** means the Financial Services Authority, in its capacity as the competent authority under Part VI of the FSMA;
- (gg) **“FSMA”** means the United Kingdom’s Financial Services and Markets Act 2000, as amended;
- (hh) **“Governmental Body”** means any (a) multinational, federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign, (b) any subdivision or authority of any of the foregoing, or (c) any quasi-governmental, self-regulatory organization or private body exercising any regulatory, expropriation or taxing authority under or for the account of its members or any of the above, and includes the Regulatory Authorities;

- (ii) **“Governmental Licences”** has the meaning given to that term in subsection 7(14) of this Agreement;
- (jj) **“Hazardous Materials”** has the meaning given to that term in subsection 7(13);
- (kk) **“Indemnified Party”** has the meaning given to that term in subsection 12(1) of this Agreement;
- (ll) **“Indemnifying Party”** has the meaning given to that term in subsection 12(3) of this Agreement;
- (mm) **“Intellectual Property”** has the meaning given to that term in subsection 7(10);
- (nn) **“Law”** means any and all applicable federal, provincial, municipal and local laws, including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, binding on or affecting the Person referred to in the context in which the word is used;
- (oo) **“Liens”** means, with respect to any property or assets, any encumbrance or title defect of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by Law (statutory or otherwise), including any mortgage, lien, charge, pledge or security interest, whether fixed or floating, or any assignment, lease, option, right of pre-emption, privilege, encumbrance, easement, servitude, right of way, community property right, restriction on transfer, restrictive covenant, right of use or any other right or claim of any kind or nature whatever which affects ownership or possession of, or title to, any interest in, or the right to use or occupy such property or assets;
- (pp) **“London Stock Exchange”** means London Stock Exchange plc;
- (qq) **“Mano Gold”** means Mano Gold Investments Ltd., a corporation existing under the laws of the British Virgin Islands, and a direct subsidiary of the Company;
- (rr) **“Material Adverse Effect”** means any effect on or change to the business of the Company and its subsidiaries, taken as a whole, that is or is reasonably likely to be materially adverse to (a) the results of operations, financial condition, assets, liabilities (contingent or otherwise), cash flow, income or business operations or prospects of such business, taken as a whole, or (b) the completion of the transactions contemplated by this Agreement, or result in the Final Prospectus containing a misrepresentation;
- (ss) **“material change”, “material fact”** and **“misrepresentation”** have the meanings attributed thereto under applicable Securities Laws and UK Securities Laws;

- (tt) **“Material Subsidiary”** means Mano Gold, Mano Gold (Liberia) Ltd., African Aura Resources (CAM) Ltd., Bea, Archaen Gold (Liberia) Inc. and African Aura Resources (Cameroun) SARL;
- (uu) **“MI 11-102”** means Multilateral Instrument 11-102 - *Passport System* of the Canadian Securities Administrators, as amended;
- (vv) **“Mining Rights”** means the mining rights set out in Schedule C hereto;
- (ww) **“New Liberty Gold Project”** means the Company’s gold project in Liberia, as more particularly described in the New Liberty Report;
- (xx) **“New Liberty Report Experts”** means, collectively, AMC Consultants (UK) Limited, Mineral Developments Services Ltd., DRA Mineral Projects, Golder Associates Ghana Ltd. and Digby Wells Environmental.
- (yy) **“New Liberty Report”** means the technical report entitled “New Liberty Gold Project, Liberia, West Africa, Technical Report on Updated Mineral Resources and Mineral Reserves” dated October 22, 2012 prepared by Christopher G. Arnold and Martin Staples, each an employee of AMC Consultants (UK) Limited, Stuart R. Lawrence, an employee of Mineral Developments Services Ltd., Robin M. Welsh, an employee of DRA Mineral Projects, Laurent F. Gareau, an employee of Golder Associates Ghana Ltd. and Daniel J. Otto, an employee of Digby Wells Environmental and each a “qualified person” within the meaning of NI 43-101;
- (zz) **“NI 43-101”** means National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators;
- (aaa) **“NP 11-202”** means National Policy 11-202 - *Process for Prospectus Reviews in Multiple Jurisdictions* of the Canadian Securities Administrators, as amended;
- (bbb) **“Offering Documents”** has the meaning given to that term in subsection 4(1) of this Agreement;
- (ccc) **“Offshore Transaction”** means “offshore transaction” as that term is defined in Regulations S;
- (ddd) **“Option Plan”** means the stock option plan of the Company dated February 24, 2011;
- (eee) **“Over-Allotment Time of Closing”** means 7:00 a.m. (Toronto time) or such other time on the Over-Allotment Closing Date as the parties hereto may mutually agree;
- (fff) **“Passport System”** means the passport system for the filing of prospectuses and related materials in one or more Canadian jurisdictions pursuant to MI 11-102 and NP 11-202;

- (ggg) **“Person”** includes any individual, general partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, joint stock company, association, trust, trust company, bank, pension fund, trustee, executor, administrator or other legal personal representative, regulatory body or agency, Governmental Body or other organization or entity, whether or not a legal entity, however designated or constituted;
- (hhh) **“Placement Fee”** has the meaning given to that term in Section 14 of this Agreement;
- (iii) **“Placement Jurisdictions”** has the meaning given to that term in Section 3(2) of this Agreement;
- (jjj) **“Preliminary Passport Decision Document”** means the receipt dated November 1, 2012 for the Preliminary Prospectus issued by the Ontario Securities Commission on its own behalf and on behalf of the other Securities Commissions in accordance with the Passport System;
- (kkk) **“Preliminary Prospectus”** means the preliminary short form prospectus of the Company dated November 1, 2012, including all documents incorporated by reference therein, relating to the qualification for distribution of the Offered Securities under applicable Securities Laws in the Qualifying Jurisdictions;
- (lll) **“Preliminary Prospectuses”** means collectively, the Preliminary Prospectus and the Amended and Restated Preliminary Prospectus;
- (mmm) **“Prospectuses”** means the Preliminary Prospectuses and the Final Prospectus;
- (nnn) **“Public Record”** means all information filed by or on behalf of the Company with any Regulatory Authority, including without limitation, the Prospectuses, any Supplementary Material and any other information filed with any Regulatory Authority in compliance, or intended compliance, with any Securities Laws;
- (ooo) **“Qualified Institutional Buyer”** means a “qualified institutional buyer” as defined in Rule 144A;
- (ppp) **“Qualifying Jurisdictions”** means each of the provinces and territories of Canada, other than Québec;
- (qqq) **“Regulation D”** means Regulation D adopted by the SEC pursuant to the U.S. Securities Act;
- (rrr) **“Regulation S”** means Regulation S adopted by the SEC pursuant to the U. S. Securities Act;
- (sss) **“Regulatory Authorities”** means the Securities Commissions, the FSA, the London Stock Exchange plc and the TSX;

- (ttt) **“Regulatory Information Service”** a service approved by The London Stock Exchange for the distribution to the public of AIM announcements and included within the list maintained on the London Stock Exchange’s website;
- (uuu) **“Rule 144A”** means Rule 144A adopted by the SEC under the U.S. Securities Act;
- (vvv) **“SEC”** means the United States Securities and Exchange Commission;
- (www) **“Securities Commission”** means the applicable securities commission or regulatory authority in each of the Qualifying Jurisdictions;
- (xxx) **“Securities Laws”** means, collectively, the applicable securities laws of each of the Qualifying Jurisdictions and the respective regulations and rules made under those securities laws together with all applicable policy statements, blanket orders and rulings of the Securities Commissions and all discretionary orders or rulings, if any, of the Securities Commissions made in connection with the transactions contemplated by this Agreement, together with applicable published policy statements of the Canadian Securities Administrators;
- (yyy) **“Selling Firms”** has the meaning given to that term in subsection 3(1) of this Agreement;
- (zzz) **“Stabilisation Period End Date”** means the date which falls no later than 30 calendar days from the Closing Date;
- (aaaa) **“Stabilisation Manager”** means GMP;
- (bbbb) **“Stabilisation Transactions”** has the meaning given to it in subsection 3(4) of this Agreement;
- (cccc) **“Standard Listing Conditions”** has the meaning given to that term in subsection 4(3)(c) of this Agreement;
- (dddd) **“subsidiary”** has the meaning ascribed thereto in National Instrument 45-106 *Prospectus and Registration Exemptions* of the Canadian Securities Administrators, as constituted at the date of this Agreement;
- (eeee) **“Supplementary Material”** means, collectively, any amendment to the Prospectuses, any amended or supplemental prospectus or ancillary materials, information, evidence, return, report, application, statement or document that may be filed by or on behalf of the Company under the Securities Laws relating to the qualification for distribution of the Offered Securities under applicable Securities Laws;
- (ffff) **“Tax Act”** means the *Income Tax Act* (Canada) and the regulations thereunder, as amended;
- (gggg) **“Time of Closing”** means such time on the Closing Date as all conditions to Closing provided for herein have been satisfied or waived and the

delivery of a certified cheque, initiation of a wire transfer, or such other manner of payment as may be agreed to by the Underwriters and the Company (each acting reasonably), as provided in subsection 10(4), has occurred, or any other time on the Closing Date as may be agreed to by the Company and the Underwriters;

- (hhhh) **“to the best of the knowledge, information and belief of the Company”** means the actual knowledge of David Reading and Paul Thomson in their capacities, respectively as Chief Executive Officer and Chief Financial Officer of the Company, at the date hereof about the facts or circumstances to which such phrase relates, after having made reasonable due and applicable inquiries and investigations in connection with such facts and circumstances that would ordinarily be made in the discharge of each such officer’s duties;
- (iii) **“Transfer Agent”** means Computershare Investor Services Inc.;
- (jjj) **“TSX”** means the Toronto Stock Exchange;
- (kkkk) **“UK Prospectus Rules”** means the Prospectus Rules of the FSA brought into effect on 1 July 2005 pursuant to Commission Regulations (EC) No 809/2004 and the Prospectus Regulations 2005 (SI 2005/1433);
- (lll) **“UK Securities Laws”** means all of the applicable securities laws and regulations of the United Kingdom, including, without limitation, the Companies Act 2006, the AIM Rules, FSMA, the Criminal Justice Act 1993, the Code of Market Conduct and the Buy-back and Stabilisation Regulation;
- (mmm) **“Underwriters’ Fee”** has the meaning given to that term in Section 14 of this Agreement;
- (nnn) **“United Kingdom”** or **“UK”** means the United Kingdom of Great Britain and Northern Ireland.
- (ooo) **“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;
- (ppp) **“U.S. Affiliate”** means the U.S. broker-dealer affiliate of an Underwriter, duly registered as a broker-dealer under the U.S. Exchange Act and all applicable state securities laws;
- (qqq) **“U.S. Exchange Act”** means the United States Securities Exchange Act of 1934, as amended;
- (rrr) **“U.S. Securities Act”** means the United States Securities Act of 1933, as amended;
- (sss) **“U.S. Securities Laws”** means all of the applicable federal securities laws and regulations of the United States, including, without limitation, the

U.S. Securities Act, and the U.S. Exchange Act, and the state securities or “blue sky” laws of the United States; and

- (tttt) **“Warrant Indenture”** means the warrant indenture to be entered into between the Company and Computershare Trust Company of Canada on the Closing Date providing for the creation and issuance of the Offered Warrants and the Placement Warrants.
- (2) Capitalized terms used but not defined in this Agreement have the meanings given to them in the Amended and Restated Preliminary Prospectus.
- (3) Any reference in this Agreement to a section, paragraph, subsection, subparagraph, clause or subclause will refer to a section, paragraph, subsection, subparagraph, clause or subclause of this Agreement.
- (4) All words and personal pronouns relating to those words will be read and construed as the number and gender of the party or parties referred to in each case required and the verb will be construed as agreeing with the required word and/or pronoun.
- (5) All references to monetary amounts in this Agreement to “\$” are to lawful currency of Canada, unless otherwise specified. All references to monetary amounts in this Agreement to “£” are to British Pound Sterling, unless otherwise specified.
- (6) The following are the schedules to this Agreement, which schedules are deemed to be a part hereof and are hereby incorporated by reference herein:
- Schedule A - United States Offers and Sales
 - Schedule B - Material Subsidiaries
 - Schedule C - Mining Rights

Section 2 Filing of Amended and Restated Preliminary Prospectus, Final Prospectus and Qualification of Offered Securities

The Company will, as soon as possible following the execution of this Agreement, file the Amended and Restated Preliminary Prospectus, in form and substance satisfactory to the Underwriters acting reasonably, and all other documents required under the Securities Laws with the Securities Commission in each of the Qualifying Jurisdictions, and will obtain the Amended and Restated Preliminary Passport Decision Document as soon as possible after such filing and, in any event, not later than 11:00 p.m. (Toronto time) on November 2, 2012 (or such other time and/or later date as the Company and the Underwriters may reasonably agree in writing). Prior to Closing, the Company will obtain conditional listing approval of the TSX for the Offering and the Concurrent Private Placement. The Company will file the Final Prospectus, in form and substance satisfactory to the Underwriters acting reasonably, and all other documents required under the Securities Laws with the Securities Commission in each of the Qualifying Jurisdictions, and will obtain the Final Passport Decision Document from the Ontario Securities Commission on its own behalf and on behalf of the other Securities Commissions as soon as possible after such filing and, in any event, not later than 5:00

p.m. (Toronto time) on November 12, 2012 (or such other time and/or later date as the Company and the Underwriters may reasonably agree in writing) and will have taken all other steps and proceedings that may be necessary on its part: (a) in order to qualify the Offered Securities for distribution in each of the Qualifying Jurisdictions by the Underwriters and other Persons who are registered in a category permitting them to distribute the Offered Securities under the Securities Laws and who comply with the Securities Laws, and (b) to make the Application.

