

THE INTERTAIN GROUP LIMITED

- and -

CANACCORD GENUITY CORP.

- and -

CST TRUST COMPANY

SUBSCRIPTION RECEIPT AGREEMENT

**Providing for the Issuance of
Subscription Receipts**

Dated as of February 26, 2015

TABLE OF CONTENTS

Article 1 INTERPRETATION	2
1.1 Definitions	2
1.2 Headings	7
1.3 References.....	7
1.4 Certain Rules of Interpretation.....	7
1.5 Day Not a Business Day.....	7
1.6 Applicable Law	7
1.7 Conflict	7
1.8 Currency	7
1.9 Severability.....	8
1.10 Meaning of “outstanding” for Certain Purposes	8
Article 2 ISSUE OF SUBSCRIPTION RECEIPTS	8
2.1 Issue of Subscription Receipts	8
2.2 Payment Acknowledgement	9
2.3 Terms of Subscription Receipts.....	10
2.4 Fractional Subscription Receipts	10
2.5 Register for Subscription Receipts	10
2.6 Registers Open for Inspection	10
2.7 Receiptholder not a Shareholder	11
2.8 Subscription Receipts to Rank Pari Passu.....	11
2.9 Signing of Subscription Receipt Certificates	11
2.10 Authentication or Certification by the Subscription Receipt Agent.....	11
2.11 Issue in Substitution for Subscription Receipt Certificates Lost, etc.....	11
2.12 Exchange of Subscription Receipt Certificates	12
2.13 Transfer and Registration of Subscription Receipts in Certificated Form	13
2.14 Global Subscription Receipts.....	14
2.15 Funds to be Placed in Escrow	15
2.16 Subscription Receipts and Trading.....	16
2.17 Cancellation of Surrendered Subscription Receipt Certificates	16
Article 3 ISSUANCE OF UNDERLYING SHARES OR REFUND OF SUBSCRIPTION PRICE	16
3.1 Notice of Escrow Release Conditions.....	16
3.2 Release of the Escrowed Funds.....	16
3.3 Issue of Underlying Shares	17
3.4 Fractions	17
3.5 Payment on Termination	17
3.6 Additional Payments by the Corporation.....	18
3.7 Withholding	18
Article 4 ESCROWED UNDERWRITERS’ FEE AND EXPENSES	19
4.1 Balance of Underwriters’ Fee and Underwriters’ Expenses to be placed in Escrow.....	19
4.2 Release of Balance of Underwriters’ Fee and Underwriters’ Expenses	19

Article 5 INVESTMENT OF PROCEEDS AND PAYMENT OF INTEREST	19
5.1 Investment of Proceeds.....	19
5.2 Segregation of Proceeds.....	20
5.3 Third Party Interest.....	20
Article 6 ADJUSTMENT OF NUMBER OF COMMON SHARES.....	20
6.1 Definitions	20
6.2 Adjustment of Exchange Number	20
6.3 Exercise Number Adjustment Rules	23
6.4 Postponement of Adjustment.....	24
6.5 Notice of Certain Events.....	25
6.6 Protection of Subscription Receipt Agent	25
Article 7 RIGHTS OF THE CORPORATION AND COVENANTS.....	25
7.1 General Covenants	25
7.2 Subscription Receipt Agent’s Remuneration, Expenses and Indemnification.....	26
7.3 Performance of Covenants by Subscription Receipt Agent.....	26
7.4 Accounting	27
7.5 Payments by Subscription Receipt Agent.....	27
7.6 Regulatory Matters	27
7.7 Anti-Money Laundering & Privacy	27
7.8 Use of Accounts	28
Article 8 ENFORCEMENT.....	28
8.1 Suits by Receiptholders.....	28
8.2 Immunity of Shareholders.....	29
Article 9 MEETINGS OF RECEIPHOLDERS	29
9.1 Right to Convene Meetings	29
9.2 Notice.....	29
9.3 Chairman.....	29
9.4 Quorum	30
9.5 Power to Adjourn.....	30
9.6 Show of Hands.....	30
9.7 Poll and Voting	30
9.8 Regulations	31
9.9 Corporation and Subscription Receipt Agent may be Represented	31
9.10 Powers Exercisable by Special Resolution	31
9.11 Meaning of Special Resolution	33
9.12 Powers Cumulative	34
9.13 Minutes	34
9.14 Instruments in Writing.....	34
9.15 Binding Effect of Resolutions.....	34
Article 10 SUPPLEMENTAL AGREEMENTS AND SUCCESSOR PERSONS	35
10.1 Provision for Supplemental Agreements for Certain Purposes	35
10.2 Successor Persons	36
Article 11 CONCERNING THE SUBSCRIPTION RECEIPT AGENT.....	36
11.1 Rights and Duties of Subscription Receipt Agent.....	36

11.2	Evidence, Experts and Advisers	37
11.3	Securities, Documents and Monies Held by Subscription Receipt Agent.....	38
11.4	Actions by Subscription Receipt Agent to Protect Interest	39
11.5	Subscription Receipt Agent not Required to Give Security	39
11.6	Protection of Subscription Receipt Agent	39
11.7	Replacement of Subscription Receipt Agent; Successor by Merger	40
11.8	Conflict of Interest	41
11.9	Acceptance of Appointment.....	41
11.10	Subscription Receipt Agent Not to be Appointed Receiver	41
Article 12 GENERAL.....		42
12.1	Notice to the Corporation, Subscription Receipt Agent and the Underwriters	42
12.2	Notice to Receipholders	43
12.3	Ownership of Subscription Receipts	43
12.4	Satisfaction and Discharge of Agreement.....	43
12.5	Sole Benefit of Parties and Receipholders.....	44
12.6	Time of Essence.....	44
12.7	Counterparts	44
SCHEDULE A.....		A-1
SCHEDULE B.....		B-1

SUBSCRIPTION RECEIPT AGREEMENT

THIS SUBSCRIPTION RECEIPT AGREEMENT made as of the 26th day of February, 2015.

BETWEEN:

THE INTERTAIN GROUP LIMITED, a company incorporated pursuant to the laws of the Province of Ontario and includes any successor corporation (hereinafter referred to as the “**Corporation**”)

- and -

CANACCORD GENUITY CORP., as the lead underwriter under the Underwriting Agreement (as defined herein) providing for the issue and sale to investors of the Subscription Receipts (as defined herein) (hereinafter referred to as the “**Lead Underwriter**”)

- and -

CST TRUST COMPANY, a trust company existing under the laws of Canada (hereinafter referred to as the “**Subscription Receipt Agent**”)

WHEREAS the Corporation is proposing to issue and sell Subscription Receipts representing the right to receive Common Shares (as defined herein), on the terms and conditions described herein;

AND WHEREAS the Corporation is duly authorized to create, execute and issue the Subscription Receipts to be issued as herein provided;

AND WHEREAS the Corporation and the Lead Underwriter, on behalf of the Underwriters, have agreed that:

- (a) pending the release in accordance with the terms and conditions hereof, the Escrowed Funds (as defined herein), less 50% of the Underwriters’ Fee (as defined herein) and, if applicable 50% of the Over-Allotment Underwriter’s Fee (as defined herein), are to be delivered to and held by the Subscription Receipt Agent and invested on behalf of the Receiptholders (as defined herein), the Underwriters and the Corporation in the manner set forth herein;
- (b) on the Escrow Release Date (as defined herein), provided that the Escrow Release Conditions (as defined herein) occur on or before the Escrow Release Deadline (as defined herein), each Receiptholder shall automatically receive, without any further action required by such Receiptholder and without payment of any additional consideration, one Common Share for each Subscription Receipt held by the Receiptholder;
- (c) if Termination (as defined herein) occurs, this Agreement (as defined herein) and all issued and outstanding Subscription Receipts, shall be automatically terminated and cancelled and each Receiptholder shall, at the Termination Payment Time (as defined herein) be entitled to receive from the Corporation an

amount equal to the Subscription Price (as defined herein) in respect of such holder's Subscription Receipts together with such holder's *pro rata* share of Earned Interest (as defined herein), less applicable withholding taxes, if any;

AND WHEREAS all things necessary have been done and performed by the Corporation to make the Subscription Receipts, when certified by the Subscription Receipt Agent and issued as provided in this Agreement, legal, valid and binding obligations of the Corporation with the benefits and subject to the terms of this Agreement;

AND WHEREAS the Subscription Receipt Agent has agreed to act as agent on behalf of the holders of Subscription Receipts on the terms and conditions set forth in this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration mutually given and received, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed and declared as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement and the recitals, unless there is something in the subject matter or context inconsistent therewith or unless otherwise expressly provided, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) **"Agreement"** means this agreement, as amended, supplemented or otherwise modified from time to time in accordance with the provisions hereof;
- (b) **"Balance of the Underwriters' Fee"** means the remaining fifty percent (50%) of the Underwriters' Fee, and, if applicable, the remaining fifty percent (50%) of the Over-Allotment Underwriter's Fee, payable on the Escrow Release Date in accordance with the Underwriting Agreement;
- (c) **"Book-Based System"** means the book-based securities transfer system administered by CDS in accordance with its operating rules and procedures in force from time to time;
- (d) **"Business Day"** means any day which is not Saturday, Sunday or a statutory holiday in the province of Ontario or any other day on which businesses of the Subscription Receipt Agent and Canadian chartered banks are generally closed;
- (e) **"CDS"** means CDS Clearing and Depository Services Inc. and its successors in interest;
- (f) **"CDS Participant"** means a participant in the Book-Based System;
- (g) **"Common Shares"** means the common shares in the capital stock of the Corporation;

- (h) “**Convertible Securities**” means securities of the Corporation (other than the Subscription Receipts) convertible into or exchangeable for or otherwise carrying the right to acquire Common Shares;
- (i) “**Corporation**” has the meaning given to that term above;
- (j) “**Current Market Price**” at any date, means the weighted average price per Common Share on the TSX (or if not traded on any recognized market or exchange, as determined by the board of directors of the Corporation, acting reasonably) during the 20 consecutive trading days ending the fifth trading day before such date;
- (k) “**Designated Office**” means the stock transfer offices of the Subscription Receipt Agent from time to time in Toronto, Ontario;
- (l) “**Directors**” means the directors of the Corporation;
- (m) “**dividends**” means the dividends (payable in cash or securities, property or assets of equivalent value) declared payable on the Common Shares;
- (n) “**Earned Interest**” means the interest or other income actually earned, if any, on the investment of the applicable portion of the Escrowed Funds (or the reinvestment of such interest or other income) from the date hereof to, but not including, the earlier to occur of: (i) the Jackpotjoy Closing Date and, (ii) the Termination Date;
- (o) “**Entitlement Number**” means, at any time, that number of Underlying Shares that Receiptholders are entitled to receive for each Subscription Receipt held in accordance with the terms and conditions of this Agreement, as such number may be adjusted pursuant to Article 6 hereof, and such number, as at the date hereof, is equal to one Underlying Share per Subscription Receipt;
- (p) “**Escrow Account**” has the meaning attributed thereto in Section 2.2(a);
- (q) “**Escrow Release Conditions**” means the satisfaction or waiver of all conditions precedent to the Jackpotjoy Acquisition in accordance with the terms of the Jackpotjoy Agreement, without amendment or waiver materially adverse to the Corporation, but for the payment of the consideration under the Jackpotjoy Agreement and any other amounts required to be satisfied in part by the release of the Escrowed Funds;
- (r) “**Escrow Release Date**” means the date on which the Subscription Receipt Agent receives the Escrow Release Notice, the Underlying Shares have been issued to the Receiptholders, and the Escrowed Funds have been released to the Corporation and the Underwriters, as applicable, all in accordance with the terms of this Agreement;
- (s) “**Escrow Release Deadline**” means on or prior to May 6, 2015;
- (t) “**Escrow Release Notice**” has the meaning attributed thereto in Section 3.1;