Section 3 Distribution of the Offered Securities, the Concurrent Private Placement and Certain Obligations of the Underwriters

- (1) The Underwriters shall distribute the Offered Securities to the public in the Qualifying Jurisdictions directly and through other investment dealers and brokers, only as permitted by Securities Laws and upon the terms and conditions set forth in the Final Prospectus and in this Agreement. The Underwriters and such other investment dealers and brokers are collectively referred to herein as the “**Selling Firms**”.
- (2) The Underwriters shall distribute the Placement Units, or depositary receipts in relation to the Placement Units, directly and through other investment dealers and brokers, in jurisdictions outside of Canada, including without limitation the United Kingdom and the United States in which the Placement Units may be lawfully offered for sale in such a manner so as not to require registration thereof or the filing of a prospectus or any similar document under the laws of such jurisdictions (collectively, the “**Placement Jurisdictions**”) only as permitted by this Agreement and certain prospectus exemptions under UK Securities Laws, U.S. Securities Laws or applicable securities laws of other jurisdictions outside of Canada. The Placement Units, or depositary receipts in relation to the Placement Units, may only be offered and sold on a private placement basis (i) within the United States by the Underwriters, acting through their U.S. Affiliates to Qualified Institutional Buyers (as defined in Rule 144A) pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act; or (ii) offered by the Underwriters and sold by the Company outside the United States in compliance with Rule 903 of Regulation S under the U.S. Securities Act. The Placement Units, or depositary receipts in relation to the Placement Units, may only be offered and sold in the United Kingdom only as permitted by certain exemptions available under UK Securities Laws. In this regard, the Company irrevocably appoints the Underwriters to hold funds on its behalf with effect from the Time of Closing and gives its authority to the Underwriters to use commercially reasonable best efforts to obtain firm commitments from subscribers for the Placement Units, confirms that the foregoing appointments confer on the Underwriters all powers, authorities and discretions on behalf of the Company which are necessary for or properly incidental to such distribution of the Placement Units in the Placement Jurisdictions and agrees to ratify and approve all documents, acts and things which the Underwriters shall properly and lawfully do without fraud, wilful default or negligence in the exercise of such appointment, powers, authorities and discretions. The Underwriters accept such appointment accordingly. The Underwriters agree that each subscriber of Placement Units will covenant and agree not to offer or sell any Placement Units, Placement Shares, Placement Warrants or Placement Warrant Shares to Persons in Canada, on the TSX or

otherwise into Canada for a period of four months and one day from the Closing Date.

- (3) The Underwriters will not solicit offers to purchase or sell the Offered Securities or the Placement Units so as to require registration thereof or the filing of a prospectus or any similar document under the laws of any jurisdiction outside the Qualifying Jurisdictions and the Underwriters shall comply with all applicable Securities Laws in each of the Qualifying Jurisdictions and applicable securities laws in the Placement Jurisdictions into and from which they may offer or sell the Offered Securities and Placement Units, respectively, and all other securities laws in all other jurisdictions into and from where they may offer or sell the Offered Securities or Placement Units. Without prejudice to the generality of the foregoing, the Underwriters shall not sell or distribute, or cause the sale or distribution of, any Placement Units in the United Kingdom in breach of any UK Securities Laws, including (i) in breach of sections 19 or 21 of FSMA, or (ii) other than to persons who (a) are “Qualified Investors” within the meaning of Section 86(7) of FSMA who are purchasing the Placement Units as principal for their own account and not for the benefit of others, other than when, in the circumstances where section 86(2) of FSMA applies, they have been engaged by a client to act as agents on terms that they are able to make decisions concerning the acceptance of offers of transferable securities on the client’s behalf without reference to that client and (b) are within the categories of persons related to Article 19(5) (Investment Professional) of Article 49(2)(a) to (d) (High net worth companies, unincorporated associations, etc.) of the Financial Promotion Order. Any agreements between the Underwriters and the other Selling Firms will contain similar restrictions to the foregoing and the Underwriters will use their commercially reasonable efforts to cause the Selling Firms to comply with all applicable Securities Laws, U. S. Securities Laws and UK Securities Laws. For the purposes of this Section 3, the Underwriters will be entitled to assume that the Offered Securities are qualified for distribution in any Qualifying Jurisdiction in respect of which the Final Passport Decision Document evidences that a receipt or similar acceptance of the Final Prospectus has been obtained from the applicable Securities Commission following the filing of the Final Prospectus, unless the Underwriters receive notice to the contrary from the Company or the applicable Securities Commission.
- (4) On or before the Stabilization Period End Date, and to the extent permitted by applicable Laws and regulations, the Stabilization Manager or its agents shall be entitled (but shall not be obligated) to engage in stabilisation activities including, without limitation, any activity contemplated by the Buy back and Stabilization Regulation and/or the price stabilising rules made under section 144 of FSMA (“**Stabilization Transactions**”).
- (5) Stabilization Transactions, if commenced, may be discontinued at any time.
- (6) In carrying out Stabilization Transactions, the Stabilization Manager shall act as principal and neither the Stabilization Manager nor its agents shall act as the agents of the Company, any other Underwriter or any other person.
- (7) The Underwriters will complete, and each will use its reasonable commercial efforts to cause the other Selling Firms to complete, the distribution of the

Offered Securities as promptly as possible after the Time of Closing or Over-Allotment Time of Closing, as applicable. The Underwriters will notify the Company when, in the Underwriters' opinion, the Underwriters and the other Selling Firms have ceased distribution of the Offered Securities and, promptly after completion of the distribution of the Offered Securities, will provide the Company, in writing, with a breakdown of the number of Units distributed in each of the Qualifying Jurisdictions where that breakdown is required by the Securities Commission of that province or territory for the purpose of calculating fees payable to that Securities Commission and for the purpose of making any required filing with any Regulatory Authority.

- (8) Each of the Underwriters make the representations, warranties and covenants in Schedule A hereto, and each agrees on behalf of itself and its U.S. Affiliate, for the benefit of the Company to comply with the selling restrictions imposed by the U.S. Securities Laws and set forth in Schedule A hereto, which is incorporated by reference herein and forms part of this Agreement.
- (9) Each of the Underwriters acknowledges and agrees that it is not a person within the United States and this Agreement has not been signed in the United States.
- (10) The Underwriters and their affiliates (i) have not offered or sold or communicated any invitation or inducement in that regard and will not offer or sell any Offered Securities or communicate any invitation or inducement in that regard to persons in the United Kingdom other than to persons falling within articles 19 or 49 of the Financial Promotion Order and in circumstances to which section 86(1)(a) (and, if applicable, section 86(2)) of FSMA applies; (ii) have complied and will comply with all applicable provisions of the FSMA and all other UK Securities Laws and any regulations made thereunder with respect to anything done by them in relation to the Offered Securities in, from or otherwise involving the United Kingdom; and (iii) have not offered or sold and will not offer or sell any Offered Securities other than in Offshore Transactions (except as permitted in this Agreement) and have not engaged in any Directed Selling Efforts in respect of the Offered Securities.
- (11) The Underwriters will not be liable to the Company under this Section 3 with respect to a default by any of the Selling Firms unless the Underwriters participated in or contributed to such default. The obligations of the Underwriters under this Section 3 are several and not joint or joint and several. No Underwriter will be liable for any act, omission, default or conduct by any other Underwriter or any Selling Firm appointed by another Underwriter.
- (12) The Company authorises the Underwriters and any director, for the time being, of the Underwriters to give to the Company's registrars all instructions which the Underwriters reasonably considers necessary or expedient in relation to the distribution of the Offered Securities and the associated depository interests in the United Kingdom and agrees that the Underwriters may delegate to such registrars such powers and authorities as the Underwriters reasonably consider necessary or expedient.

Section 4 Delivery of Prospectus and Related Matters

- (1) The Company will cause to be delivered to the Underwriters, at those delivery points as the Underwriters may reasonably request, as soon as possible, and in any event no later than 5:00 p.m. (Toronto time), on the second Business Day following the issuance of the Amended and Restated Preliminary Passport Decision Document and the Final Passport Decision Document, and thereafter from time to time during the distribution of the Offered Securities, as many commercial copies of the Amended and Restated Preliminary Prospectus and the Final Prospectus as the Underwriters may reasonably request. The Company will similarly cause to be delivered to the Underwriters, without charge, at those delivery points and in such number as the Underwriters may reasonably request, commercial copies of any Supplementary Material required to be delivered to purchasers or prospective purchasers of the Offered Securities. Each delivery of the Amended and Restated Preliminary Prospectus, the Final Prospectus or any Supplementary Material (collectively, the “**Offering Documents**”) will constitute the Company’s consent to the use of the Offering Documents by the Underwriters and the other Selling Firms for the distribution of the Offered Securities in the Qualifying Jurisdictions. No written material, other than the U.S. Placing Letter, will be used in connection with the offer or sale of the Placement Units in the United States.

- (2) Each delivery of the Offering Documents to the Underwriters by the Company under Sections 4(1) and 4(3) will constitute the representation and warranty of the Company to the Underwriters and the other Selling Firms that (except for the information and statements relating solely to the Underwriters or the other Selling Firms and furnished by them in writing specifically for use in such document), at the respective times of delivery and, in the case of the Amended and Restated Preliminary Prospectus and the Final Prospectus, together with Supplementary Material, if any, at the Time of Closing:
 - (a) the information and statements contained in each of the Offering Documents:
 - (i) are true and correct in all material respects;
 - (ii) do not contain a misrepresentation; and
 - (iii) constitute full, true and plain disclosure of all material facts relating to the Offered Securities and to the Company and its subsidiaries, considered as a whole in accordance with the Securities Laws of the Qualifying Jurisdictions; and
 - (b) each of the Offering Documents complies in all material respects with Securities Laws of the Qualifying Jurisdictions applicable to such Offering Documents.

- (3) The Company will deliver to the Underwriters, without charge, in Toronto, Ontario, contemporaneously with or prior to the filing of the Amended and Restated Preliminary Prospectus and the Final Prospectus, as the case may be, unless otherwise indicated:

- (a) a copy of the Amended and Restated Preliminary Prospectus and the Final Prospectus, signed on behalf of the Company as required by the Securities Laws of each of the Qualifying Jurisdictions;
 - (b) a copy of any other document required to be filed by the Company under the Securities Laws in connection with the distribution of the Offered Securities contemplated by this Agreement;
 - (c) concurrently with the filing of the Final Prospectus, evidence satisfactory to the Underwriters of the conditional approval of the listing and posting for trading on the TSX of the Offered Shares, the Placement Shares and the Underlying Shares, subject only to satisfaction by the Company of customary conditions imposed by the TSX in similar circumstances (the “**Standard Listing Conditions**”); and
 - (d) concurrently with the filing of the Final Prospectus, a “long-form” comfort letter or comfort letters dated the date of the Final Prospectus, in form and substance satisfactory to the Underwriters, addressed to the Underwriters and the board of directors of the Company from BDO LLP, and based on a review completed not more than two Business Days prior to the date of the Final Prospectus, with respect to the Financial Information in the Final Prospectus, which letter shall be in addition to the auditors’ report contained in the Final Prospectus and any auditors’ comfort letters addressed to the Securities Commissions.
- (4) Comfort letters and other documents substantially similar to those referred to in subsections 4(3)(b) and 4(3)(d) of this Agreement will be delivered to the Underwriters and their counsel with respect to any Supplementary Material or other relevant document, concurrently with the filing of the Supplementary Material or other relevant document.
- (5) During the period commencing on the date hereof and until completion of the distribution of the Offered Securities, the Company will not, without the prior written consent of the Underwriters, make any press release that includes information regarding the Company or the Offering and, so far as practicable, will provide to the Underwriters drafts of any press releases of the Company that includes information regarding the Company or the Offering, for review by the Underwriters and their counsel prior to issuance, provided that any such review will be completed in a timely manner.
- (6) Prior to the filing of the Prospectuses or any Supplementary Material, the Company will allow the Underwriters to participate fully in the preparation of such documents and will allow the Underwriters and their advisors and representatives to conduct all additional due diligence investigations which they may reasonably require in order to fulfill their obligations in connection with the distribution of the Offered Securities and, as applicable, in order to enable them to execute the certificate required to be executed by them in the Prospectuses and any Supplementary Material, which may include investigations conducted up to the Time of Closing including without limitation the holding of one or more “due diligence” meetings at or prior to the Time of Closing with officials of the Company its technical consultants, outside counsel and auditors of the Company.

- (7) The Company agrees with and acknowledges to the Underwriters that neither the Underwriters, nor any affiliate, director, officer, employee, shareholder, member of the Selling Firms or underwriter of the Underwriters, has been, or shall be, responsible to it for verifying the accuracy and/or fairness of any information contained in the Announcements, the Preliminary Prospectus or any of the Offering Documents except to the extent that such information relates solely to the Underwriters and was furnished by them in writing specifically for the use in such document.

Section 5 Material Change

- (1) The Company will promptly inform the Underwriters in writing during the period prior to the completion of the distribution of the Offered Securities of the full particulars of:
- (a) any change (whether actual, anticipated, contemplated or proposed by, or threatened against, the Company and whether financial or otherwise) in the assets, liabilities (contingent or otherwise), business, affairs, prospects, operations, capital or control of the Company, considered as a whole, that would be material to the Company, considered as a whole;
 - (b) any material fact which has arisen or has been discovered and would have been required to have been stated in the Offering Documents had that fact arisen or been discovered on, or prior to, the date of any of the Offering Documents; or
 - (c) any change in any material fact or any misstatement of any material fact contained in any of the Offering Documents or any new material fact relating to the Company (taken as a whole) that has occurred or been discovered after the date of this Agreement,

which, in any case, is of such a nature as to render any of the Offering Documents untrue or misleading in any material respect or to result in any misrepresentation in any of the Offering Documents or which would result in any of the Offering Documents not complying in all material respects with Securities Laws.

- (2) The Company will comply with Section 56 of the *Securities Act* (Ontario) and with the comparable provisions of the Securities Laws of the other Qualifying Jurisdictions, and the Company will prepare and will file promptly at the request of the Underwriters any Supplementary Material which, in the opinion of the Underwriters, acting reasonably, may be necessary or advisable, and will otherwise comply with all legal requirements necessary to continue to qualify the Offered Securities for distribution in each of the Qualifying Jurisdictions.
- (3) In addition to the provisions of subsections 5(1) and 5(2), the Company will, in good faith, discuss with the Underwriters any change or fact contemplated in subsection 5(1) which is of such a nature that there may be reasonable doubt as to whether notice should be given to the Underwriters under subsection 5(1) and will consult with the Underwriters with respect to the form and content of any Supplementary Material proposed to be filed by the Company, it being understood and agreed that no such Supplementary Material will be filed with

any Securities Commission prior to the review and approval by the Underwriters and their counsel, acting reasonably.

- (4) The Company will promptly inform the Underwriters in writing during the period prior to the completion of the distribution of the Offered Securities of the full particulars of:
 - (a) any request of any Regulatory Authority for any amendment to the Final Prospectus or any Supplementary Material or for any additional information in respect of the distribution of the Offered Securities or the Company;
 - (b) the receipt by the Company of any material communication, whether written or oral, from any Regulatory Authority relating to the Offering Documents or the distribution of the Offered Securities;
 - (c) any notice or other correspondence received by the Company from any Governmental Body requesting any information, meeting or hearing relating to the Company, its subsidiaries, the distribution of the Offered Securities or any other event or state of affairs that the Company reasonably believes could have a Material Adverse Effect; or
 - (d) the issuance by any Regulatory Authority of any order to cease or suspend trading or distribution of the Common Shares, 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 or distribution of the Common Shares.

Section 6 Regulatory Approvals

- (1) The Company will file or cause to be filed with the TSX prior to the filing of the Final Prospectus with the Securities Commissions, all necessary documents and will take or cause to be taken all necessary steps to ensure that the Offered Shares, the Placement Shares and the Underlying Shares have been approved for listing and posted for trading on the TSX, subject only to satisfaction by the Company of the Standard Listing Conditions.
- (2) RBC agrees that it shall cause RBC Capital Markets, in its capacity as the Nominated Advisor to the Company for AIM purposes, to provide confirmation in writing to the Company upon Closing that the Offering and Concurrent Private Placement were completed in accordance with AIM regulations in order for the Company to satisfy the applicable Standard Listing Conditions.
- (3) The Company will (or will cause a duly authorized Underwriter acting on its behalf to) no later than three (3) clear Business Days prior to the Time of Closing make all necessary filings, take all necessary steps and pay all filing fees required to be paid in connection with its Application (which the Underwriters will make on its behalf), including without limitation complying with all reasonable requests of the Company's nominated advisor in respect of compliance with the AIM Rules for the purpose of the Application.

- (4) The Company will make all necessary filings, take all necessary steps and pay all filing fees required to be paid in connection with the transactions contemplated in this Agreement.
- (5) Prior to filing of the Final Prospectus, the Company shall provide the Underwriters and their counsel with written evidence of the receipt of each material regulatory approval (other than the Final Passport Decision Document) required to give effect to the transactions contemplated in this Agreement.

Section 7 Representations and Warranties of the Company

The Company represents and warrants to the Underwriters, and acknowledges that each of the Underwriters is relying upon such representations and warranties in entering into this Agreement, that at the date of this Agreement or such other date specified therein:

- (1) the Company is a corporation incorporated and existing under the laws of Canada, is current and up-to-date with all material filings required to be made, and has the corporate power and authority to own, lease and operate its properties and to conduct its business as now carried on by it as described in the Prospectuses, and to enter into, deliver and perform its obligations under this Agreement and the Warrant Indenture;
- (2) the Company's only material subsidiaries are the Material Subsidiaries listed in Schedule B hereto, which schedule is true, complete and accurate in all respects. Each of the Material Subsidiaries is a corporation incorporated, organized and existing under the laws of the jurisdiction of incorporation set out in such schedule, is current and up-to-date with all material filings required to be made and has the requisite corporate power and capacity to own, lease and operate its properties and to conduct its business as is now carried on by it or proposed to be carried on by it, and is duly qualified to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except in each case where the failure to so qualify or to be in good standing would not reasonably be expected to result in a Material Adverse Effect. Except as otherwise noted in Schedule B, all of the issued and outstanding shares in the capital of each Material Subsidiary have been duly authorized and validly issued, are fully paid and, are directly or indirectly beneficially owned by the Company, free and clear of any Liens, and none of the outstanding shares of the capital stock of any Material Subsidiary was issued in violation of the pre-emptive or similar rights of any security holder of such subsidiary. There exist no options, warrants, purchase rights, or other contracts or commitments that could require the Company to sell, transfer or otherwise dispose of any capital stock of any Material Subsidiary other than pursuant to the Bea MDA. No act or proceeding has been taken by or against the Material Subsidiaries in connection with their liquidation, winding-up or bankruptcy;
- (3) the share capital and shareholders of the Material Subsidiaries are as set forth in Schedule B hereto is true and correct;

- (4) the Company has no subsidiaries except those subsidiaries it has disclosed in writing to the Underwriters;
- (5) the authorized share capital of the Company described under the heading "Description of Securities Being Distributed" in the Prospectuses is true and correct;
- (6) none of the subsidiaries other than the Material Subsidiaries and Mano Diamonds Limited hold any material assets or material liabilities of the Company;
- (7) other than as set out in or contemplated by the Prospectuses, none of the Company or its subsidiaries directly or indirectly, holds any shares, other securities, options or rights to subscribe for shares or other securities of any company, partnership or other entity, other than shares of other subsidiaries of the Company;
- (8) there is no action, suit, investigation, arbitration or proceeding by any Person or before any Regulatory Authority or Governmental Body of which notice has been served on the Company pending, or, to the best of the knowledge, information and belief of the Company pending or threatened against or affecting the Company or its subsidiaries or their businesses which, individually or in the aggregate, if determined adversely to the interest of the Company or its Material Subsidiaries, would have a Material Adverse Effect or which would impede or prevent the consummation of the transactions contemplated by this Agreement;
- (9) no order, ruling or determination having the effect of ceasing the trading or suspending the sale of the Offered Securities or the Placement Units has been received and no proceedings for that purpose of which notice has been served on the Company have been instituted or are pending, or to the Company's knowledge, are threatened by any Regulatory Authority;
- (10) except as would not individually or in the aggregate reasonably be expected to have a Material Adverse Effect, the Company and its Material Subsidiaries own, licence or possess adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property (collectively, "**Intellectual Property**") necessary to carry on the business as now operated by them, and neither the Company nor any of its Material Subsidiaries have received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect the interest of the Company or its Material Subsidiaries therein;
- (11) the Mining Rights are in good standing, in full force and have not been revoked and no requisite fees in respect thereof are outstanding and all necessary filings and registration have been duly made. Except as set out in the Final Prospectus, no other property rights are necessary for the conduct of the Company's and its Material Subsidiaries' current business and there are no material restrictions on

the ability of the Company and its Material Subsidiaries to use, transfer or otherwise exploit any such property rights except as referred to in the Final Prospectus. The Company or one of its Material Subsidiaries is the holder of Mining Rights necessary to carry out the proposed exploration activities of the Company and its Material Subsidiaries. Mining Rights held by the Company and its Material Subsidiaries cover the areas required by the Company and its Material Subsidiaries for such purposes;

- (12) the information set forth in the New Liberty Report relating to the estimates of the mineral resources the New Liberty Gold Project has been prepared in accordance with NI 43-101, and the method of estimating the resources has been verified by mining experts and the information upon which the estimates of resources were based, was, at the time of delivery thereof, complete and accurate in all material respects and there have been no material adverse changes to such information since the date of delivery or preparation thereof;
- (13) except as would not individually or in the aggregate reasonably be expected to have a Material Adverse Effect, (i) none of the Company or its subsidiaries is in violation of any applicable Law relating to pollution or occupational health and safety, the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including Laws relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, "**Hazardous Materials**") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "**Environmental Laws**"), (ii) the Company and its Material Subsidiaries each have all permits, authorizations and approvals respectively required under any applicable Environmental Laws to carry on the business as now conducted by them and each is in compliance with their requirements, (iii) there are no pending or to the best of the knowledge, information and belief of the Company threatened, administrative, regulatory or judicial actions, suits, demands, demand letters, claims, Liens, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Laws against the Company or its Material Subsidiaries and (iv) to the best of the knowledge, information and belief of the Company, there are no events or circumstances that would reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or Governmental Body or agency, against or affecting the Company or its Material Subsidiaries relating to Hazardous Materials or any Environmental Laws;
- (14) except as disclosed in the Offering Documents, the Company and its Material Subsidiaries possess such permits, certificates, licenses, approvals, consents and other authorizations (collectively, "**Governmental Licenses**") issued by the appropriate federal, provincial, state, local or foreign regulatory agencies or bodies necessary to own, lease, exploit, use, stake or maintain the Mining Rights and to conduct the business now operated by the Company and the Material Subsidiaries, except where the failure to possess such permits, certificates, licenses, approvals, consents or authorizations would not reasonably be expected to have a Material Adverse Effect. The Company and its Material Subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses except where such non-compliance would not reasonably be expected to have a

Material Adverse Effect. All of the Governmental Licenses are valid and in full force and effect. Neither the Company nor its Material Subsidiaries have received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses;

- (15) each of the Company and each of its Material Subsidiaries is in material compliance with all provisions of all laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours (collectively, “**Employment Laws**”) and with all collective bargaining or similar agreements to which it is a party; there is no pending investigation, inquiry or, to the best of the knowledge, information and belief of the Company, claim involving the Company or any of its subsidiaries by or before any governmental or labour relation authority or any body in any country responsible for the enforcement of any Employment Law which could, individually or in the aggregate, have a Material Adverse Effect; no grievance or arbitration proceeding is pending and no labour dispute with the employees of the Company or any of its subsidiaries exists which could, individually or in the aggregate, have a Material Adverse Effect;
- (16) neither the Company nor any of its subsidiaries is (i) in breach or violation of any of the terms or provisions of, or in default under (whether after notice or lapse of time or both) any indenture, mortgage, deed of trust, loan agreement, license agreement, lease or other agreement (written or oral), undertaking or instrument, including any material contract, to which it is a party or by which it is bound or to which any of its property or assets is subject, which breach or violation or the consequences thereof would, alone or in the aggregate, have a Material Adverse Effect; or (ii) in violation of the provisions of its memorandum and articles of association or other constitutional documents, by-laws or resolutions or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over it or any of its properties or agreements which violation or the consequences thereof would, alone or in aggregate, have a Material Adverse Effect;
- (17) the execution and delivery by the Company of this Agreement and the performance by the Company of its obligations hereunder and thereunder:
 - (a) has been duly authorized by all necessary action on the part of the Company;
 - (b) does not require the consent, approval, authorization, registration or qualification of or with any court, Governmental Body or other third party, except: (i) those which have been obtained (or will be obtained prior to the Time of Closing), (ii) those as may be required (and will be obtained prior to the Time of Closing) under applicable Securities Laws; or (iii) those which have not been obtained and would not have a Material Adverse Effect or would not impede or prevent the consummation of the transactions contemplated by this Agreement;
 - (c) does not (or will not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a breach or a

violation of, or conflict with or result in a default under, or allow any other Person to exercise any rights under:

- (i) any of the terms or provisions of the constitutional documents or resolutions of the board of directors (or any committee thereof) or resolutions of securityholders of the Company, as applicable; or
- (ii) any judgment, decree, order or award of any court, Governmental Body or arbitrator having jurisdiction over any of the Company or any of its Material Subsidiaries, of which the Company is aware, or any agreement, license or permit necessary for the conduct of their businesses, to which any of the Company or any of its Material Subsidiaries is a party or by which their businesses may be affected;

provided in each case, such breach, violation, conflict, default or rights would have a Material Adverse Effect;

- (d) will not, to the best of the knowledge, information and belief of the Company, result in the violation of any Law, provided in each case such violation would have a Material Adverse Effect, and
 - (e) will not, to the best of the knowledge, information and belief of the Company, give rise to any Lien on or with respect to the properties or assets now owned or hereafter acquired by the Company or any of its Material Subsidiaries or the acceleration of or the maturity of any debt under any material indenture, mortgage, lease, agreement or instrument binding or affecting any of them or any of their properties provided in each case, such Lien, acceleration or maturity would have a Material Adverse Effect;
- (18) the Company has, or will have at the appropriate time, the necessary corporate power and authority to execute and deliver each of the Prospectuses and any Supplementary Material and all necessary corporate action has been taken or will be taken, as applicable, by the Company to authorize the execution and delivery by it of the Prospectuses and any Supplementary Material and the filing thereof, as the case may be, in each of the Qualifying Jurisdictions under the Securities Laws;
- (19) this Agreement has been duly executed and delivered by the Company and, assuming due execution and delivery by the other parties hereto, constitutes a legal, valid and binding obligation of the Company, enforceable against it in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, fraudulent conveyance, moratorium or other similar laws affecting the enforcement of creditors' rights generally or public policy, and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction and that rights of indemnity, contribution and waiver and the ability to sever unenforceable terms may be limited by applicable Law;
- (20) the Company and the Material Subsidiaries have good and marketable title to all material property and assets, excluding the Mining Rights, and all material

property and assets of the Company and the Material Subsidiaries are free and clear of all Liens and defects (other than as set forth in the title opinions referred to in subsection 9(1)(c)) that would materially affect the value of such property and assets (taken as a whole) or materially interfere with the use made or to be made of such property and assets by them (taken as a whole) and the Company and the Material Subsidiaries hold all of their material leased real or personal property under valid and enforceable leases with no exceptions that would materially interfere with the use made or to be made of such property by them and the Company and the Material Subsidiaries have not received notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company and the Material Subsidiaries to the continued possession of the leased or subleased properties, and the Company and the Material Subsidiaries own or lease all such properties as are necessary to their business as currently conducted;

- (21) to the best of the knowledge, information and belief of the Company, the Company made available to the New Liberty Report Experts, prior to the issuance of the New Liberty Report, for the purpose of preparing the New Liberty Report, all information requested by the New Liberty Report Experts, which information did not contain any material misrepresentation. The Company has no knowledge of a material adverse change in any resources or other relevant information provided to the New Liberty Report Experts since the date that such information was so provided. The Company believes that the New Liberty Report reasonably presents the quantity of the indicated and inferred mineral resources attributable to the mineral properties evaluated in such report as of October 22, 2012 based upon information available at the time the New Liberty Report was prepared and the assumptions contained therein and the Company believes that at the date of such report and based on the assumptions contained therein it did not (and as of the date hereof, does not) materially overstate the estimated aggregate quantity of such indicated or inferred resources;
- (22) to the best of the knowledge, information and belief of the Company, there is no agreement in force or effect which in any manner affects or will affect the voting or control of any of the securities of the Company;
- (23) the authorized share capital of the Company consists of an unlimited number of Common Shares, and immediately prior to the Time of Closing, subject to Common Shares issued pursuant to the exercise of stock options, there will be 121,535,043 Common Shares validly issued and outstanding as fully paid and non-assessable;
- (24) except as disclosed in the Prospectuses, no Person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such (i) under which the Company, is, or may become, obligated to issue any of its securities or (ii) for the purchase of any security (including debt) of the Company of its Material Subsidiaries or any part of their businesses except pursuant to the Bea MDA;
- (25) other than as may be required under Securities Laws, by the TSX or pursuant to the AIM Rules, assuming the compliance by the Underwriters with their obligations hereunder and compliance by the Selling Firms with Section 3 hereof,

no consent, approval, authorization, order, registration or qualification of or with any court, Governmental Body or other third party is required for the sale and delivery of the Offered Securities and the Placement Units, as contemplated by this Agreement, or the consummation by the Company of the other transactions contemplated by this Agreement except as have been obtained or will be obtained prior to Closing, or where a failure to satisfy such requirement would not have a Material Adverse Effect or would not impede or prevent the consummation of the transactions contemplated by this Agreement or the Warrant Indenture;