- (u) **“Escrowed Funds”** means an amount equal to the aggregate Subscription Price for the Subscription Receipts issued on the Offering Closing Date (and if applicable, upon the exercise of the Over-Allotment Option), less 50% of the Underwriters’ Fee (and in the case of Over-Allotment Subscription Receipts purchased by the Underwriters prior to the Jackpotjoy Closing Date, 50% of the Over-Allotment Underwriters’ Fee), plus the Earned Interest thereon at any given time;
- (v) **“Fifty States”** means Fifty States Limited, a company incorporated pursuant to the laws of the Isle of Man;
- (w) **“Fifty States Shares”** means the issued and outstanding shares in the capital stock of Fifty States;
- (x) **“Gamesys”** means Gamesys Limited, a company incorporated pursuant to the laws of the United Kingdom;
- (y) **“Global Subscription Receipts”** has the meaning attributed thereto in Section 2.1(a);
- (z) **“Jackpotjoy Acquisition”** means the proposed acquisition by the Corporation of all of the Fifty States Shares pursuant to the Jackpotjoy Agreement;
- (aa) **“Jackpotjoy Agreement”** means the share purchase agreement dated February 5, 2015 between the Corporation and Gamesys pursuant to which the Corporation is to acquire all of the Fifty States Shares;
- (bb) **“Jackpotjoy Closing Date”** means the date on which the Jackpotjoy Closing occurs;
- (cc) **“Jackpotjoy Closing”** means the closing of the Jackpotjoy Acquisition;
- (dd) **“Lead Underwriter”** has the meaning given to that term above;
- (ee) **“Offering”** means the offering of Subscription Receipts pursuant to the Underwriting Agreement;
- (ff) **“Offering Closing Date”** means the date hereof;
- (gg) **“Over-Allotment Option”** means the over-allotment option granted to the Underwriters to purchase up to an additional 4,200,000 Subscription Receipts pursuant to the Underwriting Agreement;
- (hh) **“Over-Allotment Subscription Receipts”** means Subscription Receipts purchased by the Underwriters pursuant to the Over-Allotment Option;
- (ii) **“Over-Allotment Underwriters’ Fee”** means the Underwriters’ commission payable under the Underwriting Agreement with respect to Over-Allotment Subscription Receipts purchased by the Underwriters;

- (jj) “**person**” includes any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning;
- (kk) “**Receipholders’ Request**” means an instrument signed in one or more counterparts by Receipholders holding not less than 50% of the aggregate number of all Subscription Receipts then outstanding, requesting the Subscription Receipt Agent to take some action or proceeding specified therein;
- (ll) “**Receipholders**” or “**holders**” means persons who appear on the register of Subscription Receipts maintained pursuant to Section 2.5;
- (mm) “**Regulation S**” means Regulation S under the U.S. Securities Act;
- (nn) “**Shareholders**” means the registered holders from time to time of Common Shares;
- (oo) “**Subscription Price**” means the sum of \$15.00 per Subscription Receipt;
- (pp) “**Subscription Receipt Agent**” means CST Trust Company or its successors from time to time under this Agreement;
- (qq) “**Subscription Receipt Certificate**” means a certificate evidencing Subscription Receipts substantially in the form attached as Schedule A hereto, with such appropriate insertions, deletions, substitutions and variations as may be required or permitted by the terms of this Agreement or as may be required to comply with any law or the rules of any stock exchange;
- (rr) “**Subscription Receipts**” means the subscription receipts of the Corporation (including the Over-Allotment Subscription Receipts) issued and authenticated or certified, as applicable, hereunder and from time to time outstanding, each such Subscription Receipt evidencing the right to one Underlying Share as provided herein;
- (ss) “**Subsidiary of the Corporation**” means a corporation, commercial trust, partnership or other entity of which a majority of the outstanding voting shares are owned, directly or indirectly, by the Corporation or by one or more Subsidiaries of the Corporation and, as used in this definition, “**voting shares**” means shares of any class of any corporation or securities which represent a beneficial interest in a commercial trust, partnership or other entity ordinarily entitled to vote for the election of the majority of the directors of an entity irrespective of whether or not shares of any class or securities shall have or might have the right to vote for directors;
- (tt) “**Termination**” means the earliest to occur of any of the following events: (i) the Escrow Release Conditions failing to occur on or before the Escrow Release Deadline; or (ii) the Corporation notifies the Subscription Receipt Agent and the Lead Underwriter, on behalf of the Underwriters, that the Escrow Release Conditions will not be satisfied;

- (uu) “**Termination Date**” means, subject to Section 2.3, the date on which Termination occurs;
- (vv) “**Termination Payment Time**” means as soon as practically possible following the Termination Date, and in any event within five (5) Business Days following the Termination Date;
- (ww) “**TSX**” means the Toronto Stock Exchange;
- (xx) “**Underlying Shares**” means the Common Shares issuable to holders of Subscription Receipts upon conversion of the Subscription Receipts, without payment of additional consideration, on the Escrow Release Date;
- (yy) “**Underwriters**” means, collectively, the Lead Underwriter, together with Cormark Securities Inc., Dundee Securities Ltd., Mackie Research Capital Corporation, National Bank Financial Inc., Clarus Securities Inc., and Cantor Fitzgerald Canada Corporation;
- (zz) “**Underwriters’ Expenses**” means the expenses of the Underwriters payable by the Corporation pursuant to the Underwriting Agreement, including any amounts paid on retail selling concessions and selling group member sales, and such other expenses of the Underwriters relating to the closing of the Offering and the distribution of the Subscription Receipts;
- (aaa) “**Underwriters’ Fee**” means the Underwriters’ commission payable to the Underwriters under the Underwriting Agreement with respect to Subscription Receipts purchased by the Underwriters on the date hereof;
- (bbb) “**Underwriting Agreement**” means the underwriting agreement entered into on February 11, 2015, between the Underwriters and the Corporation in respect of the Offering;
- (ccc) “**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (ddd) “**U.S. Person**” means a “U.S. person”, as defined in Rule 902(k) of Regulation S promulgated under the U.S. Securities Act;
- (eee) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended; and
- (fff) “**written direction of the Corporation**”, “**written request of the Corporation**” and “**certificate of the Corporation**” and any other document required to be signed by the Corporation, means, respectively, a written direction, order, request, consent, certificate or other document signed in the name of the Corporation by any officer or director and may consist of one or more instruments so executed.

1.2 Headings

The headings, the table of contents and the division of this Agreement into Articles, Sections and Subsections are for convenience of reference only and shall not affect the interpretation of this Agreement.

1.3 References

Unless otherwise specified in this Agreement:

- (a) references to Articles, Sections, Subsections and Schedules are to Articles, Sections, Subsections and Schedules in this Agreement; and
- (b) “**hereto**”, “**herein**”, “**hereby**”, “**hereunder**”, “**hereof**” and similar expressions, without reference to a particular provision, refer to this Agreement.

1.4 Certain Rules of Interpretation

Unless otherwise specified in this Agreement:

- (a) the singular includes the plural and vice versa; and
- (b) references to any gender shall include references to all genders.

1.5 Day Not a Business Day

In the event that any day on or before which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken at or before the requisite time on the next succeeding day that is a Business Day with the same force and effect as if taken within the period for the taking of such action.

1.6 Applicable Law

This Agreement and the Subscription Receipts shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

1.7 Conflict

In the event of a conflict or inconsistency between a provision in the body of this Agreement and in any Subscription Receipt Certificate issued hereunder, the provision in the body of this Agreement shall prevail to the extent of the inconsistency.

1.8 Currency

All dollar amounts expressed in this Agreement and in the Subscription Receipts are in lawful money of Canada and all payments required to be made hereunder and thereunder shall be made in Canadian dollars.

1.9 Severability

Each of the provisions in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any of the other provisions hereof.

1.10 Meaning of “outstanding” for Certain Purposes

Subject to the terms of this Agreement, any Subscription Receipt Certificate countersigned and delivered by the Subscription Receipt Agent hereunder shall be deemed to be outstanding until it has been surrendered to the Subscription Receipt Agent pursuant to this Agreement, provided however that:

- (a) where a Subscription Receipt Certificate has been issued in substitution for a Subscription Receipt Certificate that has been lost, stolen or destroyed, only the Subscription Receipt Certificate so issued in substitution shall be counted for the purpose of determining the Subscription Receipts outstanding; and
- (b) for the purpose of any provision of this Agreement entitling holders of outstanding Subscription Receipts to vote, sign consents, requests or other instruments or take any other action under this Agreement, Subscription Receipts owned legally or equitably by the Corporation or any affiliated entity (including any Subsidiary of the Corporation or any partnership to which the Corporation may be directly or indirectly a party to) shall be disregarded, except that:
 - (i) for the purpose of determining whether the Subscription Receipt Agent shall be protected in relying on any vote, consent, request or other instrument or other action, only the Subscription Receipts of which the Subscription Receipt Agent has notice that they are so owned shall be disregarded; and
 - (ii) Subscription Receipts so owned that have been pledged in good faith other than to the Corporation or any affiliated entity (including any Subsidiary of the Corporation or any partnership to which the Corporation may be directly or indirectly a party to) shall not be so disregarded if the pledgee establishes to the satisfaction of the Subscription Receipt Agent, by providing the Subscription Receipt Agent with a legal opinion of counsel, the pledgee's right to vote the Subscription Receipts in the pledgee's discretion free from the control of the Corporation or any affiliated entity (including any Subsidiary of the Corporation or any partnership to which the Corporation may be directly or indirectly a party to) pursuant to the terms of the pledge.

ARTICLE 2 ISSUE OF SUBSCRIPTION RECEIPTS

2.1 Issue of Subscription Receipts

- (a) A maximum of 32,200,000 Subscription Receipts are hereby created and authorized to be issued by the Corporation for a price per Subscription Receipt

equal to the Subscription Price, and one or more Subscription Receipt Certificates, either certificated or uncertificated, in the form of one or more global subscription receipt certificate(s) (the “**Global Subscription Receipts**”) evidencing such Subscription Receipts shall be executed by or on behalf of the Corporation, certified by or on behalf of the Subscription Receipt Agent upon written direction of the Corporation and delivered to the Lead Underwriter, on behalf of the Underwriters, in accordance with this Agreement.

- (b) An aggregate of 28,000,000 Subscription Receipts are hereby issued and 4,200,000 Over-Allotment Subscription Receipts are issuable upon exercise of the Over-Allotment Option in accordance with the Underwriting Agreement.
- (c) Subject to the terms and conditions hereof, each Subscription Receipt issued will be automatically exchanged on the Escrow Release Date, without payment of additional consideration, for one Underlying Share.

2.2 Payment Acknowledgement

- (a) The Subscription Receipt Agent will, in writing with a separate receipt, acknowledge receipt from, or on behalf of, the Underwriters of funds by certified cheque, bank draft, wire or electronic transfer, in the aggregate amount of the Escrowed Funds received from the Underwriters; and confirms that such Escrowed Funds will be deposited in a segregated account (the “**Escrow Account**”) to be held and dealt with in accordance with this Agreement.
- (b) The Corporation hereby:
 - (i) acknowledges that the amounts received by the Subscription Receipt Agent pursuant to Subsection 2.2(a) in accordance with the Corporation’s direction to the Lead Underwriter, on behalf of the Underwriters, represents payment in full by the Underwriters of the aggregate Subscription Price for the Subscription Receipts, less 50% of the Underwriters’ Fee (or 50% of the Over-Allotment Underwriters’ Fee, as applicable);
 - (ii) irrevocably directs the Subscription Receipt Agent to retain such amounts received from the Lead Underwriter, on behalf of the Underwriters, in accordance with the terms of this Agreement pending payment of such amounts in accordance with the terms of this Agreement; and
 - (iii) irrevocably directs the Subscription Receipt Agent, immediately following the execution and delivery of this Agreement, to authenticate or certify, as applicable, and deliver to the Lead Underwriter, on behalf of the Underwriters, in accordance with a written direction of the Corporation, one or more Global Subscription Receipts either uncertificated or certificated, representing the Subscription Receipts, registered in the name of CDS (or its nominee).
- (c) The Lead Underwriter, on behalf of the Underwriters, hereby:

- (i) irrevocably directs the Subscription Receipt Agent to retain the Balance of the Underwriters' Fee, on its behalf and on behalf of the Underwriters, in accordance with the terms of this Agreement pending the release of such amounts in accordance with the terms of this Agreement; and
- (ii) acknowledges receipt of the Global Subscription Receipts registered in the name of CDS (or its nominee).

2.3 Terms of Subscription Receipts

Each Subscription Receipt shall evidence the right of the holder: (i) to receive, if the Escrow Release Conditions occur on or before the Termination Date, for no additional consideration, one Underlying Share; and (ii) if Termination occurs, to receive an amount equal to the sum of the Subscription Price and a *pro rata* share of the Earned Interest, less applicable withholding taxes, if any, all in the manner and on the terms and conditions set out in this Agreement.