- (26) since December 31, 2011, other than as disclosed in the Prospectuses:
- (a) there has not been any material change (actual, anticipated, proposed or prospective, whether financial or otherwise) in the investments, affairs, assets or liabilities (contingent or otherwise) of the Company or its Material Subsidiaries;
 - (b) there has not been any material change in the equity capitalization or long-term or short-term debt of the Company or its Material Subsidiaries;
 - (c) there has not been any material change in the business, business prospects, condition (financial or otherwise) or results of the operations of the Company or its Material Subsidiaries; and
 - (d) the Company and its Material Subsidiaries have carried on their businesses in the ordinary course and in the manner described in the Final Prospectus;
- (27) the Transfer Agent at its principal office in Vancouver, British Columbia, Ontario has been duly appointed as the registrar and Transfer Agent of the Company with respect to its Common Shares and, Computershare Trust Company of Canada has been, or will be prior to the Time of Closing, duly appointed as the registrar, transfer agent and warrant agent under the Warrant Indenture with respect to the Offered Warrants and the Placement Warrants;
- (28) the Application will be made by the Company's nominated advisor for Admission of the Offered Shares, the Placement Shares and the Underlying Shares in the form required by the AIM Rules and the Company will pay all such fees and will deliver all such documentation and information as are required in connection therewith;
- (29) the form and terms of the certificates for the Offered Shares, the Placement Shares and the Underlying Shares have been approved and adopted by the board of directors of the Company and do not conflict with any applicable Laws and comply with the rules of the TSX;
- (30) the Offered Shares and the Placement Shares to be issued by the Company as described in this Agreement and in the Final Prospectus have been, or prior to the Time of Closing and any Over-Allotment Time of Closing in respect of Over-Allotment Shares, will be, duly created and, when issued, delivered and paid for in full, will be validly issued and fully paid and non-assessable Common Shares,

will rank pari passu with all existing Common Shares in issue and will not have been issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities issued by the Company;

- (31) the Offered Warrants and Placement Warrants to be issued by the Company as described in this Agreement and in the Final Prospectus have been, or at or prior to the Time of Closing and at any Over-Allotment Time of Closing will be, duly and validly created and issued;
- (32) the Underlying Shares to be issued upon the exercise of the Offered Warrants and the Placement Warrants, as applicable, have been, or prior to the Time of Closing and any Over-Allotment Time of Closing will be, duly and validly created and authorized for issuance and, when issued upon such exercise and payment of the applicable exercise price, will be validly issued as fully paid and non-assessable Common Shares, and will not have been issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities issued by the Company;
- (33) the Financial Information has been prepared in accordance with International Financial Reporting Standards and all applicable Laws and presents fairly, in all material respects, the financial condition of the Company and its subsidiaries, taken as a whole, as at the dates referred to in such information. Without limitation to the generality of the foregoing, the audited consolidated financial statements of the Company as at December 31, 2011, together with the notes thereto and the report of BDO LLP thereon give a true and fair view of the state of affairs of the Company and its subsidiaries at the end of such period and of the profit or loss and cashflow for such period;
- (34) neither the Company nor any of its Material Subsidiaries has any outstanding liability, contingent or otherwise, and neither the Company nor any of its Material Subsidiaries are a party to or bound by any agreement of guarantee, support, indemnification, assumption or endorsement of, or any other similar commitment with respect to, the obligations, liabilities (contingent or otherwise) or indebtedness of any Person, other than those reflected in the Financial Information, the indemnification and contribution provisions in this Agreement, indemnities in favour of the officers and directors of the Company and its Material Subsidiaries or other liabilities or indemnities in the ordinary course of business;
- (35) the Company is not currently prohibited, directly or indirectly, from paying any dividends, from making any other distribution on its shares, the Offered Shares, the Placement Shares or other securities, or from paying any interest or repaying any loans, advances or other indebtedness;
- (36) no Regulatory Authority has issued any order preventing or suspending the use of any of the Offering Documents or preventing or suspending the distribution of the Offered Securities, the Placement Units or the trading of securities of the Company generally and the Company is not aware of any investigation, order, inquiry or proceeding that has been commenced or which is pending, contemplated or threatened by any such authority;

- (37) neither the Company nor the Material Subsidiaries have received notice from any court, Governmental Body or Regulatory Authority or is otherwise aware of any restriction on its ability to, or of a requirement for it to, qualify to conduct its business as it is now conducted and as currently proposed to be conducted, and own, lease and operate its properties other than any such restriction or requirement as would not have a Material Adverse Effect;
- (38) the attributes of the Offered Securities and the Placement Units are consistent in all material respects with the descriptions thereof in the Final Prospectus;
- (39) other than the Underwriters and the other Selling Firms, there is no Person acting or purporting to act at the request of the Company who is entitled to any brokerage or agency fee in connection with the sale of the Offered Securities or Placement Units;
- (40) the books of account and other records of the Company and the Material Subsidiaries whether of a financial or accounting nature or otherwise, have been maintained in accordance with prudent business practices;
- (41) the books and records of the Company and its Material Subsidiaries made available to the Underwriters or their counsel, in connection with their due diligence investigations for the periods from their respective dates of creation, incorporation, merger or consolidation, as the case may be, are in all material respects complete and accurate books and records of the Company and its Material Subsidiaries and contain copies of all material proceedings (or certified copies thereof) of the shareholders, the board of directors and all committees of the board of directors of such entities and there have been no other material meetings, resolutions or proceedings of the shareholders, board of directors or any committee of the board of directors to the date of review of such books and records not reflected in such books and records other than those which have been disclosed to the Underwriters;
- (42) except as would not individually or in the aggregate have a Material Adverse Effect, the Company and its Material Subsidiary have properly completed and filed on a timely basis all tax returns required to be filed by them and all income, profits, franchise, sales, use, occupancy, excise and other taxes and assessments (including interest and penalties) that are or may become payable by or due from the Company or its Material Subsidiaries have been fully paid when due or adequate provisions have been made in respect thereof in the books and records of the Company and its Material Subsidiary. Neither the Company nor its Material Subsidiaries is involved in any dispute with any tax authority (in the United Kingdom, the British Virgin Islands, Canada or elsewhere) which could reasonably be considered material and so far as the Company is aware, there is no significant risk that such a claim or dispute will be made or arise. Proper provision or, as appropriate, disclosure in accordance with the accounting principles and practices on the basis on which the Financial Information has been prepared has been made for taxation payable by the Company and its Material Subsidiaries;
- (43) BDO LLP, the auditors of the Company, are entitled to audit the accounts of the Company under applicable laws and there has not been any reportable event

(within the meaning of National Instrument 51-102 - *Continuous Disclosure Obligations* of the Canadian Securities Administrators) with the auditors of the Company since their appointment, and BDO LLP are independent with respect to the Company within the meaning of applicable Securities Laws;

- (44) to the best of the knowledge, information and belief of the Company, none of the directors or officers or employees of the Company or its Material Subsidiaries, any Person who owns or exercises control over, directly or indirectly, more than 10% of the Common Shares, or any associate or affiliate of any of the foregoing, has, or has had within the last three years, any material interest, direct or indirect, in any transaction, or in any proposed transaction, that has materially affected or will materially affect the Company or its Subsidiary;
- (45) the information supplied by the Company to the Underwriters and their respective counsel in connection with the due diligence conducted by them, including information provided at due diligence sessions, was, when provided or as subsequently updated in writing to the Underwriters, true and accurate in all material respects and not misleading and all expressions of opinion and expectation therein contained are honestly and fairly based and such replies have been prepared or approved by persons having appropriate knowledge and responsibility to enable them properly to provide such replies and all such replies have been given in good faith;
- (46) the Company has established financial reporting procedures which provide a reasonable basis for the Company and its officers and directors to make proper judgments as to the financial position and prospects of the Company and its Material Subsidiaries;
- (47) none of the Company or the Material Subsidiaries have any loans or other indebtedness outstanding which have been made to or from any of the Company's shareholders, officers, directors or employees or any other Person not dealing at arm's length with the Company or the Material Subsidiaries, other than inter-company loans, that are currently outstanding;
- (48) the information and statements set forth in the Public Record, were true, correct and complete and did not contain any misrepresentation as of the date of such information or statement, no material change has occurred in relation to the Company which is not disclosed in the Public Record and the Company has not filed any confidential material change reports still maintained on a confidential basis. Without limitation to the generality of the foregoing, the Company has notified a Regulatory Information Service of all information required to be notified by it in accordance with the AIM Rules and has complied in all respects with all disclosure and notification requirements of the AIM Rules and any requests for disclosure made by the London Stock Exchange from time to time. Nothing has occurred in relation to the Company, its Material Subsidiaries or their business which would require disclosure pursuant to Rule 11 or 17 of the AIM Rules and in respect of which no disclosure has been made. There are no material matters concerning the Company or its Material Subsidiaries of which the Company is aware which:
 - (a) are not disclosed in the Offering Documents or the Announcements, or

- (b) which, if publicly disclosed by the Company, would be likely to cause substantial movement in the market price of the Common Shares;
- (49) the Company is a “reporting issuer” in each of the provinces and territories of Canada, other than Quebec, within the meaning of the applicable Securities Laws and is not in default of any requirement of the applicable Securities Laws and since December 31, 2011, the Company has not received any correspondence or notice from a Regulatory Authority concerning a review of any of the Company’s continuous disclosure documents in respect of which any matters remain outstanding;
- (50) to the best of the knowledge, information and belief of the Company, no other party is in default in the observance or performance of any term or obligation to be performed by it under any contract to which the Company or any of the Material Subsidiaries is a party or by which it is bound which is material to the business of the Company or any Material Subsidiary and no event has occurred which with notice or lapse of time or both would directly or indirectly constitute such a default, which default or event would reasonably be expected to have a material adverse affect on the assets or properties, business, results of operations, prospects or condition (financial or otherwise) of the Company and the Material Subsidiaries (taken as a whole);
- (51) neither the Company nor, to the best of the knowledge, information and belief of the Company, any of its shareholders is a party to any shareholder rights plan, pooling agreement, voting trust or other similar type of arrangements in respect of the outstanding securities of the Company other than the shareholder rights plan agreement of the Company dated as of March 13, 2012;
- (52) to the best of the knowledge, information and belief of the Company, no insider of the Company has a present intention to sell any securities of the Company;
- (53) the Company is in compliance with the filing and certification requirements of each of National Instrument 51-102 - *Continuous Disclosure Obligations* and Multilateral Instrument 52-109 - *Certification of Disclosure in Filings* of the Canadian Securities Administrators;
- (54) no “significant acquisition” (within the meaning of Part 8 of National Instrument 51-102 - *Continuous Disclosure Obligations*) has been made by the Company or the Material Subsidiaries since the beginning of the Company’s most recently completed fiscal year, and none of the Company nor the Material Subsidiaries is party to any contract relating to a proposed acquisition that has progressed to a state where a reasonable Person would believe that the likelihood of the Company or the Material Subsidiaries completing the acquisition is high and that would be a “significant acquisition” for the purposes of Part 8 of National Instrument 51-102 - *Continuous Disclosure Obligations*;
- (55) to the best of the knowledge, information and belief of the Company, none of the Company’s directors or officers are now, or have ever been, subject to an order or ruling of any Regulatory Authority or Government Body prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange;

- (56) the Company is insured by insurers of recognized financial responsibility against such losses and risks in such amounts as are prudent and customary, in the opinion of management, in the businesses in which it is engaged and taking into account the jurisdictions in which such business is conducted; all policies of insurance insuring the Company or its business, assets, employees, officers and directors are in full force and effect, except where the failure to be in full force and effect would not have a Material Adverse Effect on the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), ownership or condition (financial or otherwise) or results of operation of the Company;
- (57) all statements of fact contained in the Announcements are true, complete and accurate in all material respects and not misleading in any material respect and all forecasts, estimates and expressions of opinion, intention or expectation contained in the Announcements are true and honestly held, are fairly based and have been made on reasonable grounds after due and careful enquiry and consideration of all the information currently available to the Company;
- (58) no information has been omitted from the Announcements which might make any statement in the Announcements (whether of fact, forecast, estimate or expression of opinion, intention or expectation) untrue, inaccurate or misleading or invalid in any material respect as at the date hereof or which might qualify in any material respect as at the date hereof any assumption made in support of any statement in the Announcements (whether of fact, forecast, estimate or expression of opinion, intention or expectation) or which, in the context of the distribution of the Offered Securities or Placement Units, is material as at the date hereof for disclosure in the Announcements;
- (59) taking into account the net proceeds of the distribution of the Offered Securities and Placement Units, the Company and its Material Subsidiaries have sufficient working capital for at least 12 months from the date of Closing; and
- (60) each of the parties to this Agreement acknowledges that the representations and warranties given by the Company under this Agreement are given to each of the Underwriters for itself and as trustee for the benefit of the subscribers for Offered Securities and the Placement Units to whom such Offered Securities and Placement Units are respectively placed by the relevant Underwriter, on the basis that such Underwriter shall enjoy absolute discretion as to making any claim for breach of such warranty or representation. The Underwriters shall, to the extent that it suffers any loss in respect thereof, save to the extent that such loss is the result of its own fraud, negligence or default, be entitled to the same remedies and rights of action (other than any statutory rights of rescission prescribed by applicable law) against the Company as any Person acquiring any Offered Securities or Placement Units and the representations and warranties set out in this Agreement shall be in addition to and shall not be construed as limiting or prejudicing those or any other rights or remedies available to the Underwriters.

Section 8 Covenants of the Company

- (1) The Company covenants and agrees with the Underwriters that the Company will advise the Underwriters, promptly after receiving notice thereof, of the time

when the Amended and Restated Preliminary Prospectus, the Final Prospectus and any Supplementary Material has been filed and receipts therefor have been obtained (including, in respect of the Amended and Restated Preliminary Prospectus and the Final Prospectus, the Amended and Restated Passport Decision Documents and the Final Passport Decision Document, respectively) and will provide evidence satisfactory to the Underwriters, acting reasonably, of each filing and the issuance of receipts.