If the Escrow Release Conditions do not occur on or before the Termination Date, the Termination Date may be extended by up to 30 days by the Lead Underwriter, on behalf of the Underwriters, in its sole discretion, acting reasonably. In such case, the Lead Underwriter shall provide a notice of such extension to the Corporation and the Subscription Receipt Agent by no later than 12:00 p.m. (Toronto time) on the Termination Date.

2.4 Fractional Subscription Receipts

No fractional Subscription Receipts shall be issued or otherwise provided for hereunder. The number of Subscription Receipts issued will be rounded down to the nearest whole number.

2.5 Register for Subscription Receipts

The Corporation hereby appoints the Subscription Receipt Agent as subscription receipt agent of the Subscription Receipts, and the Corporation shall cause to be kept by the Subscription Receipt Agent at the Designated Office, a securities register in which shall be entered the names and addresses of holders of Subscription Receipts and the other particulars, prescribed by law, of the Subscription Receipts held by them. The Corporation shall also cause to be kept by the Subscription Receipt Agent at the Designated Office the register of transfers, and may also cause to be kept by the Subscription Receipt Agent, branch registers of transfers in which shall be recorded the particulars of the transfers of Subscription Receipts, registered in that branch register of transfers.

2.6 Registers Open for Inspection

The registers hereinbefore referred to shall be open at all reasonable times during regular business hours of the Subscription Receipt Agent on any Business Day for inspection by the Corporation, any of the Underwriters or any Receiptholder. The Subscription Receipt Agent shall, from time to time when requested to do so by the Corporation, furnish the Corporation with a list of the names and addresses of Receiptholders entered in the registers kept by the Subscription Receipt Agent and showing the number of Subscription Receipts held by each such holder.

2.7 Receiptholder not a Shareholder

Nothing in this Agreement or in the holding of a Subscription Receipt shall confer or be construed as conferring upon a Receiptholder any right or interest whatsoever as a Shareholder, including, but not limited to, the right to vote at, to receive notice of, or to attend meetings of Shareholders, or the right to receive dividends or any continuous disclosure materials of the Corporation. Receiptholders are entitled to exercise only those rights expressly provided for by the Subscription Receipts and this Agreement on the terms and conditions set forth herein.

2.8 Subscription Receipts to Rank Pari Passu

All Subscription Receipts shall rank *pari passu*, whatever may be the actual date of issue of same.

2.9 Signing of Subscription Receipt Certificates

Any Subscription Receipt Certificates shall be signed by any officer or Director on behalf of the Corporation. The signature of such officer or Director may be mechanically reproduced in facsimile and Subscription Receipt Certificates bearing such facsimile signature shall, subject to Section 2.10, be binding upon the Corporation as if they had been manually signed by such officer or Director. Notwithstanding that the person whose manual or facsimile signature appears on any Subscription Receipt Certificate as such officer or Director may no longer hold such position at the date of such Subscription Receipt Certificate or at the date of certification or delivery thereof, any Subscription Receipt Certificate signed as aforesaid shall, subject to Section 2.10, be valid and binding upon the Corporation and the holder thereof shall be entitled to the benefits of this Agreement.

2.10 Authentication or Certification by the Subscription Receipt Agent

- (a) No Subscription Receipt shall be issued or, if issued, shall be valid for any purpose or entitle the holder to the benefits hereof until it has been authenticated in accordance with the Subscription Receipt Agent's internal procedures or certified by manual signature by or on behalf of the Subscription Receipt Agent, as applicable, and such authentication or certification by the Subscription Receipt Agent shall be conclusive evidence as against the Corporation that the Subscription Receipt so authenticated or certified, as applicable, has been duly issued hereunder and that the holder is entitled to the benefits hereof.
- (b) The authentication or certification of the Subscription Receipts, as applicable, by or on behalf of the Subscription Receipt Agent shall constitute a representation and warranty by the Subscription Receipt Agent that the said Subscription Receipts have been duly authenticated or certified, as applicable, by or on behalf of the Subscription Receipt Agent pursuant to the provisions of this Agreement.

2.11 Issue in Substitution for Subscription Receipt Certificates Lost, etc.

- (a) In case any Subscription Receipt Certificates shall become mutilated or be lost, destroyed or stolen, the Corporation, subject to applicable law and compliance with Subsection 2.11(b) below, shall issue and thereupon the Subscription

Receipt Agent shall certify and deliver, a new Subscription Receipt Certificate of like tenor as the one mutilated, lost, destroyed or stolen in exchange for and in place of and upon cancellation of such mutilated Subscription Receipt Certificate, or in lieu of and in substitution for such lost, destroyed or stolen Subscription Receipt Certificate, and the substituted Subscription Receipt Certificate shall be in a form approved by the Subscription Receipt Agent and shall be entitled to the benefits hereof and shall rank equally in accordance with its terms with all other Subscription Receipt Certificates issued or to be issued hereunder.

- (b) The applicant for the issue of a new Subscription Receipt Certificate pursuant to this Section 2.11 shall bear the cost of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to the Corporation and to the Subscription Receipt Agent such evidence of ownership and of the loss, destruction or theft of the Subscription Receipt Certificate so lost, destroyed or stolen as shall be satisfactory to the Corporation and to the Subscription Receipt Agent in their sole discretion, and such applicant may also be required to furnish an indemnity and surety bond in amount and form satisfactory to the Corporation and the Subscription Receipt Agent in their sole discretion and shall pay the reasonable charges of the Corporation and the Subscription Receipt Agent in connection therewith.

2.12 Exchange of Subscription Receipt Certificates

- (a) Any Subscription Receipt Certificates may, upon compliance with the reasonable requirements of the Subscription Receipt Agent, acting reasonably, be exchanged for another Subscription Receipt Certificate or Subscription Receipt Certificates entitling the holder thereof to, in the aggregate, the same number of Subscription Receipts as represented by the Subscription Receipt Certificates so exchanged.
- (b) Any Subscription Receipt Certificates may be surrendered for exchange only at the Designated Office of the Subscription Receipt Agent during regular business hours of the Subscription Receipt Agent. Any Subscription Receipt Certificates so tendered for exchange shall be cancelled. Any one officer or Director of the Corporation shall sign, on behalf of the Corporation, all Subscription Receipt Certificates necessary to carry out exchanges as aforesaid and those Subscription Receipt Certificates shall be certified by or on behalf of the Subscription Receipt Agent.
- (c) Except as otherwise herein provided, the Subscription Receipt Agent may charge to the holder requesting an exchange a reasonable sum for each new Subscription Receipt Certificate issued in exchange for any Subscription Receipt Certificate(s). Payment of such charges and reimbursement of the Subscription Receipt Agent or the Corporation for any governmental or other charges required to be paid shall be made by such holder as a condition precedent to such exchange.

2.13 Transfer and Registration of Subscription Receipts in Certificated Form

- (a) Subject to Section 2.14(d), the Subscription Receipts represented in certificated form may only be transferred on the register kept at the Designated Office of the Subscription Receipt Agent by the holder or its legal representatives or its attorney duly appointed by an instrument in writing. Upon surrender for registration of transfer of Subscription Receipts represented in certificated form at the Designated Office of the Subscription Receipt Agent, the Corporation shall issue and thereupon the Subscription Receipt Agent shall certify and deliver a new Subscription Receipt Certificate of like tenor in the name of the designated transferee. If less than all the Subscription Receipts evidenced by the Subscription Receipt Certificate(s) so surrendered are transferred, the holder shall be entitled to receive, in the same manner, a new Subscription Receipt Certificate registered in its name, evidencing the number of Subscription Receipts not so transferred. However, notwithstanding the foregoing, Subscription Receipts shall only be transferred upon:
 - (i) payment to the Subscription Receipt Agent of a reasonable sum for each new Subscription Receipt Certificate issued upon such transfer, and reimbursement of the Subscription Receipt Agent or the Corporation for any governmental or other charges required to be paid in respect of such transfer;
 - (ii) such reasonable requirements as the Subscription Receipt Agent may prescribe and as required pursuant to the terms of this Agreement; and
 - (iii) with all such transfers to be duly noted in such register by the Subscription Receipt Agent.
- (b) The Corporation and the Subscription Receipt Agent will deem and treat the registered owner of any Subscription Receipt as the beneficial owner thereof for all purposes and neither the Corporation nor the Subscription Receipt Agent shall be affected by any notice to the contrary.
- (c) The transfer register in respect of Subscription Receipts shall be closed at 5:00 p.m. (Toronto time) at the Designated Office, on the date that is three Business Days after the earlier to occur of the Escrow Release Date and the Termination Date.
- (d) The Subscription Receipt Agent will promptly advise the Corporation of any requested transfer of Subscription Receipts. The Corporation will be entitled, and may direct the Subscription Receipt Agent, to refuse to recognize any transfer, or enter the name of any transferee, of any Subscription Receipts on the registers referred to in this Article, if such transfer would constitute a violation of the securities laws of any jurisdiction or the rules, regulations or policies of any regulatory authority having jurisdiction, or would be contrary to the terms of the constating documents of the Corporation or this Agreement.
- (e) Subject to the provisions of this Agreement and applicable law, a Receiptholder shall be entitled to the rights and privileges attaching to the Subscription

Receipts. Either the issue of the Underlying Shares as provided in Section 3.3, or the payment of the Subscription Price and the Earned Interest (less applicable withholding taxes, if any) as provided in Section 3.5, all in accordance with the terms and conditions herein contained, shall discharge all responsibilities of the Corporation and the Subscription Receipt Agent with respect to such Subscription Receipts and neither the Corporation nor the Subscription Receipt Agent shall be bound to inquire into the title of a Receipholder.

- (f) Without limitation, any signatures of Receipholders required with respect to the transfer of Subscription Receipts must be guaranteed by an authorized officer of a Canadian Schedule 1 Chartered Bank or by a medallion signature guarantee from a member of a recognized medallion signature guarantee program.
- (g) The Subscription Receipt Agent shall have no duty to determine compliance of the transferor or transferee of Subscription Receipts with applicable securities laws. The Subscription Receipt Agent shall be entitled to assume that all transfers are legal and proper.

2.14 Global Subscription Receipts

- (a) Until the termination of the Book-Based System, all Subscription Receipts may be in either uncertificated form (being evidenced by a book position on the register of Receipholders maintained by the Subscription Receipt Agent in accordance with Section 2.5), or certificated form (in accordance with Section 2.14(b)).
- (b) Until the termination of the Book-Based System, any Subscription Receipt Certificates will only be issued in the form of Global Subscription Receipts, which will be registered in the name of and deposited with CDS or its nominee (and recorded on the register of Receipholders maintained by the Subscription Receipt Agent in accordance with Section 2.5).
- (c) The Subscription Receipt Certificates representing the certificated Subscription Receipts shall be substantially in the form set out or referred to in Schedule A with, subject to the provisions of this Agreement, such additions, variations or omissions as may from time to time be agreed upon between the Corporation and the Subscription Receipt Agent, shall be numbered in such manner as the Corporation, with the approval of the Subscription Receipt Agent, may prescribe and shall contain such legends as the Corporation may prescribe. All Subscription Receipt Certificates shall, save as to denomination, be of like tenor and effect. The Subscription Receipt Certificates may be typewritten, photocopied, engraved, printed, lithographed, or partly in one form and partly in another, as the Corporation may determine.
- (d) Until the termination of the Book-Based System, owners of the beneficial interests in the Global Subscription Receipts shall not be entitled to have Subscription Receipts registered in their names, shall not receive or be entitled to receive Subscription Receipt Certificates in definitive form and shall not be considered owners or holders thereof under this Agreement or any supplemental agreement except in circumstances where CDS resigns or is removed from its

responsibility and the Subscription Receipt Agent is unable or does not wish to locate a qualified successor. Beneficial interests in Subscription Receipts represented by the Global Subscription Receipts will be represented only through the Book-Based System. Transfers of Subscription Receipts between CDS Participants shall occur in accordance with CDS' rules and procedures. Neither the Corporation nor the Subscription Receipt Agent shall have any responsibility or liability for any aspects of the records relating to or payments made by CDS, or its nominee, on account of the beneficial interests in the Subscription Receipts. Nothing herein shall prevent the owners of beneficial interests in the Subscription Receipts from voting such Subscription Receipts using duly executed proxies.

- (e) All references herein to actions by, notices given or payments made to Receiptholders shall, where Subscription Receipts are held through CDS, refer to actions taken by, or notices given or payments made to, CDS upon instruction from the CDS Participants in accordance with its rules and procedures. For the purposes of any provision hereof requiring or permitting actions with the consent of or at the direction of Receiptholders evidencing a specified percentage of the aggregate Subscription Receipts outstanding, such direction or consent may be given by holders of Subscription Receipts acting through CDS and the CDS Participants owning Subscription Receipts evidencing the requisite percentage of the Subscription Receipts. The rights of a Receiptholder whose Subscription Receipts are held through CDS shall be exercised only through CDS and the CDS Participants and shall be limited to those established by law and agreements between such holders and CDS and/or the CDS Participants or upon instructions from the CDS Participants. Each of the Subscription Receipt Agent and the Corporation may deal with CDS for all purposes (including the making of payments) as the authorized representative of the respective Receiptholders and such dealing with CDS shall constitute satisfaction or performance, as applicable, of their respective obligations hereunder.
- (f) For so long as Subscription Receipts are held through CDS, if any notice or other communication is required to be given to Receiptholders, the Subscription Receipt Agent will give such notices and communications to CDS.
- (g) If CDS resigns or is removed from its responsibility as depository, the Corporation shall direct CDS to surrender the Global Subscription Receipts to the Subscription Receipt Agent with instructions for registration of Subscription Receipts in the name and in the amount specified by CDS and the Corporation shall issue and the Subscription Receipt Agent shall certify and deliver the aggregate number of Subscription Receipts then outstanding in the form of definitive Subscription Receipt Certificates representing such Subscription Receipts.

2.15 Funds to be Placed in Escrow

Upon the issuance of Subscription Receipts to the Lead Underwriter, on behalf of the Underwriters, or as directed by the Lead Underwriter, the Escrowed Funds in respect thereof shall be delivered by the Lead Underwriter, on behalf of the Underwriters, to the Subscription Receipt Agent by certified cheque, bank draft, wire or by electronic transfer of funds into the

Escrow Account to be held pursuant to the terms hereof. The Subscription Receipt Agent hereby agrees to hold the same for and on behalf of the Receiptholders, the Underwriters and the Corporation and to invest, disburse and deal with the same as provided herein.

2.16 Subscription Receipts and Trading

The Corporation confirms that the Subscription Receipts have been approved for listing on the TSX, and will be posted for trading on the date hereof.

2.17 Cancellation of Surrendered Subscription Receipt Certificates

All Subscription Receipt Certificates surrendered to the Subscription Receipt Agent pursuant to Sections 2.11, 2.12 and 2.13 and shall be returned to or received by the Subscription Receipt Agent for cancellation and, if required by the Corporation, the Subscription Receipt Agent shall furnish the Corporation with a cancellation certificate identifying the Subscription Receipt Certificates so cancelled and the number of Subscription Receipts evidenced thereby.

ARTICLE 3 ISSUANCE OF UNDERLYING SHARES OR REFUND OF SUBSCRIPTION PRICE

3.1 Notice of Escrow Release Conditions

- (a) If the Escrow Release Conditions have been satisfied prior to the Escrow Release Deadline, the Corporation shall forthwith (and in any event no later than the Jackpotjoy Closing Date) cause a notice of same to be delivered to the Lead Underwriter, on behalf of the Underwriters, as soon as practicable.
- (b) If the Escrow Release Conditions have been satisfied on or before the Escrow Release Deadline, and the notice in subsection 3.1(a) has been delivered to the Lead Underwriter, on behalf of the Underwriters, the Corporation: (i) shall, no later than the Jackpotjoy Closing Date, cause a notice of the same executed by the Corporation and by the Lead Underwriter to be delivered to the Subscription Receipt Agent (substantially in the form attached as Schedule B, the “**Escrow Release Notice**”), and (ii) shall issue, or shall cause the Corporation to issue, a press release disclosing that the Escrow Release Conditions have been satisfied and that the Underlying Shares have been issued to Receiptholders. The Escrow Release Notice delivered to the Subscription Receipt Agent shall specify the amounts to be released pursuant to Section 3.2 and to whom such amounts should be released. The Subscription Receipt Agent shall not be responsible for calculating the amounts owing under Section 3.2, but shall be entitled to rely on the Escrow Release Notice specifying the payments to be made pursuant to Section 3.2.

3.2 Release of the Escrowed Funds

If the Escrow Release Conditions have been satisfied prior to the Escrow Release Deadline (i) the Corporation shall be entitled to receive from the Subscription Receipt Agent an amount equal to the Escrowed Funds, less the Balance of the Underwriters’ Fee and the Underwriters’ Expenses, and the Earned Interest thereon, and (ii) the Underwriters shall be entitled to receive

from the Subscription Receipt Agent the Balance of the Underwriters' Fee and the Underwriters' Expenses, in accordance with Section 4.2. The Subscription Receipt Agent shall deliver the funds referred to in this Section 3.2 to the Corporation and the Lead Underwriter, on behalf of the Underwriters, respectively (or as directed by the Corporation or the Lead Underwriter, as applicable) as soon as practicable after the delivery of the Escrow Release Notice referred to in Section 3.1. Any Escrow Release Notice delivered to the Subscription Receipt Agent must be received by the Subscription Receipt Agent no later than 12:00 p.m. (Toronto time) on the day on which the funds are to be released. Any Escrow Release Notice received by the Subscription Receipt Agent after 12:00 p.m. (Toronto time) or received on a non-Business Day shall be deemed to have been given prior to 12:00 p.m. (Toronto time) on the next Business Day.

3.3 Issue of Underlying Shares

- (a) If the Escrow Release Conditions occur on or before the Escrow Release Deadline, the Underlying Shares shall be and shall be deemed to be automatically issued on the Escrow Release Date and each Receiptholder shall automatically receive, without any further action required by such Receiptholder and without the payment of any additional consideration, one Underlying Share for each Subscription Receipt held, and such Receiptholder shall be deemed to have become the holder of record of such Underlying Shares on the Escrow Release Date.
- (b) Effective immediately after the Underlying Shares have been, or have been deemed to be, issued as contemplated by Section 3.3(a), the Subscription Receipts relating thereto shall be void and of no value or effect, and shall subsequently be delisted from the TSX.

3.4 Fractions

Notwithstanding anything herein contained, the Corporation shall not be required, upon the exchange of the Subscription Receipts, to issue fractions of Underlying Shares. The number of Underlying Shares issued will be rounded down to the nearest whole number.

3.5 Payment on Termination

- (a) Subject to Section 2.3, if Termination occurs, the Corporation shall forthwith notify the Subscription Receipt Agent and the Lead Underwriter, on behalf of the Underwriters, thereof in writing and shall issue a press release setting forth the Termination Date.
- (b) Subject to Section 2.3, if Termination occurs, each Subscription Receipt shall, subject to Section 3.5(f) hereof, be automatically terminated and cancelled and each Receiptholder shall be entitled to receive out of the Escrowed Funds at the Termination Payment Time, an amount equal to (i) the Subscription Price in respect of such holder's Subscription Receipts; and (ii) such holder's *pro rata* share of the Earned Interest thereon less applicable withholding taxes, if any.
- (c) If Termination occurs,

- (i) the Lead Underwriter shall, on behalf of the Underwriters, as soon as practicable, and in any event no later than the Termination Payment Time, pay and deliver to the Subscription Receipt Agent such amount as is equal to the Balance of the Underwriters' Fee, less the Underwriters' Expenses, in order to enable the Subscription Receipt Agent to effect the payment in full to Receiptholders of the amounts due to them under Section 3.5(b); and
 - (ii) the Corporation shall, as soon as practicable, and in any event no later than the Termination Payment Time, pay and deliver to the Subscription Receipt Agent an amount equal to the Underwriters' Expenses in order to enable the Subscription Receipt Agent to effect the payment in full to Receiptholders of the amounts due to them under Section 3.5(b).
- (d) The amounts paid to each Receiptholder under Subsection 3.5(b)(i) and (ii) shall be satisfied by the Escrowed Funds, the Earned Interest, and the amounts paid pursuant to Section 3.5(c). To the extent that the Escrowed Funds, the Earned Interest, and the amounts paid pursuant to Section 3.5(c), are insufficient to refund to each Receiptholder the amounts due to them under Section 3.5(b), the Corporation shall be responsible and liable to the Receiptholders for any shortfall and shall contribute such amounts as are necessary to satisfy any shortfall such that each Receiptholder will receive an amount equal to the amounts due to them under Section 3.5(b).
- (e) The obligation to make the payment of the amounts specified in Subsection 3.5(b) shall be satisfied, in the case of CDS, by wire transfer made by the Subscription Receipt Agent to the applicable Receiptholders or otherwise by the Subscription Receipt Agent mailing cheques made payable to the Receiptholders at their registered addresses.
- (f) Upon receipt of a wire transfer or the mailing or delivery of any cheque as provided in Subsection 3.5(e) (and, in the case of a cheque, provided such cheque has been honoured for payment, if presented for payment within six months of the date thereof) all rights evidenced by the Subscription Receipts held by a Receiptholder shall be satisfied and such Subscription Receipts shall be void and of no value or effect.

3.6 Additional Payments by the Corporation

The Corporation shall, no later than one Business Day before the date upon which any amount due hereunder from the Corporation, if any, is required to be paid pursuant to this Article 3, pay to the Subscription Receipt Agent such amount, if any, in immediately available funds as will be sufficient to allow the Subscription Receipt Agent to pay in full the amounts required to be paid under this Article 3. The Corporation shall notify in writing the Subscription Receipt Agent of such payments when made.

3.7 Withholding

The Subscription Receipt Agent shall be entitled to deduct and withhold from any amount released pursuant to this Agreement all taxes which may be required to be deducted or withheld

under any provision of applicable tax law. All such withheld amounts will be treated as having been delivered to the party entitled to the amount released in respect of which such tax has been deducted or withheld and remitted to the appropriate taxing authority.

ARTICLE 4 ESCROWED UNDERWRITERS' FEE AND EXPENSES

4.1 Balance of Underwriters' Fee and Underwriters' Expenses to be placed in Escrow

On the Offering Closing Date, the amount representing the Balance of the Underwriters' Fee and the Underwriters' Expenses shall be delivered to the Subscription Receipt Agent to be held in the Escrow Account pursuant to the terms hereof. The Subscription Receipt Agent hereby agrees to hold the same as trustee for and on behalf of the Underwriters and the Receiptholders, as the case may be, and to invest, disburse and deal with the same as provided herein.

4.2 Release of Balance of Underwriters' Fee and Underwriters' Expenses

Subject to Section 2.3, if the Escrow Release Conditions have been satisfied on or before the Escrow Release Deadline and the Escrow Release Notice is delivered in accordance herewith, the Subscription Receipt Agent shall deliver a cheque or complete a wire transfer payable to the Lead Underwriter, on behalf of the Underwriters, in the full amount of the Balance of the Underwriters' Fees and the Underwriters' Expenses in accordance with the Escrow Release Notice.

Subject to Section 2.3, if Termination occurs, then the Subscription Receipt Agent shall satisfy the refund right of the Receiptholders in accordance with and by using the amounts set out in Sections 3.5(b), 3.5(c) and 3.5(d).

ARTICLE 5 INVESTMENT OF PROCEEDS AND PAYMENT OF INTEREST

5.1 Investment of Proceeds

Pending disbursement of the Escrowed Funds, the Subscription Receipt Agent shall hold cash balances constituting the Escrowed Funds in an interest bearing account in the deposit department of a Schedule I Canadian chartered bank, but the Subscription Receipt Agent shall not be liable to account for any profit to any parties to this Agreement or to any other person or entity other than at a rate, if any, established from time to time by the Subscription Receipt Agent or a Canadian chartered bank or loan or trust company. The Subscription Receipt Agent shall have no liability with respect to any loss in value of investments as permitted to be made hereunder.

For the purposes of this Agreement, the net interest rate to be paid on the Escrowed Funds is equal to 60 bps per annum, with such rate subject to change without notice due to market conditions. Interest will be credited by the 5th Business Day of the following month.