- (2) Until the distribution of the Offered Securities and Placement Units has been completed, the Company covenants and agrees with the Underwriters that the Company will advise the Underwriters, promptly after receiving notice or obtaining knowledge, of (a) the issuance by any Regulatory Authority of any order suspending or preventing the use of any of the Offering Documents; (b) the suspension of the qualification of the Offered Securities for distribution in any of the Qualifying Jurisdictions; (c) the institution, threatening or contemplation of any proceeding for any of those purposes; or (d) any requests made by any Regulatory Authority for amendments or supplements to the Amended and Restated Preliminary Prospectus, the Final Prospectus or for additional information, and will use their commercially reasonable efforts to prevent the issuance of any such order and, if any such order is issued, to obtain the withdrawal of the order as quickly as possible.
- (3) Until the distribution of the Offered Securities and Placement Units has been completed, the Company covenants and agrees with the Underwriters that the Company will not at any time, directly or indirectly, take any action intended, or which might reasonably be expected, to cause or result in, or which will constitute, stabilization or manipulation of the price of the securities of the Company to facilitate the sale or resale of any of the Offered Securities, Placement Units or otherwise.
- (4) The Company will apply the proceeds from the issue and sale of the Offered Securities and Placement Units in accordance with the disclosure set out under the heading "Use of Proceeds" in the Final Prospectus.
- (5) The Company will use its commercially reasonable efforts to promptly do, make, execute, deliver or cause to be done, made, executed or delivered, all such acts, documents and things as the Underwriters may reasonably require from time to time for the purpose of giving effect to this Agreement and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.

Section 9 Conditions of Closing

- (1) The obligation of the Underwriters to purchase the Offered Securities from the Company in the Qualifying Jurisdictions, and the purchase of the Placement Units in the Placement Jurisdictions will be subject to the following conditions, which conditions may be waived in writing in whole or in part by the Underwriters:
 - (a) the Underwriters will have received a favourable legal opinion from Norton Rose Canada LLP, Canadian counsel to the Company, dated and

delivered on the Closing Date and any Over-Allotment Closing Date, in form and substance satisfactory to the Underwriters and their counsel, acting reasonably (and such counsel may rely upon or arrange for separate deliveries of opinions of local counsel where such counsel deems such reliance or delivery proper as to the laws of any jurisdiction other than Canada and the provinces of Ontario and Alberta and may rely, as to matters of fact, on certificates of auditors, public officials and officers of the Company) which will state the following:

- (i) the Company is a corporation incorporated and validly existing under the laws of Canada and has all requisite corporate power to own and lease its properties and assets and to conduct its business as described in the Final Prospectus, and to carry out the Offering, the Concurrent Private Placement and transactions contemplated hereby under the laws of its jurisdiction of incorporation;
- (ii) the authorized capital of the Company consists of an unlimited number of Common Shares, of which 121,535,043 Common Shares are issued and outstanding as fully paid and non-assessable;
- (iii) the Company has all necessary corporate power and capacity to execute and deliver this Agreement and the Warrant Indenture and perform its obligations under this Agreement and the Warrant Indenture (including without limitation, the grant of the Over-Allotment Option and the issuance of the Offered Securities and the Placement Units);
- (iv) each of the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus and any Supplemental Material, and the execution and filing of each of the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus and any Supplemental Material, with the Securities Commissions have been duly approved and authorized by all necessary corporate action on the part of the Company, and each of the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus and any Supplemental Material has been duly executed by and on behalf of the Company;
- (v) all necessary corporate action has been taken by the Company to authorize the creation and issue of the Offered Shares and the Placement Shares and, upon the payment in full therefor, the Offered Shares and the Placement Shares will be validly issued and outstanding as fully paid and non-assessable shares of the Company;
- (vi) all necessary corporate action has been taken by the Company to authorize the creation and issue of the Offered Warrants and the Placement Warrants;

- (vii) all necessary corporate action has been taken by the Company to authorize the creation and issue of the Underlying Shares and, upon the due exercise of the Offered Warrants and the Placement Warrants, as applicable, in accordance with their terms and the payment in full for the Underlying Shares, the Underlying Shares will be validly issued and outstanding as fully paid and non-assessable shares of the Company;
- (viii) no order, consent, approval, licence, authorisation or validation of or exemption by any government or public body or authority of Canada or any sub-division thereof is required to authorise or is required in connection with the execution, delivery, performance and enforcement of this Agreement and the Warrant Indenture;
- (ix) the attributes of the Offered Shares, the Placement Shares and the Underlying Shares are consistent in all material respects with the description thereof contained under the heading “Description of Securities Being Distributed” in the Final Prospectus;
- (x) the execution and delivery by the Company of this Agreement, the Warrant Indenture, the Offered Warrants and the Placement Warrants and the performance by the Company of its obligations under this Agreement, the Warrant Indenture, the Offered Warrants and the Placement Warrants have been authorized by all necessary corporate action on the part of the Company, and this Agreement, the Warrant Indenture, the Offered Warrants and the Placement Warrants have been duly executed and delivered by the Company and constitutes legal, valid and binding obligations of the Company enforceable against it in accordance with its terms under the laws of the Province of Ontario and the federal laws of Canada applicable therein, except as enforcement thereof may be limited by bankruptcy, insolvency, fraudulent conveyance, moratorium or other similar laws affecting the enforcement of creditors’ rights generally and subject to the qualifications that equitable remedies may be granted only in the discretion of a court of competent jurisdiction and that rights of indemnity, contribution and waiver and the ability to sever unenforceable terms may be limited by applicable law;
- (xi) all necessary documents have been filed, all requisite proceedings have been taken and all other legal requirements have been fulfilled by the Company or under applicable Securities Laws in Canada to: (i) qualify the Offered Securities for distribution and sale to the public in each of the Qualifying Jurisdictions, and to permit the sale and delivery of the Offered Securities to the public in the Qualifying Jurisdictions, through registrants appropriately registered under the applicable Securities Laws of each such Qualifying Jurisdictions and who have complied with all relevant provisions of such laws and the terms of their registrations;

- (xii) no prospectus or registration pursuant to the prospectus and registration requirements of the Securities Laws in the Qualifying Jurisdictions will be required and no other document will be required to be filed, no proceeding will be required to be taken and no approval, permit, consent or authorization of any regulatory authority will be required to be obtained under the Securities Laws in the Qualifying Jurisdictions to permit the issue and delivery by the Company of the Warrant Shares and Over-Allotment Warrant Shares upon the due exercise of the Warrants an the Over-Allotment Warrants, respectively, except for such filings, approvals, permits, consents or authorizations which have been obtained (or will be obtained prior to the Time of Closing or the Over-Allotment Time of Closing, as applicable;)
- (xiii) no prospectus will be required, no other document will be required to be filed, no proceeding will be required to be taken and no approval, permit, consent, order or authorization of any regulatory authority will be required to be obtained under the Securities Laws in the Qualifying Jurisdictions to permit the first trade of the Warrant Shares and Over-Allotment Warrant Shares through a registrant properly registered under such Securities Laws in the Qualifying Jurisdictions in compliance therewith provided that:
 - (A) such trade is not a “control distribution” (as such term is defined in National Instrument 45-102 – *Resale of Securities*); and
 - (B) the Company is a “reporting issuer” (as defined under applicable Securities Laws) at the time of such trade.
- (xiv) the Company is a “reporting issuer” in each of the Qualifying Jurisdictions and is not included on a list of defaulting reporting issuers maintained by the Securities Commission where such a list is maintained;
- (xv) the TSX has conditionally approved the listing of the Offered Shares, the Placement Shares and the Underlying Shares, subject to the Company fulfilling all of the requirements of the TSX on or before the applicable time period set forth in the conditional listing approval letter from the TSX;
- (xvi) the form and terms of the certificate for the Offered Shares, the Placement Shares, the Offered Warrants and the Placement Warrants (i) have been approved and adopted by the directors of the Company, (ii) comply with all applicable requirements of the TSX and (iii) do not conflict with the constitutional documents of the Company;
- (xvii) the execution and delivery of this Agreement, the Warrant Indenture, the Offered Warrants and the Placement Warrants by

the Company and the performance by the Company of its obligations hereunder and thereunder do not constitute or result in a breach of or default under, or after notice or a lapse of time or both, will not result in a breach of or default under, and do not conflict with:

- (A) any applicable laws of Canada;
 - (B) the constitutional documents of the Company or any resolutions of the shareholders or directors (or any committee thereof) of the Company; or
 - (C) of which counsel is aware, any judgment, decree or order, of any court, governmental agency or body or regulatory authority having jurisdiction over the Company or its properties or assets;
- (xviii) the Offered Securities are eligible investments under the statutes set out under the section in the Final Prospectus entitled “Eligibility for Investment”;
- (xix) confirming its opinions contained in the section in the Final Prospectus entitled “Certain Canadian Federal Income Tax Considerations”; and
- (xx) such other matters as the Underwriters may reasonably request;
- (b) if any of the Placement Units are sold to Persons within the United States, the Underwriters will have received from Norton Rose LLP, United States counsel to the Company a favourable legal opinion dated as of and delivered on the Closing Date in form and substance satisfactory to the Underwriters and its counsel, acting reasonably, to the effect that no registration of the Placement Units under the U. S. Securities Act is required for the offer, sale and delivery of the Placement Units in the United States provided that such offers and sales are made in accordance with this Agreement, including Schedule A;
- (c) the Underwriters will have received favourable title opinions, in agreed form, from local counsel to the Company in Liberia with respect to the Bea Mining Licence and the Bea MDA;
- (d) the Underwriters receiving at the Time of Closing and at any Over-Allotment Time of Closing favourable local opinions from legal counsel(s) to the Company in Liberia acceptable to the Underwriters, regarding Bea in a form acceptable to counsel to the Underwriters, acting reasonably, to the effect set out below:
- (i) the Company is the beneficial owner and registered holder of all of the outstanding securities of Bea as described in the Final Prospectus;

- (ii) Bea has been incorporated and existing under its jurisdiction of incorporation;
 - (iii) Bea has the corporate capacity and power to own and lease its properties and assets and to conduct its business as described in the Prospectus; and
 - (iv) as to the authorized and issued share capital of Bea and to the ownership thereof;
- (e) the Underwriters will have received certificates dated the Closing Date and the date of any Over-Allotment Closing Date signed by those senior officers of the Company as may be acceptable to the Underwriters, acting reasonably, in form and content satisfactory to the Underwriters, acting reasonably, with respect to:
 - (i) the constating documents of the Company;
 - (ii) the resolutions of the board of directors of the Company relevant to the approval of the Offering Documents, the issue and sale of the Offered Securities and the Placement Units, the approval of the distribution of the Offered Securities and Placement Units by the Underwriters, the listing of the Offered Shares, the Placement Shares and the Underlying Shares on the TSX and admission to trading of the Offered Shares, the Placement Shares and the Underlying Shares on AIM, the execution of this Agreement, the Warrant Indenture, the Offered Warrants, the Placement Warrants and matters ancillary thereto; and
 - (iii) the incumbency and signatures of signing officers of the Company;
- (f) the Underwriters will have received from BDO LLP a comfort letter, dated the Closing Date and any Over-Allotment Closing Date, in form and substance satisfactory to the Underwriters, acting reasonably, bringing forward to the date which is two Business Days prior to the Closing Date or any Over-Allotment Closing Date, as applicable, the information contained in the comfort letter referred to in subsection 4(3)(d);
- (g) the Company will have delivered to the Underwriters, at the Time of Closing and at any Over-Allotment Time of Closing, a certificate dated the Closing Date or the Over-Allotment Closing Date, as applicable, addressed to the Underwriters and signed by the Chief Executive Officer of the Company and the Chief Financial Officer of the Company, certifying for and on behalf of the Company, after having made due inquiries, with respect to the following matters:
 - (i) the Company has complied with all the covenants and satisfied all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Time of Closing or the Over-Allotment Time of Closing, as applicable, except to the

extent that the same have been waived by the Underwriters pursuant hereto;

- (ii) subsequent to the date as at which information is given in the Final Prospectus, no transaction out of the ordinary course of business, material to the Company, taken as a whole, has been entered into by the Company or its Material Subsidiaries or has been approved by the management of any of them, which has or would result in a Material Adverse Effect;
- (iii) the representations and warranties of the Company contained in this Agreement, and in any certificates of the Company delivered pursuant to or in connection with this Agreement, are true and correct as at the Time of Closing or the Over-Allotment Time of Closing, as applicable, with the same force and effect as if made on and as at the Time of Closing, after giving effect to the transactions contemplated by this Agreement;
- (iv) no order, ruling or determination having the effect of ceasing the trading or suspending the sale of the Offered Securities or Placement Units has been issued and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened by any regulatory authority; and
- (v) as to such other matters as the Underwriters may reasonably request;

and all of those matters will in fact be true and materially correct as at the Time of Closing or the Over-Allotment Time of Closing, as applicable;

- (h) all actions required to be taken by or on behalf of the Company, including the passing of all requisite resolutions of the board of directors of the Company, the Application having been made by or on behalf of the Company, and all requisite filings with Governmental Bodies and Regulatory Authorities will have occurred at or prior to the Time of Closing so as to validly authorize the execution and filing of the Preliminary Prospectus, the Final Prospectus and any Supplementary Material;
- (i) the Company allotting and issuing the Offered Shares and the Placement Shares;
- (j) the Company delivering the Application to RBC, in its capacity as the Company's nominated advisor;
- (k) the Offered Shares, the Placement Shares and the Underlying Shares will have been listed on the TSX effective as of the Closing Date and at any Over-Allotment Closing Date, subject only to the Standard Listing Conditions;

- (1) the Underwriters will have received such other certificates, opinions, agreements, materials or documents in form and substance satisfactory to the Underwriters and their counsel as the Underwriters and their counsel may reasonably request prior to the Time of Closing and any Over-Allotment Time of Closing.
- (2) The Company will notify the Underwriters promptly of any event which may cause any of the conditions set out in subsection 9(1) not to be capable of satisfaction in accordance with its terms.