5.2 Segregation of Proceeds

The Escrowed Funds received by the Subscription Receipt Agent and any securities or other instruments received by the Subscription Receipt Agent upon the investment or reinvestment of such Escrowed Funds, shall be received as agent for, and shall be segregated and kept apart by the Subscription Receipt Agent as agent for, the Receiptholders, the Corporation or the Underwriters, as the case may be.

5.3 Third Party Interest

The Corporation hereby represents to the Subscription Receipt Agent that any account to be opened by, or interest to be held by, the Subscription Receipt Agent, in connection with this Agreement, to the extent opened or held for or to the credit of the Corporation, is not intended to be used by or on behalf of any third party.

ARTICLE 6 ADJUSTMENT OF NUMBER OF COMMON SHARES

6.1 Definitions

In this Article 6, the terms “record date” and “effective date” where used herein shall mean the close of business on the relevant date.

6.2 Adjustment of Exchange Number

The number of Underlying Shares to be issued upon the automatic conversion of a Subscription Receipt shall be subject to adjustment from time to time in the manner provided in Section 6.3 and as follows:

- (a) If prior to the Escrow Release Date, the Corporation shall issue to all or substantially all the holders of the Common Shares, by way of a stock distribution, stock dividend or otherwise, Common Shares or Convertible Securities (any of these events being herein called a “**Securities Reorganization**”), the Entitlement Number shall be adjusted effective immediately after the record date at which the holders of Common Shares are determined for the purposes of the Securities Reorganization to a number that is the product of (1) the Entitlement Number and (2) a fraction:
 - (i) the numerator of which shall be the number of Common Shares outstanding after giving effect to the Securities Reorganization; and
 - (ii) the denominator of which shall be the number of Common Shares outstanding on the record date before giving effect to the Securities Reorganization.

For the purposes of determining the number of Common Shares outstanding at any particular time for the purpose of this Section 6.2(a), there shall be included that number of Common Shares which would have resulted from the conversion at that time of all outstanding Convertible Securities.

- (b) If prior to the Escrow Release Date, the Corporation shall issue or distribute to all or substantially all the holders of Common Shares (i) securities of any class other than Common Shares, or (ii) rights, options or warrants (other than in respect of a Rights Offering (as defined herein)), or (iii) evidences of indebtedness, or (iv) any other assets (excluding cash distributions that Subscription Receiptholders receive under Section 3.5 and cash dividends), and that issuance or distribution does not constitute a Securities Reorganization or a Rights Offering (any of those events being herein called a “**Special Distribution**”), the Entitlement Number shall be adjusted effective immediately after the record date at which the holders of Common Shares are determined for purposes of the Special Distribution to an Entitlement Number that is the product of (1) the Entitlement Number in effect on the record date and (2) a fraction:
- (i) the numerator of which shall be the product of (1) the sum of the number of Common Shares outstanding on the record date and (2) the Current Market Price thereof on that date; and
 - (ii) the denominator of which shall be:
 - A. the product of (A) the sum of the number of Common Shares outstanding on the record date and (B) the Current Market Price thereof on that date;

less,
 - B. the aggregate fair market value, as determined by the directors, whose determination shall, absent manifest error, be conclusive, of the securities, rights, options, warrants, evidences of indebtedness or other assets issued or distributed in the Special Distribution;

Any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such computation. To the extent that the distribution of securities, rights, options, warrants, evidences of indebtedness or assets if not so made or to the extent that any rights, options or warrants so distributed are not exercised, the Entitlement Number shall be readjusted to the Entitlement Number that would then be in effect based upon the securities, rights, options, warrants, evidences of indebtedness or assets actually distributed or based upon the number of Common Shares or Convertible Securities actually delivered upon the exercise of the rights, options or warrants, as the case may be, but subject to any other adjustment required hereunder by reason of any event arising after the record date.

- (c) If prior to the Escrow Release Date there is a reorganization of the Corporation not otherwise provided for in subsection 4.2(a) or a consolidation, merger, arrangement or amalgamation of the Corporation with or into another entity (any such event being herein called a “**Capital Reorganization**”) each holder of a Subscription Receipt shall be entitled to receive and shall accept, upon the automatic conversion of the Subscription Receipts for Underlying Shares at any time after the effective date of the Capital Reorganization, in lieu of the number of

Underlying Shares (and any other securities or properties to which holders are entitled upon the automatic conversion of the Subscription Receipts) to which he or she was theretofore entitled upon the automatic conversion of the Subscription Receipt, the aggregate number of Common Shares or other securities or property of the Corporation, or the continuing, successor or purchasing person, as the case may be, under the Capital Reorganization that the holder would have been entitled to receive as a result of the Capital Reorganization if, on the effective date thereof, he or she had been the holder of the number of Common Shares (and any other securities to which holders are entitled upon the automatic conversion of the Subscription Receipts) to which immediately before the transaction he or she was entitled upon the automatic conversion of the Subscription Receipts. No Capital Reorganization shall be completed unless all necessary steps shall have been taken so that the holders of Subscription Receipts shall thereafter be entitled to receive the number of Common Shares or other securities or property of the Corporation or of the continuing, successor or purchasing person, as the case may be, under the Capital Reorganization, subject to adjustment thereafter in accordance with provisions the same, as nearly as may be possible, as those contained in this Section 6.2.

- (d) If prior to the Escrow Release Date, the Corporation shall issue rights, options or warrants to all or substantially all the holders of the Common Shares pursuant to which those holders are entitled to subscribe for, purchase or otherwise acquire Common Shares or Convertible Securities within a period of 45 days from the date of issue thereof at a price, or at a conversion price, of less than 95% of the Current Market Price at the record date for such distribution (any such issuance being herein called a “**Rights Offering**” and Common Shares that may be acquired in exercise of the Rights Offering or upon conversion of the Convertible Securities offered by the Rights Offering being herein called the “**Offered Securities**”), the Entitlement Number shall be adjusted effective immediately after the record date at which holders of Common Shares are determined for the purposes of the Rights Offering to an Entitlement Number that is the product of (1) the Entitlement Number in effect on the record date and (2) a fraction:
- (i) the numerator of which shall be the sum of: (i) the number of Common Shares outstanding on the record date plus; (ii) the number of Offered Securities offered pursuant to the Rights Offering or the maximum number of Offered Securities into which the Convertible Securities so offered pursuant to the Rights Offering may be converted, as the case may be; and
 - (ii) the denominator of which shall be the sum of:
 - A. the number of Common Shares outstanding on the record date for the Rights Offering; and
 - B. the number arrived at when (A) either the product of (1) the number of Offered Securities so offered and (2) the price at which those Common Shares are offered, or the product of (3) the conversion price thereof and (4) the maximum number of Offered Securities for or into which the Convertible Securities so offered

pursuant to the Rights Offering may be converted, as the case may be, is divided by (B) the Current Market Price of the Common Shares on the record date.

Any Offered Securities owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such computation. If all the rights, options or warrants are not so issued or if all rights, options or warrants are not exercised prior to the expiration thereof, the Entitlement Number shall be readjusted to the Entitlement Number in effect immediately prior to the record date and the Entitlement Number shall be further adjusted based upon the number of Offered Securities (or Convertible Securities into Offered Securities) actually delivered upon the exercise of the rights, options or warrants, as the case may be, but subject to any other adjustment required hereunder by reason of any event arising after that record date.

- (e) If the Corporation shall reclassify or otherwise change the outstanding Common Shares, the Entitlement Number shall be adjusted effective immediately upon the reclassification becoming effective so that holders of Subscription Receipts shall be entitled to receive Common Shares as they would have received had the Subscription Receipts been automatically converted immediately prior to the effective date, subject to adjustment thereafter in accordance with provisions the same, as nearly as may be possible, as those contained in this Section 6.2.

6.3 Exercise Number Adjustment Rules

The following rules and procedures shall be applicable to adjustments made pursuant to this Agreement:

- (a) The adjustments and readjustments provided for in Section 6.2 are cumulative and shall apply (without duplication) to successive issues, subdivisions, combinations, consolidations, distributions and any other events that require adjustment of the number of Common Shares to be issued or the number or kind of securities that can be acquired hereunder.
- (b) No adjustment in the number of Common Shares to be issued shall be required unless the adjustment would result in a change of at least 1% of the number of Common Shares to be issued, provided, however, that any adjustments that, except for the provisions of this subsection would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment.
- (c) No adjustment in the number of Common Shares to be issued shall be made in respect of any events described in Section 6.2 if the holders of the Subscription Receipts are entitled to participate in the events on the same terms, *mutatis mutandis*, as if their Subscription Receipts had been automatically converted immediately prior to the effective date or record date of the events. For greater certainty, any such participation by Receiptholders in any events described in Section 6.2 is subject to prior TSX approval.

- (d) If a dispute shall at any time arise with respect to adjustments of the number of Common Shares to be issued the dispute shall be conclusively determined by the Corporation's independent auditors or, if they are unable or unwilling to act, by such firm of independent chartered accountants as may be selected by the directors and any such determination shall, absent manifest error, be binding upon the Corporation, the Subscription Receipt Agent and all Receiptholders.
- (e) If the Corporation shall set a record date to determine the holders of Common Shares for the purpose of entitling them to receive any distribution or any subscription or purchase rights in accordance with Section 6.2 and shall, thereafter, legally abandon its plans to pay or deliver the distribution or subscription or purchase rights, then no adjustment in the number of Common Shares to be issued shall be required by reason of the setting of the record date.
- (f) If and whenever at any time prior to the Escrow Release Date, the Corporation shall take any action affecting or relating to the Common Shares, other than any action described in this Section 6.3, which in the opinion of the directors of the Corporation would prejudicially affect the rights of any holders of Subscription Receipts, the number of Common Shares to be issued will be adjusted by the board of directors of the Corporation in such manner, if any, and at such time, as the board of directors of the Corporation, may in their sole discretion, subject to the approval of any stock exchange on which the Common Shares are then listed and posted for trading, reasonably determine to be equitable in the circumstances to such holders.
- (g) As a condition precedent to the taking of any action which would require an adjustment in any of the rights under the Subscription Receipts, the Corporation will use its best efforts to take any action which, in the opinion of counsel to the Corporation, may be necessary in order that the Corporation, or any successor to the Corporation or successor to the undertaking or assets of the Corporation will be obligated to, and may validly and legally, issue all the Common Shares which the holders of the Subscription Receipts would be entitled to receive thereafter upon the automatic conversion of such Subscription Receipts in accordance with the provisions hereof.

6.4 Postponement of Adjustment

In any case where the application of Section 6.2 results in an increase in the Entitlement Number taking effect immediately after the record date for or occurrence of a specific event, if any Subscription Receipts are automatically converted after that record date or occurrence and prior to completion of the event or of the period for which a calculation is required to be made, the Corporation may postpone the issuance to the holder of the Subscription Receipts of the Common Shares to which the holder is entitled by reason of the increase in the number of Common Shares to be issued but the Common Shares shall be so issued and delivered to that holder upon completion of that event or of the period for which a calculation is required to be made, with the number of Common Shares adjusted for completion of that event or period, and the Corporation shall forthwith after the Escrow Release Date deliver to the person or persons in whose name or names the Common Shares are to be issued appropriate instruments evidencing the person's or persons' right to receive the Common Shares.

6.5 Notice of Certain Events

- (a) Promptly upon the occurrence of the earlier of the effective date of or the record date for any event referred to in Sections 6.2 or 6.3 that requires an adjustment in the Entitlement Number, the Corporation shall:
 - (i) file with the Subscription Receipt Agent a certificate of the Corporation specifying the particulars of the event and, if determinable, the adjustment and computation of the adjustment and the Subscription Receipt Agent may act and rely absolutely on such certificate of the Corporation; and
 - (ii) give notice to the Receipholders and to the Lead Underwriter, on behalf of the Underwriters, of the particulars of the event and, if determinable, the adjustment.
- (b) If notice has been given under Section 6.5(a) and the adjustment is not then determinable, the Corporation shall promptly, after the adjustment is determinable:
 - (i) file with the Subscription Receipt Agent a computation of the adjustment; and
 - (ii) give notice to the Receipholders and to the Lead Underwriter, on behalf of the Underwriters, of the adjustment.

6.6 Protection of Subscription Receipt Agent

Subject to the provisions of Article 11, the Subscription Receipt Agent:

- (a) shall not at any time be under any duty or responsibility to any Receipholder to determine whether any facts exist which may require any adjustment when made, or with respect to the method employed in making the same;
- (b) shall not be accountable with respect to the validity or value (or kind or amount) of any Common Shares, or other securities or property which may at any time be issued or delivered upon the exercise of the rights attaching to any Subscription Receipt; and
- (c) shall be entitled to act and rely on any adjustment calculation of the directors or the Corporation's independent auditors.

ARTICLE 7 RIGHTS OF THE CORPORATION AND COVENANTS

7.1 General Covenants

- (a) The Corporation covenants with the Subscription Receipt Agent and the Underwriters that so long as any Subscription Receipts remain outstanding:
 - (i) it will maintain its existence at all times;

- (ii) it will make all requisite filings under applicable Canadian securities legislation including those necessary to remain a reporting issuer not in default in each of the provinces of Canada in which it is currently a reporting issuer;
- (iii) it will announce by press release the Escrow Release Date or the Termination Date, as the case may be, in accordance with the provisions hereof;
- (iv) it will perform and carry out all of the acts or things to be done by it as provided in this Agreement;
- (v) prior to the earlier of the Escrow Release Date and the Termination Date, it will not sell the properties or assets of the Corporation as, or substantially as, an entirety, to any other entity;
- (vi) it will cause the Underlying Shares to be duly issued as fully paid and non-assessable shares and delivered in accordance with the terms hereof;
- (vii) it will promptly advise the Subscription Receipt Agent, the Receiptholders and the Lead Underwriter, on behalf of the Underwriters, in writing of any default under the terms of this Agreement;
- (viii) it will not subdivide or redivide the outstanding Common Shares into a greater number of Common Shares; and
- (ix) it will not reduce, combine or consolidate the outstanding Common Shares into a smaller number of Common Shares.

7.2 Subscription Receipt Agent's Remuneration, Expenses and Indemnification

The Corporation covenants that it will pay to the Subscription Receipt Agent from time to time reasonable remuneration for its services hereunder and will pay or reimburse the Subscription Receipt Agent upon its request for all reasonable expenses, disbursements and advances incurred or made by the Subscription Receipt Agent in the administration or execution of this Agreement both before any default hereunder and thereafter until all duties of the Subscription Receipt Agent hereunder shall be finally and fully performed, except any such expense, disbursement or advance as may arise out of or result from the Subscription Receipt Agent's negligence, wilful misconduct or bad faith. Any amount owing hereunder and remaining unpaid after 30 days from the invoice date will bear interest at the then current rate charged by the Subscription Receipt Agent against unpaid invoices and shall be payable on demand.

7.3 Performance of Covenants by Subscription Receipt Agent

If the Corporation shall fail to perform any of its covenants contained in this Agreement, the Subscription Receipt Agent may notify the Receiptholders and the Underwriters of such failure on the part of the Corporation or may itself perform any of the said covenants capable of being performed by it, but shall be under no obligation to perform said covenants or to notify the Receiptholders of such performance by it. All sums expended or advanced by the Subscription

Receipt Agent in so doing shall be repayable as provided in Section 7.2. No such performance, expenditure or advance by the Subscription Receipt Agent shall relieve the Corporation of any default hereunder or of its continuing obligations under the covenants contained herein.

7.4 Accounting

The Subscription Receipt Agent shall maintain accurate books, records and accounts of the transactions effected or controlled by the Subscription Receipt Agent hereunder and the receipt, investment, reinvestment and disbursement of the Escrowed Funds, and shall provide to the Corporation and the Lead Underwriter, on behalf of the Underwriters, records and statements thereof periodically upon written request. The Corporation shall have the right to audit any such books, records, accounts and statements.

7.5 Payments by Subscription Receipt Agent

The Subscription Receipt Agent will disburse monies according to this Agreement only to the extent that monies have been deposited with it. The Subscription Receipt Agent shall not under any circumstances be required to disburse funds in excess of the amounts on deposit with the Subscription Receipt Agent at the time of such disbursement.

7.6 Regulatory Matters

The Corporation shall file all such documents, notices and certificates and take such steps and do such things as may be necessary under applicable securities laws to permit the issuance of the Underlying Shares in the circumstances contemplated by Section 3.3 such that (i) such issuance will comply with the prospectus requirements (or exemptions therefrom) of applicable securities laws in each of the provinces of Canada, as applicable, (ii) the first trade in the Underlying Shares (other than from the holdings of a person who, alone or in combination with others, holds sufficient Common Shares to materially affect control of the Corporation) will not be subject to, or will be exempt from, the prospectus requirements of applicable securities laws in each of the provinces of Canada (subject to a hold period under applicable securities laws following the date of issue of the Subscription Receipts) and on a basis exempt from registration under the U.S. Securities Act, and (iii) such Underlying Shares will, as of the date of their issuance, be listed on the TSX.

7.7 Anti-Money Laundering & Privacy

The Subscription Receipt Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Subscription Receipt Agent, in its sole judgment, acting reasonably, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, should the Subscription Receipt Agent, in its sole judgment, acting reasonably, determine at any time that its acting under this Agreement has resulted in its being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 Business Days prior written notice sent to all parties provided that (i) the Subscription Receipt Agent's written notice shall describe the circumstances of such non-compliance; and (ii) that if such circumstances are rectified to the Subscription Receipt Agent's satisfaction, acting reasonably, within such 10 Business Day period, then such resignation shall not be effective.

The parties acknowledge that the Subscription Receipt Agent may, in the course of providing services hereunder, collect or receive financial and other personal information about such parties and/or their representatives, as individuals, or about other individuals related to the subject matter hereof, and use such information for the following purposes:

- (a) to provide the services required under this Agreement and other services that may be requested from time to time;
- (b) to help the Subscription Receipt Agent manage its servicing relationships with such individuals;
- (c) to meet the Subscription Receipt Agent's legal and regulatory requirements; and
- (d) if Social Insurance Numbers are collected by the Subscription Receipt Agent, to perform tax reporting and to assist in verification of an individual's identity for security purposes.

Each party acknowledges and agrees that the Subscription Receipt Agent may receive, collect, use and disclose personal information provided to it or acquired by it in the course of this Agreement for the purposes described above and, generally, in the manner and on the terms described in its privacy code, which the Subscription Receipt Agent shall make available on its website or upon request, including revisions thereto. Further, each party agrees that it shall not provide or cause to be provided to the Subscription Receipt Agent any personal information relating to an individual who is not a party to this Agreement unless that party has assured itself that such individual understands and has consented to the aforementioned uses and disclosures.

7.8 Use of Accounts

Each of the Corporation and the Lead Underwriter, on behalf of the Underwriters, hereby represents to the Subscription Receipt Agent that any account to be opened by, or interest to be held by, the Subscription Receipt Agent in connection with this Agreement, for or to the credit of such party other than the Receiptholders, either (i) is not intended to be used by or on behalf of any third party; or (ii) is intended to be used by or on behalf of a third party, in which case such party hereto agrees to complete and execute forthwith a declaration in the Subscription Receipt Agent's prescribed form as to the particulars of such third party.

ARTICLE 8 ENFORCEMENT

8.1 Suits by Receiptholders

Subject to Section 9.10, any of the rights conferred upon any Receiptholder by any of the terms of any Subscription Receipt Certificates or of this Agreement, or of both, may be enforced by the Receiptholder by appropriate proceedings but without prejudice to the right which is hereby conferred upon the Subscription Receipt Agent to proceed in its own name to enforce each and all of the provisions contained herein for the benefit of the Receiptholders. The Subscription Receipt Agent shall also have the power at any time and from time to time to institute and to maintain such suits and proceedings as it may reasonably be advised shall be necessary or advisable to preserve and protect its interests and the interests of Receiptholders.

8.2 Immunity of Shareholders

No Shareholder will be subject to any personal liability whatsoever, in tort, contract or otherwise, to any party to this Agreement in connection with the obligations or the affairs of the Corporation or the acts or omissions of its Directors, whether under this Agreement or otherwise, and the other parties to this Agreement will look solely to the property and assets of the Corporation for satisfaction of claims of any nature arising out of or in connection therewith and the property and assets of the Corporation only will be subject to levy or execution.

ARTICLE 9 MEETINGS OF RECEIPHOLDERS

9.1 Right to Convene Meetings

The Subscription Receipt Agent may at any time and from time to time, and shall on receipt of a written request of the Corporation or of a Receiptholders' Request and upon being funded and indemnified to its reasonable satisfaction by the Corporation or by the Receiptholders signing such Receiptholders' Request against the cost which may be incurred in connection with the calling and holding of such meeting, convene a meeting of the Receiptholders. In the event of the Subscription Receipt Agent failing to so convene a meeting within 15 days after receipt of such written request of the Corporation or such Receiptholders' Request and funding and indemnity given as aforesaid, the Corporation or such Receiptholders, as the case may be, may convene such meeting. Every such meeting shall be held in Toronto, Ontario or at such other place as may be determined by the Subscription Receipt Agent and approved by the Corporation.

9.2 Notice

At least 10 days prior notice of any meeting of Receiptholders shall be given to the Receiptholders in the manner provided for in Section 12.2 and a copy of such notice shall be sent by mail to the Subscription Receipt Agent (unless the meeting has been called by the Subscription Receipt Agent) and to the Corporation (unless the meeting has been called by the Corporation). Such notice shall state the date (which shall be a Business Day) and time when, and the place where, the meeting is to be held, shall state briefly the general nature of the business to be transacted thereat and shall contain such information as is reasonably necessary to enable the Receiptholders to make a reasoned decision on the matter, but it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article 9.

9.3 Chairman

An individual (who need not be a Receiptholder) nominated in writing by the Subscription Receipt Agent shall be chairman of the meeting and if no individual is so designated, or if the individual so designated is not present within 30 minutes from the time fixed for the holding of the meeting, the Receiptholders present in person or by proxy shall choose some individual present to be chairman.

9.4 Quorum

Subject to the provisions of Section 9.11, at any meeting of the Receiptholders a quorum shall consist of not less than two Receiptholders present in person or by proxy and holding at least 10% of the then outstanding Subscription Receipts. If a quorum of the Receiptholders shall not be present within 30 minutes from the time fixed for holding any meeting, the meeting, if summoned by the Receiptholders or on a Receiptholders' Request, shall be dissolved; but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day, in which case it shall be adjourned to the next following Business Day) at the same time and place and no notice of the adjournment need be given. Any business may be brought before or dealt with at an adjourned meeting which might have been dealt with at the original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting unless a quorum be present at the commencement of business. At the adjourned meeting the Receiptholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened notwithstanding that they may not hold at least 10% of the then outstanding Subscription Receipts.

9.5 Power to Adjourn

The chairman of any meeting at which a quorum of the Receiptholders is present may, with the consent of the meeting, adjourn any such meeting and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.

9.6 Show of Hands

Every question submitted to a meeting shall be decided in the first place by a majority of the votes given on a show of hands except that votes on a special resolution shall be given in the manner hereinafter provided. At any such meeting, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact.

9.7 Poll and Voting

On every special resolution, and on any other question submitted to a meeting and after a vote by show of hands when demanded by the chairman or by one or more of the Receiptholders acting in person or by proxy and holding at least 5% of the Subscription Receipts then outstanding, a poll shall be taken in such manner as the chairman shall direct. Questions other than those required to be determined by special resolution shall be decided by a majority of the votes cast on the poll.

On a show of hands, every person who is present and entitled to vote, whether as a Receiptholder or as proxy for one or more absent Receiptholders, or both, shall have one vote. On a poll, each Receiptholder present in person or represented by a proxy duly appointed by instrument in writing shall be entitled to one vote in respect of each Subscription Receipt then held or represented by such person. A proxy need not be a Receiptholder. In the case of joint holders, any one of them present in person or by proxy at the meeting may vote in the absence of the other or others; but in case more than one of them shall be present in person or by proxy, they shall vote together in respect of Subscription Receipts of which they are joint registered holders. The chairman of any meeting shall be entitled, both on a show of hands and on a poll,

to vote in respect of the Subscription Receipts, if any, that are held or represented by the chairman.