Section 10 Closing

- (1) The closing of the Offering and the Concurrent Private Placement will be completed at the Time of Closing and at any Over-Allotment Time of Closing at the offices of Norton Rose Canada LLP in Toronto, Ontario, or at any other place determined in writing by the Company and the Underwriters.
- (2) The Company will deliver to the Underwriters, subject to the following and to subsection 10(7), (i) one or more definitive certificates representing in aggregate the Offered Shares, registered in the name of CDS & Co., or in such name or names as the Underwriters shall notify the Company in writing not less than 24 hours prior to the Time of Closing and any Over-Allotment Time of Closing; (ii) with respect to the Offered Warrants and Placement Warrants, one or more definitive certificates representing in aggregate the Offered Warrants and Placement Warrants, registered in such name or names as the Underwriters shall notify the Company in writing not less than 24 hours prior to the Time of Closing and any Over-Allotment Time of Closing; (iii) with respect to Placement Shares that are to be placed with investors who request to receive their Placement Shares through the CREST System, the Company will ensure that depository interests in respect of the Placement Shares are, if requested by the Underwriters and subject to such additional documentation and assistance being provided to the Company by the Underwriters in connection therewith as the Company may reasonably request, delivered into the CREST System provided always that any such depository interests or Placement Shares to be so delivered shall to the extent delivered to the Underwriters prior to Closing of the purchase and sale of the Placement Shares at all times be held up to such Closing by the Underwriters as agents for the Company; and (iv) with respect to Placement Shares that are to be placed with investors who do not request to receive their Placement Shares through the CREST system, one or more definitive certificates representing in aggregate such Placement Shares, registered in such name or names as the Underwriters shall notify the Company in writing not less than 24 hours prior to the Time of Closing.
- (3) Delivery of Offered Securities and Placement Units will be made against payment by the Underwriters of the purchase price for such Offered Securities and Placement Units, net of the Underwriters' Fee and the Placement Fee, as applicable, and the Underwriters' expenses payable by the Company pursuant to Section 14 and 15 (as applicable) by wire transfer of immediately available (same day) funds to such account or accounts of the Company as the Company shall direct, or by such other manner of payment as may be agreed to by the Company and the Underwriters, each acting reasonably. The directions referred to in this

subsection 10(4) shall be delivered to the Underwriters in writing not less than 24 hours prior to the Time of Closing and any Over-Allotment Time of Closing.

- (4) At or prior to the Time of Closing and any Over-Allotment Time of Closing, the Underwriters shall have received all of the certificates, opinions, agreements, materials or other documents specified in subsection 9(1). Such certificates, opinions, agreements, materials and other documents, and the securities and purchase price specified in subsections 10(4) and 10(5) may be delivered prior to the Time of Closing and any Over-Allotment Time of Closing and held in escrow, to be released upon the conditions agreed among the Underwriters and the Company.
- (5) If the Company determines to issue the Offered Shares as a book-entry only security in accordance with the rules and procedures of the Canadian Depository for Securities Limited (“CDS”), then, as an alternative to the Company delivering to the Underwriters definitive certificates representing the Offered Securities in the manner and at the times set forth in this Section 10:
 - (a) the Underwriters will provide directions to CDS with respect to the crediting of the Offered Shares to the accounts of the participants of CDS as shall be designated by the Underwriters in writing in sufficient time prior to the Closing Date and any Over-Allotment Closing Date to permit such crediting; and
 - (b) the Company shall cause the Transfer Agent, to deliver to CDS, on behalf of the Underwriters, one or more fully registered global certificate for the Offered Shares to be purchased hereunder, registered in the name of “CDS & Co.” as the nominee of CDS, to be held by CDS as a book-entry only security in accordance with the rules and procedures of CDS.
- (6) The Company shall pay all fees and expenses payable to the Transfer Agent or CDS in connection with the sale of the Offered Securities and Placement Units contemplated by this Section 10 and the fees and expenses payable to the Transfer Agent or CDS in connection with the initial or additional transfers as may be required in the course of the distribution of the Offered Securities and Placement Units provided always that the Company shall not be liable for any stamp duty reserve tax or similar transfer duty or tax payable on the transfer or sale of any of the Offered Securities, Placement Units or depository interests.
- (7) The Underwriters shall remit the net purchase price for the Offered Securities in Canadian dollars and the net purchase price for the Placements Units in British Pounds Sterling.
- (8) The Company undertakes to the Underwriters that it will procure that Admission of the Offered Shares, the Placement Shares and the Underlying Shares occurs as soon as practicable on the Closing Date and any Over-Allotment Closing Date, but for greater certainty, after the Time of Closing and the Over-Allotment Time of Closing, as applicable, and the Underwriters shall give the Company all such assistance as it is reasonably able in that regard and as the Company may reasonably request.

Section 11 Restrictions on Further Issues or Sales

During the period commencing on the date of this Agreement and ending on the day which is 90 days following the Closing Date, the Company and its directors and officers will not, without the prior written consent of the Co-Lead Underwriters, whose consent shall not be unreasonably withheld or delayed, issue, agree to issue, sell, grant any option for the sale of, or otherwise dispose or monetize, or offer to announce any intention to do so, in a public offering or by way of private placement or otherwise, any Common Shares or any securities convertible or exchangeable into Common Shares, other than: (a) the sale of Offered Securities pursuant to this Agreement; (b) the grant of stock options in the normal course pursuant to any stock option plan of the Company existing on the Closing Date; (c) the issue of securities of the Company upon the conversion, exercise or exchange of convertible, exercisable or exchangeable securities of the Company existing on the Closing Date or upon the exercise of stock options subsequently granted as permitted in subsection (b) of this section above; and (d) any issuance of Common Shares or other securities pursuant to any arm's length property or share acquisition or in connection with any business combination, merger, plan of arrangement, take over or similar transaction that results in a change of control of the Company, provided that notice of any such issue is provided to the Co-Lead Underwriters, on behalf of the Underwriters.

Section 12 Indemnification

- (1) The Company will (subject to subsection 12(4)) protect, hold harmless and indemnify each of the Underwriters and each of their subsidiaries and affiliates and each of their respective directors, officers, employees, partners, agents, each other person, if any, controlling each Underwriter or any of its subsidiaries, affiliates and each shareholder of each Underwriter, and the successors and assigns of all the foregoing persons (collectively, the "**Indemnified Parties**" and individually an "**Indemnified Party**") from and against all losses (other than losses of profit in connection with the distribution of the Offered Securities and Placement Units), claims, damages, liabilities, costs and expenses, including, without limitation, all amounts paid in reasonable settlement of actions or to satisfy judgments or awards and all reasonable legal fees and expenses (collectively, a "**Claim**") caused by or arising directly or indirectly by reason of:
 - (a) any breach of or default under any representation, warranty, covenant or agreement of the Company in this Agreement or any other document or certificate to be delivered by the Company pursuant hereto or the failure of the Company to comply with any of its obligations hereunder or thereunder;
 - (b) any information or statement (except for any information or statement relating solely to the Underwriters and furnished by the Underwriters specifically for use in such documents) contained in any of the Offering Documents or the Announcements 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 for any information and statements relating solely to the Underwriters and furnished by the Underwriters specifically for use in such document) 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;

- (c) any statement (except for matters relating solely to the Underwriters and furnished by the Underwriters specifically for use in such statements) contained in any information or documents filed by or on behalf of the Company with the Securities Commissions in connection with the Offering in compliance, or intended compliance, with the Securities Laws until the date on which the distribution of Offered Securities and Placement Units is completed, which at the time and in the light of the circumstances in which it was made contained or is alleged to have contained a misrepresentation or was untrue, false or misleading;
- (d) any order made or any inquiry, investigation or proceeding instituted, threatened or announced by any court, securities regulatory authority, stock 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 solely to the Underwriters and furnished by the Underwriters specifically for use in such document) contained in any of the Offering Documents or the Announcements, preventing or restricting the trading in or the sale or distribution of the Offered Securities or Placement Units; or
- (e) the Company not complying with any requirement of any Securities Laws or applicable provision of U. S. Securities Laws or securities legislation of the United Kingdom (except to the extent that such non-compliance results solely from the actions of the Underwriters or their affiliates or representatives);

and will 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. This indemnity will be in addition to any liability which the Company may otherwise have (including, without limitation, under any engagement letter with any of the Underwriters).

- (2) The Company hereby waives its rights to recover contribution from the Underwriters (to the extent applicable) with respect to any liability of the Company by reason of or arising out of any misrepresentation in the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus, any Supplementary Material or any other part of the Public Record provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of any misrepresentation which is based upon information relating solely to the Underwriters contained in such document and furnished to the Company by the Underwriters in writing expressly for inclusion in the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus, any Supplementary Material or any other part of the Public Record.

(3) If any Claim contemplated by subsection 12(1) is asserted against any of the Indemnified Parties, or if any potential Claim contemplated by this section comes to the knowledge of any Indemnified Party, the Indemnified Party concerned will notify in writing the Company (hereinafter referred to as the “**Indemnifying Party**”), as soon as reasonably practicable, of the nature of the Claim (provided that any failure to so notify in respect of any potential Claim will not, subject to the following, affect the liability of the Indemnifying Party under this section and provided further that any failure to so notify in respect of any actual Claim will affect the liability of the Indemnifying Party under this section only to the extent that the Indemnifying Party is prejudiced by such failure). The Indemnifying Party will, 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 will be through legal counsel selected by the Indemnifying Party and acceptable to the Indemnified Party, acting reasonably, and no admission of liability will be made by the Indemnifying Party or the Indemnified Party without, in each case, the prior written consent of the Indemnified Party and the Indemnifying Party, in each case, which consent will not be unreasonably withheld. An Indemnified Party will have the right to employ separate counsel in any such suit and participate in its defence but the fees and expenses of that counsel will be at the expense of the Indemnified Party unless:

- (a) the Indemnifying Party fails to assume the defence of the suit on behalf of the Indemnified Party within ten days of receiving notice of the suit;
- (b) the employment of that counsel has been authorized by the Indemnifying Party;
- (c) the named parties to the suit (including any added or third parties) include the Indemnifying Party and any of the Indemnified Party and the Indemnified Party has been advised in writing by counsel that there are legal defences available to the Indemnified Party that are different or in addition to those available to the Indemnifying Party or that representation of the Indemnified Party by counsel for the Indemnifying Party is inappropriate as a result of the potential or actual conflicting interests of those represented;

(in each of subsections (a), (b) or (c), the Indemnifying Party will not have the right to assume the defence of the suit on behalf of the Indemnified Party, but, in any such event, the reasonable fees and expenses of such Indemnified Party’s counsel (on a solicitor and his client basis) shall be paid by the Indemnifying Party, provided that the Indemnifying Party shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees of more than one separate law firm for all such Indemnified Parties). Notwithstanding the foregoing, no settlement may be made by an Indemnified Party without the prior written consent of the Indemnifying Parties, which consent will not be unreasonably withheld.

(4) The rights of indemnity contained in subsection 12(1) will not enure to the benefit of the Underwriters if the provisions of Sections 4 and 5 herein have been

complied with and the Person asserting any claim contemplated by subsection 12(1) was not provided with a copy of the Final Prospectus or Supplementary Material, as the case may be, which corrects any untrue statement or information, misrepresentation (for the purposes of Securities Laws or any of them) or omission which is the basis of the Claim and which is required under Securities Laws to be delivered to that Person by the Underwriters or the other Selling Firms.

- (5) The Indemnifying Party waives any right it may have of first requiring an Indemnified Party to proceed against or enforce any other right, power, remedy or security or to claim payment from any other Person before claiming under the indemnity provided for in this Section 12. It is not necessary for an Indemnified Party to incur expense or make payment before enforcing such indemnity.
- (6) The Indemnifying Party hereby acknowledges and agrees that, with respect to Sections 12 and 13 of this Agreement, the Underwriters are contracting on their own behalf and as agents for their respective affiliates, directors, officers, employees, shareholders and Underwriter and its respective affiliates, directors, officers, employees, shareholders and Underwriter (collectively, the “Beneficiaries”). In this regard, the Underwriters will act as trustee for their respective Beneficiaries of the covenants of the Indemnifying Party under Sections 12 and 13 of this Agreement with respect to the Beneficiaries and accepts these trusts and will hold and enforce those covenants on behalf of their respective Beneficiaries.
- (7) If any Claim is brought in connection with the transactions contemplated by this Agreement and the Underwriters are required to testify in connection therewith or are required to respond to procedures designed to discover information relating thereto, the reasonable fees of the Underwriters at the normal per diem rate for their respective directors, officers, employees and Underwriter involved in preparation for, and attendance at, such proceedings or in so responding and any other reasonable costs and out-of-pocket expenses incurred by it in connection therewith will be paid by the Indemnifying Party as they are incurred.
- (8) The obligations under Sections 12 and 13 shall apply whether or not the transactions contemplated by this Agreement are completed and shall survive the completion of the transactions contemplated under this Agreement and the termination of this Agreement.
- (9) No provision in this Section 12 shall take effect in a manner which would thereby result in a breach by the Underwriters or any of its Indemnified Parties, of FSMA including, for the avoidance of doubt, any purported exclusion of liability which would be prohibited thereunder.

Section 13 Right of Contribution

- (1) In order to provide for just and equitable contribution in circumstances in which an indemnity provided in Section 12 of this Agreement 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 the Indemnified Parties or enforceable otherwise than in

accordance with its terms, the Indemnified Parties and the Indemnifying Party, as the case may be, will contribute to the aggregate of all claims, damages, liabilities, costs and expenses and all losses (other than losses of profits in connection with the distribution of the Offered Securities or Placement Units) of the nature contemplated in Section 12 of this Agreement:

- (a) in such proportion as is appropriate to reflect the relative benefits received by the Indemnifying Party on the one hand and any Indemnified Party on the other hand, from, in the case of the Indemnifying Party, the distribution of the Offered Securities or Placement Units and, in the case of the Indemnified Parties, the distribution of the Offered Securities or Placement Units; or
- (b) if the allocation provided by subsection (a) above is not permitted by applicable Law, in such proportion as is appropriate to reflect not only the relative benefits referred to in subsection (a) above but also the relative fault of the Indemnifying Parties on the one hand and the Underwriters on the other hand, in connection with the matters or things referred to in subsection 12(1) which resulted in such Claims, as well as any other relevant equitable considerations;

provided that the Indemnified Parties shall not in any event be liable to contribute, in the aggregate, any amount in excess of the total fee or any portion thereof actually received by them pursuant to this Agreement. The relative benefits received by the Indemnifying Party on the one hand and the Indemnified Parties on the other shall be deemed to be in the same ratio as the total proceeds from the distribution of the Offered Securities and Placement Units received by the Indemnifying Party is to the Underwriters' total fee received by the Underwriters pursuant to this Agreement. The relative fault of the Indemnifying Party on the one hand and of the Underwriters on the other hand shall be determined by reference to, among other things, whether the matters or things referred to in subsection 12(1) which resulted in such Claims relate to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Indemnifying Party, or to information supplied by or steps or actions taken or done or not taken or done by or on behalf of the Underwriters 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 in subsection 12(1). The parties agree that it would not be just and equitable if contribution pursuant to this subsection 13(1) were determined by any method of allocation that does not take into account the equitable considerations referred to above in this subsection 13(1).