9.8 Regulations

The Subscription Receipt Agent, or the Corporation with the approval of the Subscription Receipt Agent, may from time to time make and from time to time vary such regulations as it shall think fit for:

- (a) the setting of the record date for a meeting of holders of Subscription Receipts for the purpose of determining Receiptholders entitled to receive notice of and vote at such meeting;
- (b) the deposit of voting certificates and instruments appointing proxies at such place and time as the Subscription Receipt Agent, the Corporation or the Receiptholders, convening the meeting, as the case may be, may in the notice convening the meeting direct;
- (c) the deposit of voting certificates and instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed or telecopied before the meeting to the Corporation or to the Subscription Receipt Agent at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting;
- (d) the form of the instrument of proxy and the manner in which the instrument of proxy must be executed; and
- (e) generally for the calling of meetings of Receiptholders and the conduct of business thereat.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide, the only persons who shall be recognized at any meeting as a Receiptholder, or be entitled to vote or be present at the meeting in respect thereof (subject to Section 9.9), shall be Receiptholders or their counsel, or duly appointed proxies of Receiptholders.

9.9 Corporation and Subscription Receipt Agent may be Represented

The Corporation and the Subscription Receipt Agent, by their respective authorized employees, agent, and counsel for the Corporation and counsel for the Subscription Receipt Agent may attend any meeting of the Receiptholders, but shall have no vote as such unless in their capacity as Receiptholder or a proxy holder.

9.10 Powers Exercisable by Special Resolution

In addition to all other powers conferred upon them by any other provisions of this Agreement or by law, the Receiptholders at a meeting shall, subject to the provisions of Section 9.11, have the power, subject to all applicable regulatory and exchange approvals, exercisable from time to time by special resolution (as defined in Section 9.11):

- (a) to agree to any modification, abrogation, alteration, compromise or arrangement of the rights of Receiptholders or, subject to the consent of the Subscription Receipt Agent, the Subscription Receipt Agent, against the Corporation or against its undertaking, property and assets or any part thereof whether such rights arise under this Agreement, any Subscription Receipt Certificates or otherwise;
- (b) to amend, alter or repeal any special resolution previously passed or sanctioned by the Receiptholders;
- (c) to direct or to authorize the Subscription Receipt Agent to enforce any of the covenants on the part of the Corporation contained in this Agreement or any Subscription Receipt Certificates or to enforce any of the rights of the Receiptholders in any manner specified in such special resolution or to refrain from enforcing any such covenant or right;
- (d) to waive, or authorize and direct the Subscription Receipt Agent to waive, any default on the part of the Corporation in complying with any provisions of this Agreement or any Subscription Receipt Certificates either unconditionally or upon any conditions specified in such special resolution;
- (e) to restrain any Receiptholder from taking or instituting any suit, action or proceeding against the Corporation for the enforcement of any of the covenants on the part of the Corporation in this Agreement or the Subscription Receipts or to enforce any of the rights of the Receiptholders;
- (f) to direct any Receiptholder who, as such, has brought any suit, action or proceeding to stay or to discontinue or otherwise to deal with the same upon payment of the costs, charges and expenses reasonably and properly incurred by such Receiptholder in connection therewith;
- (g) to assent to any modification of, change in or omission from the provisions contained in any Subscription Receipt Certificates and this Agreement or any ancillary or supplemental instrument which may be agreed to in writing by the Corporation, and to authorize the Subscription Receipt Agent to concur in and execute any ancillary or supplemental agreement embodying the change or omission;
- (h) with the consent of the Corporation (such consent not to be unreasonably withheld), to remove the subscription receipt agent or its successor in office and to appoint a new subscription receipt agent to take the place of the subscription receipt agent so removed;
- (i) to assent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with holders of any Common Shares or other securities of the Corporation;
- (j) to extend the Escrow Release Deadline; and

- (k) to assent to any modification of, change in or omission from the provisions contained in the Subscription Receipts and this Agreement or any ancillary or supplemental instrument which may be agreed to by the Corporation, and to authorize the Subscription Receipt Agent to concur in and execute any ancillary or supplemental agreement embodying the change or omission.

For greater certainty, none of the foregoing matters may be effected by the Corporation or the Subscription Receipt Agent without the approval of the Receipholders by way of special resolution.

9.11 Meaning of Special Resolution

- (a) The expression “special resolution” when used in this Agreement means, subject as hereinafter provided in this Section 9.11 and in Section 9.14, a resolution proposed at a meeting of Receipholders duly convened for that purpose and held in accordance with the provisions of this Article 9 at which two or more Receipholders are present in person or by proxy, representing not less in aggregate than 10% of the number of Subscription Receipts then outstanding and passed by the affirmative votes of Receipholders holding not less than 66^{2/3}% of the outstanding Subscription Receipts represented at the meeting and voted on a poll upon such resolution.
- (b) Notwithstanding Subsection 9.11(a), if, at any meeting called for the purpose of passing a special resolution, at least two Receipholders holding not less in aggregate than 10% of the then outstanding Subscription Receipts are not present in person or by proxy within 30 minutes after the time appointed for the meeting, then the meeting, if convened by Receipholders or on a Receipholders’ Request, shall be dissolved; but in any other case it shall stand adjourned to such day, being not less than 21 nor more than 60 days later, and to such place and time as may be determined by the chairman. Not less than 10 days’ prior notice shall be given of the time and place of such adjourned meeting in the manner provided for in Section 12.2. Such notice shall state that at the adjourned meeting the Receipholders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting:
 - (i) if the special resolution purports to exercise any of the powers conferred pursuant to Subsections 9.10(a), 9.10(d), 9.10(i) or 9.10(j) or purports to change the provisions of this Section 9.11 or of Section 9.14 or purports to amend, alter or repeal any special resolution previously passed or sanctioned by the Receipholders in exercise of the powers referred to in this paragraph, a quorum for the transaction of business shall consist of Receipholders holding more than 10% of the then outstanding Subscription Receipts present in person or by proxy; and
 - (ii) in any other case, a quorum for the transaction of business shall consist of such Receipholders as are present in person or by proxy.
- (c) At any such adjourned meeting, any resolution passed by the requisite votes as provided in Subsection 9.11(a) shall be a special resolution within the meaning of

this Agreement notwithstanding that Receiptholders holding more than 10% of the then outstanding Subscription Receipts are not present in person or by proxy at such adjourned meeting.

- (d) Votes on a special resolution shall always be given on a poll and no demand for a poll on a special resolution shall be necessary.

9.12 Powers Cumulative

Any one or more of the powers or any combination of the powers in this Agreement stated to be exercisable by the Receiptholders by special resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers or any combination of powers from time to time shall not be deemed to exhaust the right of the Receiptholders to exercise such power or combination of powers then or thereafter from time to time.

9.13 Minutes

Minutes of all resolutions and proceedings at every meeting of Receiptholders shall be made and duly entered in books to be provided from time to time for that purpose by the Subscription Receipt Agent at the expense of the Corporation, and any such minutes as aforesaid, if signed by the chairman or the secretary of the meeting at which such resolutions were passed or proceedings had or by the chairman or secretary of the next succeeding meeting held shall be *prima facie* evidence of the matters therein stated and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes shall have been made shall be deemed to have been duly convened and held, and all resolutions passed thereat or proceedings taken shall be deemed to have been duly passed and taken.

9.14 Instruments in Writing

All actions which may be taken and all powers that may be exercised by the Receiptholders at a meeting held as provided in this Article 9 may also be taken and exercised by an instrument in writing signed in one or more counterparts by such Receiptholders in person or by attorney duly appointed in writing, by one or more Receiptholders holding not less than 66^{2/3}% of the then outstanding Subscription Receipts, and the expression "special resolution" when used in this Agreement shall include an instrument so signed by one or more Receiptholders holding not less than 66^{2/3}% of the then outstanding Subscription Receipts.

9.15 Binding Effect of Resolutions

Every resolution and every special resolution passed in accordance with the provisions of this Article 9 at a meeting of Receiptholders shall be binding upon all the Receiptholders, whether present at or absent from such meeting, and every instrument in writing signed by Receiptholders in accordance with Section 9.14 shall be binding upon all the Receiptholders, whether signatories thereto or not, and each and every Receiptholder and the Subscription Receipt Agent shall be bound to give effect accordingly to every such resolution and instrument in writing.

ARTICLE 10
SUPPLEMENTAL AGREEMENTS AND SUCCESSOR PERSONS

10.1 Provision for Supplemental Agreements for Certain Purposes

From time to time the Corporation, the Lead Underwriter, on behalf of the Underwriters, and the Subscription Receipt Agent may, subject to the provisions hereof and subject to regulatory approval, and they shall, when so directed in accordance with the provisions hereof, execute and deliver by their proper officers, agreements, indentures or instruments supplemental hereto, which thereafter shall form part hereof, for any one or more or all of the following purposes:

- (a) providing for the issuance of additional Subscription Receipts hereunder and any consequential amendments hereto as may be required by the Subscription Receipt Agent, relying on the advice of counsel;
- (b) adding to the provisions hereof such additional covenants and enforcement provisions as are necessary or advisable, provided that such changes are not in the opinion of the Subscription Receipt Agent, acting reasonably, prejudicial to the interests of the Receiptholders;
- (c) giving effect to any special resolution passed as provided in Article 9;
- (d) evidencing the succession, or the successive successions, of any other person to the Corporation and the assumption by such successor of the covenants of, and obligations of the Corporation under this Agreement in accordance with Section 10.2;
- (e) making such provisions not inconsistent with this Agreement as may be necessary or desirable with respect to matters or questions arising hereunder, provided that such provisions are not, in the opinion of the Subscription Receipt Agent, acting reasonably, prejudicial to the interests of the Receiptholders;
- (f) adding to or altering the provisions hereof in respect of the transfer of Subscription Receipts, making provision for the exchange of any Subscription Receipt Certificates, and making any modification in the form of Subscription Receipt Certificate which does not affect the substance thereof;
- (g) modifying any of the provisions of this Agreement, including relieving the Corporation from any of the obligations, conditions or restrictions herein contained, provided that such modification or relief shall be or become operative or effective only if, in the opinion of the Subscription Receipt Agent, acting reasonably, such modification or relief in no way prejudices any of the rights of the Receiptholders or of the Subscription Receipt Agent, and provided further that the Subscription Receipt Agent may in its sole discretion decline to enter into any such supplemental agreement which in its opinion may not afford adequate protection to the Subscription Receipt Agent when the same shall become operative; and
- (h) for any other purpose not inconsistent with the terms of this Agreement, including the correction or rectification of any ambiguities, defective or inconsistent

provisions, errors, mistakes or omissions herein, provided that in the opinion of the Subscription Receipt Agent, acting reasonably, the rights of the Subscription Receipt Agent and of the Receiptholders are in no way prejudiced thereby.

10.2 Successor Persons

If the Corporation is consolidated, merged, arranged or amalgamated with or into any other person or conveys or transfers all or substantially all of the properties and assets of the Corporation in their entirety to another person, the successor person or persons formed by such consolidation, arrangement or amalgamation or into which the Corporation shall have been merged or which shall have received a conveyance or transfer as set out above shall, as a condition precedent to any such transaction, agree to succeed to and be substituted for the Corporation under this Agreement by supplemental agreement with the same effect as nearly as may be possible as if it had been named herein and shall deliver the executed supplemental agreement to the Subscription Receipt Agent. Such changes may be made in the Subscription Receipts as may be appropriate and necessary in view of such consolidation, merger, arrangement, amalgamation, conveyance or transfer without the need for any approval of the Receiptholders.

ARTICLE 11 CONCERNING THE SUBSCRIPTION RECEIPT AGENT

11.1 Rights and Duties of Subscription Receipt Agent

- (a) In the exercise of the rights and duties prescribed or conferred by the terms of this Agreement, the Subscription Receipt Agent shall exercise that degree of care, diligence and skill that a reasonably prudent Subscription Receipt Agent would exercise in comparable circumstances. No provision of this Agreement shall be construed to relieve the Subscription Receipt Agent from liability for its own negligence, wilful misconduct or bad faith.
- (b) The obligation of the Subscription Receipt Agent to commence or continue any act, action or proceeding for the purpose of enforcing any rights of the Subscription Receipt Agent or the Receiptholders hereunder shall be conditional upon the Receiptholders furnishing, when required by notice by the Subscription Receipt Agent, sufficient funds to commence or to continue such act, action or proceeding and an indemnity reasonably satisfactory to the Subscription Receipt Agent to protect and to hold harmless the Subscription Receipt Agent against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof. None of the provisions contained in this Agreement shall require the Subscription Receipt Agent to expend or to risk its own funds or otherwise to incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified as aforesaid.
- (c) The Subscription Receipt Agent may, before commencing or at any time during the continuance of any such act, action or proceeding, require the Receiptholders at whose instance it is acting to deposit with the Subscription Receipt Agent the Subscription Receipts held by them, for which Subscription Receipts the Subscription Receipt Agent shall issue receipts.