- (2) For greater certainty, the Indemnifying Party will not have any obligation to contribute pursuant to this Section 13 in respect of any Claim except to the extent the indemnity given by them in Section 12 of this Agreement would have been applicable to that Claim in accordance with its terms, had that indemnity been found to be enforceable and available to the Indemnified Parties.
- (3) The rights to contribution provided in this section will be in addition to and not in derogation of any other right to contribution which the Indemnified Parties

may have by statute or otherwise at law, provided that subsections 13(1) and 13(1) will apply, mutatis mutandis, in respect of that other right.

- (4) To the extent that any party who has been determined by a court of competent jurisdiction in a final judgment to have engaged in any fraud, wilful default, fraudulent misrepresentation, negligence, wilful misconduct or reckless disregard in connection with any Claim such party will cease to be entitled to claim indemnity under subsection 12(1) or contribution under subsection 13(1) from any Person who has not also been determined by a court of competent jurisdiction in a final judgment to have engaged in that fraud, wilful default, fraudulent misrepresentation, negligence, wilful misconduct or reckless disregard (provided that for greater certainty, an Underwriter's failure to conduct such reasonable investigation as to provide reasonable grounds for a belief that the Prospectus contained no misrepresentation (or, colloquially, to permit the Underwriter to sustain a "due diligence defence" under Securities Laws) shall not constitute "negligence" for purposes of this subsection 13(4) or otherwise disentitle an Indemnified Person from claiming indemnification).

Section 14 Underwriters' Fees and Placement Fees

In consideration of the services to be rendered by the Underwriters in connection with the purchase and sale of the Offered Securities and Placement Units, the Company agrees to (i) pay to the Underwriters at the Time of Closing and at any Over-Allotment Time of Closing a cash fee equal to 5% of the purchase price for each Offered Security placed by the Underwriters (including any Offered Securities issued and sold pursuant to the exercise of the Over-Allotment Option and any Offered Securities purchased by the Underwriters as principal, if any), or \$0.04 per Firm Unit to be paid from the gross proceeds of the sale of the Offered Securities placed by the Underwriters (the "**Underwriters' Fee**"); and (ii) pay to the Underwriters at the Time of Closing a cash fee equal to 5% of the purchase price for each Placement Unit placed by the Underwriters in the Concurrent Private Placement, or £0.025 per Placement Unit to be paid from the gross proceeds of the sale of the Placement Units placed by the Underwriters (the "**Placement Fee**"). The obligations of the Company to pay the Underwriters' Fee and the Placement Fee shall arise at the Time of Closing or the Over-Allotment Closing Date, as applicable, and the Underwriters' Fee and Placement Fee shall be fully earned by the Underwriters at that time.

Section 15 Expenses

Whether or not the purchase and sale of the Offered Securities pursuant to this Agreement and the Concurrent Private Placement is completed, the Company shall be liable for all expenses of or incidental to the purchase, sale, delivery and distribution of the Offered Securities (including any Offered Securities issued and sold pursuant to the exercise of the Over-Allotment Option and any Offered Securities purchased by the Underwriters as principal, if any), and Placement Units and of or incidental to all matters in connection with the transactions set out in this Agreement including, without limitation:

- (a) reasonable fees, expenses and disbursements of the Underwriters' counsel up to a maximum of £85,000 (excluding disbursements and applicable tax) and the out-of-pocket expenses reasonably incurred by or

on behalf of the Underwriters including, without limitation, any advertising, printing, courier, telecommunications, data search, roadshow presentations, travel or other expenses, provided that the prior written consent of the Company is required to the extent such out-of-pocket expenses will exceed £10,000;

- (b) fees and expenses payable in connection with the qualification for distribution of the Offered Securities under applicable Securities Laws and the listing and admission to trading of the Offered Shares, the Placement Shares and the Underlying Shares on the TSX and AIM respectively;
- (c) the fees and expenses of the auditors of the Company, and Canadian and foreign counsel to the Company;
- (d) all costs incurred in connection with the preparation, filing and printing of the Offering Documents and any certification costs; and
- (e) all fees and expenses of the Transfer Agent and CDS;

including Canadian federal goods and services tax, provincial sales tax, value added tax or other similar tax eligible in respect of any of the foregoing.

Section 16 All Terms to be Conditions

The Company agrees that the conditions contained in Section 9 of this Agreement will be complied with insofar as they relate to acts to be performed or caused to be performed by the Company and that it will use its best efforts to cause all of those conditions to be complied with insofar as they relate to acts to be performed or caused to be performed by the Company. Each certificate required to be provided in accordance with the terms of this Agreement, signed by any officer or officers of the Company and delivered to the Underwriters or their counsel, will constitute a representation and warranty by the Company to the Underwriters as to the matters covered thereby. All representations, warranties, covenants and other terms of this Agreement in respect of the Company will be and will be deemed to be conditions, and any breach or failure to comply with any of them or any of the conditions set out in Section 9 will entitle the Underwriters to terminate their obligations to offer the Offered Securities and Placement Units, by written notice to that effect given to the Company at or prior to the Time of Closing. It is understood that the Underwriters may waive, in whole or in part, or extend the time for compliance with, any of those terms and conditions without prejudice to the rights of the Underwriters in respect of any of those terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Underwriters any such waiver or extension must be in writing and signed by all Underwriters.

Section 17 Termination by Underwriters in Certain Events

- (1) Any Underwriter will also be entitled to resign as an Underwriter and terminate all of its obligations hereunder by written notice to that effect given to the Company at or prior to the Time of Closing or the Over-Allotment Time of Closing if:

- (a) any order to cease or suspend trading in any securities of the Company or prohibiting or restricting the distribution of any of the Offered Securities or Placement Units is made, or proceedings are announced, commenced or threatened for the making of any such order, by any Securities Commission or similar Regulatory Authority, any stock exchange or any other competent authority, and has not been rescinded, revoked or withdrawn;
- (b) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) in relation to the Company or its Material Subsidiaries is instituted or threatened or announced or any order is made by any Governmental Body having jurisdiction over the Company or its Material Subsidiaries (other than an inquiry, action, suit, investigation or proceeding or order based solely upon the activities or alleged activities of the Underwriter or any Selling Firm appointed by such Underwriter), which has not been rescinded, revoked or withdrawn and which, in the opinion of the Underwriter, acting reasonably, operates to prevent or materially restrict the distribution of the Offered Securities in any of the Qualifying Jurisdictions or the Placement Units in the Placement Jurisdictions under this Agreement or would prevent or materially restrict trading in the Offered Securities or Placement Units or would reasonably be expected to have a Material Adverse Effect or to materially adversely effect the market price or value of the Offered Securities or Placement Units or any of them;
- (c) there should occur any material change, change of a material fact, occurrence or event of the nature referred to in Section 5 or any development that would reasonably be expected to result in a material change or change of a material fact, or there should be discovered any previously undisclosed material fact required by Securities Laws to be disclosed in the Offering Documents or required to be disclosed therein to prevent any statement contained therein from being a misrepresentation or there should occur a change (other than a change related solely to information provided by any of the Underwriters) in a material fact contained in the Offering Documents, which in each case, in the opinion of the Underwriter, acting reasonably, has or would be expected to have a Material Adverse Effect or a material adverse effect on the market price or value of the Offered Securities or Placement Units;
- (d) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence or any Law or regulation or any international crisis, act of terrorism or outbreak of hostilities which, in the opinion of the Underwriter, acting reasonably, seriously adversely affects or may seriously adversely affect the financial markets in Canada, the United States or the United Kingdom or the business, operations or affairs of the Company and its subsidiaries, taken as a whole, or the market price, value of the Offered Securities, Placement Units or any of them; or
- (e) the Company shall be in material breach or default under or material non-compliance with any material representation, warranty, term or

condition of this Agreement that remains uncured for a period of one Business Day from the date of written notice thereof from the Underwriters.

- (2) If this Agreement is terminated by an Underwriter pursuant to subsection 17(1) of this Agreement, there will be no further liability on the part of such Underwriter to the Company or of the Company to such Underwriter, except in respect of any prior breach of this Agreement or any liability of the Company which may have arisen or may later arise under Sections 12, 13 and 15 of this Agreement.
- (3) The right of the Underwriters to terminate their obligations under this Agreement is in addition to all other remedies they may have in respect of any default, act or failure to act of the Company in respect of any of the matters contemplated by this Agreement.
- (4) If at any time prior to the Time of Closing and any Over-Allotment Time of Closing any of the Underwriters shall become aware that any of the representations or warranties given by the Company hereunder has become or is untrue, inaccurate or misleading in any material respect which in the reasonable opinion of such Underwriter is or will be material in relation to the distribution of the Offered Securities, such Underwriter may (without prejudice to any right to terminate its obligations under this Agreement pursuant to this Section 17) require the Company at its own expense to make or cause to be made such announcement and/or despatch such communication as such Underwriter may reasonably determine.

Section 18 Stabilization.

In connection with the distribution of the Offered Securities, the Underwriters and the other Selling Firms may effect transactions which stabilize or maintain the market price of the Common Shares at levels above those which might otherwise prevail in the open market, in compliance with Securities Laws. Those stabilizing transactions, if any, may be discontinued at any time.

Section 19 Obligations of the Underwriters to be Several

Subject to the terms and conditions hereof, the obligation of the Underwriters to purchase the Offered Securities and the Placement Units shall be several and not joint, nor joint and several. Each of the Underwriters shall be separately obligated to purchase only the percentage of the total number of Offered Securities and Placement Units not sold to substituted purchasers by the Underwriters as agents at the Closing Time and, if applicable, the Over-Allotment Securities at the Over-Allotment Option Closing Time set forth opposite their names as follows:

GMP Securities L.P.	42.5%
RBC Dominion Securities Inc.	42.5%
Clarus Securities Inc.	15.0%

If any one or more of the Underwriters shall not purchase its applicable percentage of the Firm Units or Placement Units at the Closing Time and, if applicable,

the Over-Allotment Securities at the Over-Allotment Option Closing Time, then the other Underwriters shall have the right, but shall not be obligated, to purchase all of the Firm Units and Placement Units at a price of \$0.80 per Firm Unit and £0.50 per Placement Unit, respectively, and if applicable, the Over-Allotment Securities at the price per Over-Allotment Security indicated in fifth paragraph of this Agreement, which would otherwise have been purchased by such non-purchasing Underwriters; the remaining Underwriters exercising such right shall purchase such Firm Units, Placement Units and Over-Allotment Securities *pro rata* to their respective percentages as set forth in this Section 19 or in such other proportions as they may otherwise agree. If such right is exercised, the remaining Underwriters shall have the right to postpone the Closing Date or Over-Allotment Option Closing Date, as applicable, for such period, not exceeding five Business Days and not exceeding 42 days from the date of receipt for the Prospectus in order that the required changes, if any, including in the Prospectus or in any other documents or arrangements may be effected. If such right is not exercised by the remaining Underwriters, each such remaining Underwriter shall not be liable for the obligations of the non-purchasing Underwriters under this Agreement. Nothing in this Section 19 shall oblige the Company to sell less than all of the aggregate amount of the Firm Units, Placement Units or Over-Allotment Securities.

Section 20 Notice

- (1) Any notice or other communication required or permitted to be given under this Agreement will be in writing and will be delivered to:

in the case of the Company:

Aureus Mining Inc.
Burleigh House
355 Strand
London WC2R 0HS
Attention: Chief Executive Officer
Facsimile No.: +44 (0)20 7010 7699

with a copy to:

Norton Rose Canada LLP
Royal Bank Plaza, South Tower
Suite 3800, 200 Bay Street
P.O. Box 84
Toronto, ON M5J 2Z4 Canada
Attention: Marvin Singer
Facsimile No.: +1 (416) 216-3930

in the case of GMP:

GMP Securities L.P.
Stratton House, 5 Stratton Street
London W1J 8LA
Attention: Mark Wellings
Facsimile No.: +44 (0) 207 647 2801

in the case of RBC:

RBC Dominion Securities Inc.
Thames Court, One Queenhithe
London EC4V 4DE
Attention: Gavin Ezekowitz
Facsimile No.: +44 (0)20 7332 0316

in the case of Clarus:

Exchange Tower
130 King St. West, Suite 3640
Toronto, ON M5X 1A9
Attention: John Jentz
Facsimile No.: +1 (416) 343-2799

with a copy to:

Stikeman Elliott LLP
Dauntsey House
4B Frederick's Place
London EC2R 8AB
Attention: Derek Linfield
Facsimile No.: +44 (0)20 7367 0160

The parties may change their respective addresses for notices by notice given in the manner set out above. Any notice or other communication will be in writing, and unless delivered personally to the addressee or to a responsible officer of the addressee, as applicable, will be given by facsimile and will be deemed to have been given when (i) in the case of a notice delivered personally to a responsible officer of the addressee, when so delivered; and (ii) in the case of a notice delivered or given by facsimile, on the first Business Day following the day on which it is sent.

Section 21 Miscellaneous

- (1) This Agreement will be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (2) The parties hereby irrevocably and unconditionally consent to and submit to the non-exclusive jurisdiction of the courts of Ontario for any actions, suits or proceedings arising out of or relating to this Agreement or the matters contemplated hereby (and agree not to commence any action, suit or proceeding relating thereto except in such courts) and further agree that service of any process, summons, notice or document by single registered mail to the address of the parties set forth in this Agreement shall be effective service of process for any action, suit or proceeding brought against any party in such court. The parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the matters contemplated hereby in the courts of Ontario and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.
- (3) Time will be of the essence of this Agreement and, following any waiver or indulgence by any party, time will again be of the essence of this Agreement.
- (4) The words "hereof", "hereunder" and similar phrases mean and refer to this Agreement.
- (5) All representations, warranties, covenants and agreements of the Company contained in this Agreement or contained in documents submitted pursuant to this Agreement and in connection with the transaction of purchase and sale contemplated by this Agreement will survive the purchase and sale of the Offered Securities and the Concurrent Private Placement and the termination of

this Agreement and will continue in full force and effect for the benefit of the Underwriters for a period of two years after the Closing Date, regardless of any subsequent disposition of the Offered Securities, Placement Units or any investigation by or on behalf of the Underwriters with respect thereto. The Underwriters will be entitled to rely on the representations and warranties of the Company contained in this Agreement or delivered pursuant to this Agreement notwithstanding any investigation which the Underwriters may undertake or which may be undertaken on the Underwriters' behalf.

- (6) Each of the parties to this Agreement will be entitled to rely on delivery of a facsimile copy or scanned pdf copy of this Agreement and acceptance by each party of any such facsimile or scanned pdf copy will be legally effective to create a valid and binding agreement between the parties to this Agreement in accordance with the terms of this Agreement.
- (7) This Agreement may be executed in any number of counterparts, each of which when so executed will be deemed to be an original and all of which, when taken together, will constitute one and the same agreement.
- (8) To the extent permitted by applicable Law, the invalidity or unenforceability of any particular provision of this Agreement will not affect or limit the validity or enforceability of the remaining provisions of this Agreement.
- (9) This Agreement constitutes the entire agreement between the Underwriters and the Company relating to the subject matter hereof and supercedes all prior agreements between the Underwriters and the Company.
- (10) The Company shall be entitled to and shall act on any notice, request, direction and other communication given or agreement entered into by or on behalf of the Underwriters by the Co-Lead Underwriters who shall represent the Underwriters and have authority to bind the Underwriters hereunder, except for any matters pursuant to Sections 12, 13, 16 and 17.
- (11) The Company acknowledges that the Underwriters and their respective affiliates carry on a range of businesses, including providing institutional and retail brokerage, investment advisory, research, investment management, securities lending and custodial services to clients and trading in financial products as agent or principal. The Company acknowledges that it is possible that the Underwriters and other entities in their respective groups that carry on those businesses may hold long or short positions in securities of companies or other entities, which are or may be involved in the transactions contemplated in this agreement and effect transactions in those securities for their own account or for the account of their respective clients. The Company agrees that these divisions and entities may hold such positions and effect such transactions without regard to the Company's interests under this Agreement.
- (12) The Company hereby acknowledges that the Underwriters are acting solely as the Company's Underwriters in connection with the purchase and sale of the Offered Securities and as agents in connection with the Concurrent Private Placement. The Company further acknowledges that the Underwriters are acting pursuant to a contractual relationship created solely by this Agreement entered

into on an arm's length basis, and in no event do the parties intend that the Underwriters act or be responsible as a fiduciary to the Company, its management, shareholders or creditors or any other Person in connection with any activity that the Underwriters may undertake or have undertaken in furtherance of such purchase and sale of the Company's securities, either before or after the date hereof. The Underwriters 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.

- (13) The terms and provisions of this Agreement will be binding upon and enure to the benefit of the Company, the Underwriters and their respective successors and assigns; provided that, except as otherwise provided in this Agreement, this Agreement will not be assignable by any party without the written consent of the others and any purported assignment without that consent will be invalid and of no force and effect.
- (14) The rights, powers and remedies of the Underwriters provided in this Agreement are in addition to and shall not be construed to limit, affect or prejudice any other right or remedy available to the Underwriters in statute, common law or otherwise.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

If this Agreement accurately reflects the terms of the transactions which we are to enter into and are agreed to by you, please communicate your acceptance by executing the enclosed copies of this Agreement where indicated and returning them to us.

Yours very truly,

GMP SECURITIES L.P.

By: (signed) "Mark Wellings"
Managing Director

RBC DOMINION SECURITIES INC.

By: (signed) "Gavin Ezekowitz"
Managing Director

CLARUS SECURITIES INC.

By: (signed) "John Jentz"
Managing Director

Accepted and agreed to by the undersigned effective as of November 2, 2012.

AUREUS MINING INC.

By: (signed) "David Reading"
Chief Executive Officer

By: (signed) "Paul Thomson"
Chief Financial Officer

SCHEDULE A

UNITED STATES OFFERS AND SALES

Capitalized terms used but not defined in this Schedule A shall have the meanings ascribed thereto in the underwriting agreement (the “**Underwriting Agreement**”) to which this Schedule A is attached. As used in this Schedule A, the following terms shall have the meaning indicated:

Foreign Issuer	means a “foreign issuer” as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule, it means any issuer which is: (a) the government of any country other than the United States or of any political subdivision of a country other than the United States; or (b) a Company or other organization incorporated or organized under the laws of any country other than the United States, except an issuer meeting the following conditions: (1) more than 50 percent of the outstanding voting securities of such issuer are directly or indirectly owned of record by residents of the United States; and (2) any of the following; (i) the majority of the executive officers or directors are United States citizens or residents, (ii) more than 50 percent of the assets of the issuer are located in the United States, or (iii) the business of the issuer is administered principally in the United States;
General Solicitation or General Advertising	means “general solicitation or general advertising”, as used under Rule 502(c) of Regulation D under the U.S. Securities Act, including 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;
Qualified Institutional Buyer	means a “qualified institutional buyer” as defined in Rule 144A;
Rule 144A	means Rule 144A adopted by the SEC under the U.S. Securities Act; and
Substantial U.S. Market Interest	means “substantial U. S. market interest” as that term is defined in Regulation S.
U.S. Placing Letter	means the placing letter delivered to U.S. Purchasers in connection with the Concurrent Private Placement

Representations, Warranties and Covenants of the Underwriters

The Underwriters acknowledge that the Placement Units have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold to any person within the United States except, pursuant to an exemption

from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, each Underwriter represents, warrants and covenants to the Company that:

1. It has offered, and will offer the Placement Units only in an Offshore Transaction in accordance with Rule 903 of Regulation S or in the United States as provided in paragraphs 2 through 11 below. Accordingly, neither the Underwriter, its U. S. Affiliate nor any persons acting on its or their behalf, has made or will make: (i) (except as permitted in paragraphs 2 through 11 below) any offer to sell or any solicitation of an offer to buy any of the Placement Units unless at the time the buy order was or will have been originated, the purchaser was outside the United States, or the Underwriter, the U. S. Affiliate and any person acting on its or their behalf, reasonably believed that such purchaser was outside the United States, or (ii) any Directed Selling Efforts in the United States with respect to the Placement Units.
2. It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Placement Units, except with its affiliates, any Selling Firm members or with the prior written consent of the Company. It shall require its U.S. Affiliate and each Selling Firm member to agree in writing, for the benefit of the Company, to comply with, and shall use its commercially reasonable efforts to ensure that U.S. Affiliate and each Selling Firm member complies with, the same provisions of this Schedule A as apply to the Underwriters as if such provisions applied to U.S. Affiliate and such Selling Firm member.
3. It and its affiliates, including its U.S. Affiliate, have not, either directly or through a person acting on its or their behalf, solicited and will not solicit offers for, and have not offered to sell and will not offer to sell, Placement Units in the United States by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of section 4(a)(2) of the U.S. Securities Act.
4. All offers and sales of Placement Units in the United States shall be made through the Underwriter's U.S. Affiliate in compliance with all applicable U.S. broker-dealer requirements. Such U.S. Affiliate is a duly registered broker-dealer with the SEC, and is a member in good standing with the Financial Industry Regulatory Authority, Inc. Such U.S. Affiliate is a Qualified Institutional Buyer.
5. Any offer, sale or solicitation of an offer to buy Placement Units that has been made or will be made in the United States was or will be made only to a person it reasonably believed at the time of any such offer and will believe at the time of any sale to be a Qualified Institutional Buyer who is acquiring the Placement Units (i) for its own account or (ii) for the account of a Qualified Institutional Buyer with respect to which it exercises sole investment discretion, in each case that has been informed that it is acquiring the Placement Units in a transaction that is exempt from registration under the U.S. Securities Act pursuant to Rule 144A, or another available exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act.

6. Prior to completion of any sale of Placement Units to persons in the United States (a "U.S. Purchaser") each U.S. Purchaser that is a Qualified Institutional Buyer purchasing Placement Units will be deemed to have provided the representations, warranties and covenants set forth in the U.S. Placing Letter and the Terms and Conditions of the Concurrent Private Placement set forth in the Company's press release issued as of November 1, 2012 regarding the Offering and the Concurrent Private Placement.
7. No written material will be used in connection with the offer or sale of the Placement Units in the United States.
8. At least one business day prior to the Closing Date, the Underwriter and its U.S. Affiliate will provide the Company with a list of all purchasers of the Placement Units in the United States.
9. On the Closing Date, each Underwriter (together with its U.S. Affiliate) that offered Placement Units in the United States will provide a certificate, substantially in the form of Exhibit I to this Schedule A, relating to the manner of the offer and sale of the Placement Units in the United States, or will be deemed to represent that neither it, its U.S. Affiliate or anyone acting on its or their behalf has offered or sold Placement Units in the United States.
10. Neither the Underwriter, its U. S. Affiliate or any person acting on its or their behalf (other than the Company, its affiliates and any person acting on 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 or that would cause the exemption relied upon by the Underwriters in connection with the offers and sales of Placement Units in the United States to be unavailable for such offers and sales in accordance with this Schedule A, or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Placement Units outside the United States in accordance with this Agreement.

Representations, Warranties and Covenants of the Company

The Company represents, warrants, covenants and agrees that:

1. The Company is a Foreign Issuer with no Substantial U.S. Market Interest in its Common Shares.
2. The Company is not, and as a result of the sale of the Placement Units contemplated hereby will not be, an open-end investment company, a unit investment trust or a face-amount certificate company registered or required to be registered or a closed end investment company required to be registered, but not registered under the United States Investment Company Act of 1940, as amended.
3. Neither the Company nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters, their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Placement Units to a person in the United States; or (B) any sale of Placement

Units unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States or (ii) the Company, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States.

4. During the period in which the Placement Units are offered for sale, neither it nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters, their respective affiliates or any person acting on their behalf, in respect of which no representation is made) has engaged in or will engage in any Directed Selling Efforts, or has taken or will take any action in violation of Regulation M under the U.S. Exchange Act or that would cause the exemption relied upon by the Underwriters in connection with the offers and sales of Placement Units in the United States to be unavailable for such offers and sales in accordance with this Schedule A, or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Placement Units outside the United States in accordance with this Agreement.
5. None of the Company, any of its affiliates or any person acting on its or their behalf (other than the Underwriters, their respective affiliates or any person acting on their behalf, in respect of which no representation is made) has offered or will offer to sell, or has solicited or will solicit offers to buy, the Placement Units in the United States by means of any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U. S. Securities Act.
6. Except with respect to the offer and sale of the Placement Units offered hereby, the Company has not, for a period of six months prior to the commencement of the offering of the Placement Units, sold, offered for sale or solicited any offer to buy any of its securities in the United States in a manner that would be integrated with the offer and sale of the Placement Units.
7. If the Company determines that it is a “passive foreign investment company” within the meaning of section 1297(a) of the Internal Revenue Code (the “Code”) during any calendar year following the purchase of Placement Units pursuant to this Underwriting Agreement by a Qualified Institutional Buyer, the Company shall, upon request, provide to the purchaser all information that would be required for income tax reporting purposes by a United States shareholder making an election to treat the Company as a “qualified electing fund” for the purposes of the Code.

EXHIBIT I TO SCHEDULE A
UNDERWRITER'S CERTIFICATE

In connection with the private placement in the United States of units of Aureus Mining Inc. (the "**Company**") pursuant to the Underwriting Agreement dated effective November 1, 2012 (the "**Underwriting Agreement**") among the Company, GMP Securities L.P. and certain other parties thereto, the undersigned do hereby certify that:

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

- (i) the Placement Units have been offered and sold in the United States only by our 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 U.S. Exchange Act and under the securities laws of each state in which such offers and sales were made (unless exempted from the respective state's broker-dealer registration requirements) and was and is a member in good standing with the Financial Industry Regulatory Authority, Inc.;
- (ii) all offers of Placement Units in the United States have been effected in accordance with all applicable federal and state laws and regulations governing the registration and conduct of securities brokers and dealers;
- (iii) immediately prior to transmitting the U.S. Placing Letter to such offerees, we had reasonable grounds to believe and did believe that each offeree was a Qualified Institutional Buyer, and, on the date hereof, we have reasonable grounds to believe and do believe that each person in the United States purchasing Placement Units from the Company is a Qualified Institutional Buyer;
- (iv) no written materials, other than the U.S. Placing Letter, were used by us in connection with the offer and sale of the Placement Units in the United States;
- (v) no form of General Solicitation or General Advertising was used by us in connection with the offer of the Placement Units in the United States, nor have we engaged, nor did we engage in any Directed Selling Effort in connection with the offer and sale of any of the Placement Units; and
- (vi) the offering of the Placement Units has been conducted by us through our U.S. Affiliate in accordance with the terms of the Underwriting Agreement, including Schedule A thereto.

Dated this _____ day of _____, 2012.

[UNDERWRITER]

[U.S. AFFILIATE]

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE B
Material Subsidiaries

Name	Jurisdiction of Incorporation	Par Value per Share	Authorized Share Capital	Issued and Outstanding Shares	Name of Shareholder(s)	Number of Shares Held by Shareholder(s)
Archaean Gold (Liberia) Inc.	Liberia	US\$1.00	100	100	Mano Gold (Liberia) Ltd.	100
Mano Gold Investments Ltd.	British Virgin Islands	US\$0.01	20,000,000	10,000,004	Aureus Mining Inc.	10,000,004
Mano Gold (Liberia) Ltd.	British Virgin Islands	US\$0.01	5,000,000	5,000,000	Mano Gold Investments Ltd.	5,000,000
African Aura Resources (CAM) Ltd.	Seychelles	US\$1.00	50,000	1	Mano Gold Investments Ltd.	1
Bea Mountain Mining Corporation	Liberia	No par value	100 Shares	100	Mano Gold (Liberia) Ltd.	100
African Aura Resources (Cameroun) SARL	Cameroon	5.000 CFA	300	300	African Aura Resources (CAM) Ltd.	300

**SCHEDULE C
Mining Rights**

Country	Licence	Percent Interest	Projects	Licence Area	Licence Expiry Date	Status
Liberia	Bea Mountain Class A Mining Licence	100	New Liberty	457km ²	29/07/2034 (renewable for additional terms not exceeding 25 years each)	Development
Liberia	Bea Mountain Mineral Development Agreement	100	<ul style="list-style-type: none"> • Weaju • Silver Hills • Gondoja • Ndablama 	457km ²	28/11/2026 (renewable for additional terms not exceeding 25 years each)	Exploration Exploration Exploration
Cameroon	Batouri Exploration Licence	100	Batouri	296.45km ²	15/03/2013 (renewable for 2 additional terms of 2 years each)	Exploration
Liberia	Archaean Gold (Liberia) Inc. Mineral Exploration License	100	Leopard Rock	89 km ²	29/12/2013 (entitled to 2 year extension if in compliance during initial term)	Exploration