- (d) Every provision of this Agreement that by its terms relieves the Subscription Receipt Agent of liability or entitles it to rely upon any evidence submitted to it is subject to the provisions of this Section 11.1 and of Section 11.2.
- (e) The Subscription Receipt Agent shall not be required to take notice of any default hereunder, unless and until notified in writing of such default, which notice shall distinctly specify the default desired to be brought to the attention of the Subscription Receipt Agent and in the absence of any such notice, the Subscription Receipt Agent may for all purposes of this Agreement conclusively assume that no default has been made in the observance or performance of any of the representations, warranties, covenants, agreements or conditions contained herein. Any such notice shall in no way limit any discretion herein given to the Subscription Receipt Agent to determine whether or not the Subscription Receipt Agent shall take action with respect to any default.
- (f) The Subscription Receipt Agent shall have no duties except those expressly set forth herein, and it shall not be bound by any notice of a claim or demand with respect to, or any waiver, modification, amendment, termination or rescission of, this Agreement, unless received by it in writing and signed by the other parties hereto and, if its duties herein are affected, unless it shall have given its prior written consent thereto.
- (g) The Subscription Receipt Agent shall incur no liability whatsoever with respect to the delivery or non-delivery of any certificates or cheques whether delivery by hand, mail or any other means.
- (h) The Subscription Receipt Agent shall not be responsible or liable in any manner whatsoever for the deficiency, correctness, genuineness or validity of any securities deposited with it.
- (i) The Subscription Receipt Agent shall retain the right not to act and shall not be held liable for refusing to act unless it has received clear and reasonable documentation which complies with the terms of this Agreement, which documentation does not require the exercise of any discretion or independent judgment.

11.2 Evidence, Experts and Advisers

- (a) In addition to the reports, certificates, opinions and other evidence required by this Agreement, the Corporation shall furnish to the Subscription Receipt Agent such additional evidence of compliance with any provision hereof, and in such form, as the Subscription Receipt Agent may reasonably require by written notice to the Corporation.
- (b) In the exercise of its rights and duties hereunder, the Subscription Receipt Agent may, if it is acting in good faith, act and rely as to the truth of the statements and the accuracy of the opinions expressed in statutory declarations, opinions, reports, written requests, consents, or orders of the Corporation, certificates of the Corporation or other evidence furnished to the Subscription Receipt Agent

pursuant to any provision hereof or pursuant to a request of the Subscription Receipt Agent.

- (c) Whenever it is provided in this Agreement that the Corporation shall deposit with the Subscription Receipt Agent resolutions, certificates, reports, opinions, requests, orders or other documents, it is intended that the truth, accuracy and good faith on the effective date thereof and the facts and opinions stated in all such documents so deposited shall, in each and every such case, be conditions precedent to the right of the Corporation to have the Subscription Receipt Agent take the action to be based thereon.
- (d) Proof of the execution of an instrument in writing, including a Receiptholders' Request, by any Receiptholder may be made by the certificate of a notary public, or other officer with similar powers, that the person signing such instrument acknowledged to him the execution thereof, or by an affidavit of a witness to such execution or in any other manner which the Subscription Receipt Agent may consider adequate.
- (e) The Subscription Receipt Agent may act and rely and shall be protected in acting and relying upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, letter, or other paper document believed by it to be genuine and to have been signed, sent or presented by or on behalf of the proper party or parties.
- (f) The Subscription Receipt Agent may act and rely and shall be protected in acting and relying in good faith on the opinion or advice of or information obtained from counsel, or any accountant, appraiser, or other expert or advisor, whether retained or employed by the Corporation or by the Subscription Receipt Agent with respect to any matter arising in relation to the Agreement.
- (g) The Subscription Receipt Agent may employ or retain such counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of determining and discharging its duties hereunder and may pay reasonable remuneration for all services so performed by any of them, without taxation of costs of any counsel, and shall not be responsible for any negligence, wilful misconduct or bad faith on the part of any such experts or advisers who have been appointed with due care by the Subscription Receipt Agent.

11.3 Securities, Documents and Monies Held by Subscription Receipt Agent

Subject to Section 5.1, any securities, documents of title, monies or other instruments that may at any time be held by the Subscription Receipt Agent pursuant to this Agreement may be placed in the deposit vaults of the Subscription Receipt Agent or of any Canadian chartered bank or deposited for safekeeping with any such bank. Any monies so held pending the application or withdrawal thereof under any provisions of this Agreement may be deposited in the name of the Subscription Receipt Agent in any Canadian chartered bank, or in the deposit department of the Subscription Receipt Agent or any other loan or trust company authorized to accept deposits under the laws of Canada or a province thereof, at the rate of interest (if any) then current on similar deposits.

11.4 Actions by Subscription Receipt Agent to Protect Interest

The Subscription Receipt Agent shall have the power to institute and to maintain such actions and proceedings as it may consider necessary or expedient to preserve, protect or enforce its interests and the interests of the Receiptholders.

11.5 Subscription Receipt Agent not Required to Give Security

The Subscription Receipt Agent shall not be required to give any bond or security in respect of the execution of this Agreement or otherwise in respect of the premises.

11.6 Protection of Subscription Receipt Agent

By way of supplement to the provisions of any law for the time being relating to agents it is expressly declared and agreed as follows:

- (a) the Subscription Receipt Agent shall not be liable for or by reason of any statements of fact in this Agreement or in any Subscription Receipt Certificates (except the representation contained in Section 11.8 or in the certificate of the Subscription Receipt Agent on any Subscription Receipt Certificates) or be required to verify the same, but all such statements are and shall be deemed to be made by the Corporation;
- (b) the Subscription Receipt Agent shall not be bound to give notice to any person or persons of the execution hereof;
- (c) the Subscription Receipt Agent shall not incur any liability or responsibility whatever or be in any way responsible for the consequence of any breach on the part of the Corporation of any of the covenants herein contained or of any acts of any Directors, officers, employees, agents or servants of the Corporation;
- (d) the Corporation shall fully indemnify and save harmless the Subscription Receipt Agent and its officers, directors, employees and agents from and against any and all liabilities, losses, costs, claims, actions or demands whatsoever brought against the Subscription Receipt Agent which it may suffer or incur as a result of or arising out of the performance of its duties and obligations under this Agreement, save only in the event of the Subscription Receipt Agent's negligence, wilful misconduct or bad faith. In no event will the Subscription Receipt Agent be liable for special, indirect, consequential or punitive loss or damages of any kind whatsoever (including but not limited to lost profits), even if the Subscription Receipt Agent has been advised of the possibility of such damages. Any liability of the Subscription Receipt Agent will be limited in the aggregate to an amount equal to all of the fees paid by the Corporation to the Subscription Receipt Agent in respect of the Subscription Receipt Agreement and the services provided hereunder; and
- (e) in the event any question or dispute arises with respect to the Subscription Receipt Agent's duties hereunder, the Subscription Receipt Agent shall not be required to act or be held liable or responsible for its failure or refusal to act until the question or dispute has been (i) judicially settled (and, if appropriate the

Subscription Receipt Agent may file a suit in interpleader or for a declaratory judgement for such purpose) by final judgement by a court of competent jurisdiction that is binding on all parties in the matter and is no longer subject to review or appeal, or (ii) settled by written document in form and substance satisfactory to the Subscription Receipt Agent and executed by the Subscription Receipt Agent. In addition, the Subscription Receipt Agent may require for such purpose, but shall not be obligated to require, the execution of such written settlement by parties that may have an interest in the settlement. It is understood and agreed that this indemnification shall survive the termination or discharge of this Agreement or the resignation or removal of the Subscription Receipt Agent.

11.7 Replacement of Subscription Receipt Agent; Successor by Merger

- (a) The Subscription Receipt Agent may resign its appointment and be discharged from all other duties and liabilities hereunder, subject to this Section 11.7, by giving to the Corporation not less than 30 days prior notice in writing or such shorter prior notice as the Corporation may accept as sufficient. The Receiptholders by special resolution shall have power at any time to remove the existing Subscription Receipt Agent and to appoint a new Subscription Receipt Agent. In the event of the Subscription Receipt Agent resigning or being removed as aforesaid or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, the Underwriters shall forthwith, with the Corporation's prior consent, not to be unreasonably withheld, appoint a new Subscription Receipt Agent unless a new Subscription Receipt Agent has already been appointed by the Receiptholders; failing such appointment by the Underwriters and the Corporation, the retiring Subscription Receipt Agent (at the expense of the Corporation) or any Receiptholder may apply to a justice of the courts of Ontario on such notice as such justice may direct, for the appointment of a new Subscription Receipt Agent; but any new Subscription Receipt Agent so appointed by the Underwriters and the Corporation or by the courts of Ontario shall be subject to removal as aforesaid by the Receiptholders. Any new Subscription Receipt Agent appointed under any provision of this Section 11.7 shall be a corporation authorized to carry on the business of a trust company in the Province of Ontario and, if required by the applicable legislation for any other provinces, in such other provinces. On any such appointment the new Subscription Receipt Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Subscription Receipt Agent hereunder. At the request of the Corporation or the new Subscription Receipt Agent, the retiring Subscription Receipt Agent, upon payment of the amounts, if any, due to it pursuant to Section 7.2, shall duly assign, transfer and deliver to the new Subscription Receipt Agent all property and money held and all records kept by the retiring Subscription Receipt Agent hereunder or in connection herewith.
- (b) Upon the appointment of a successor Subscription Receipt Agent, the Corporation shall promptly notify the Receiptholders thereof in the manner provided for in Article 12 hereof.
- (c) Any corporation into or with which the Subscription Receipt Agent may be merged or consolidated or amalgamated, or any corporation resulting therefrom

to which the Subscription Receipt Agent shall be a party, or any corporation succeeding to the corporate trust business of the Subscription Receipt Agent shall be the successor to the Subscription Receipt Agent hereunder without any further act on its part or any of the parties hereto, provided that such corporation would be eligible for appointment as a successor Subscription Receipt Agent under Subsection 11.7(a).

- (d) Any Subscription Receipt Certificate certified but not delivered by a predecessor Subscription Receipt Agent may be delivered by the successor Subscription Receipt Agent in the name of the predecessor or successor Subscription Receipt Agent.

11.8 Conflict of Interest

- (a) The Subscription Receipt Agent represents to the Corporation and the Underwriters that at the time of execution and delivery hereof no material conflict of interest exists between its role as a subscription receipt agent hereunder and its role in any other capacity and agrees that in the event of a material conflict of interest arising hereafter it will, within 30 days after ascertaining that it has such material conflict of interest, either eliminate the same or assign its appointment as subscription receipt agent hereunder to a successor subscription receipt agent approved by the Corporation and meeting the requirements set forth in Subsection 11.7(a). Notwithstanding the foregoing provisions of this Subsection 11.8(a), if any such material conflict of interest exists or hereafter shall exist, the validity and enforceability of this Agreement and any Subscription Receipt Certificates shall not be affected in any manner whatsoever by reason thereof.
- (b) Subject to Subsection 11.8(a), the Subscription Receipt Agent, in its personal or any other capacity, may buy, lend upon and deal in securities of the Corporation and generally may contract and enter into financial transactions with the Corporation or any affiliated entity of the Corporation without being liable to account for any profit made thereby.

11.9 Acceptance of Appointment

The Subscription Receipt Agent hereby accepts the appointment as subscription receipt agent in this Agreement and agrees to perform its duties hereunder upon the terms and conditions herein set forth.

11.10 Subscription Receipt Agent Not to be Appointed Receiver

The Subscription Receipt Agent and any person related to the Subscription Receipt Agent shall not be appointed a receiver, a receiver and manager or liquidator of all or any part of the assets or undertaking of the Corporation.

**ARTICLE 12
GENERAL**

12.1 Notice to the Corporation, Subscription Receipt Agent and the Underwriters

(a) Unless herein otherwise expressly provided, any notice to be given hereunder to the Corporation, the Underwriters or the Subscription Receipt Agent shall be deemed to be validly given if delivered by hand courier or if transmitted by facsimile:

(i) if to the Corporation:

The Intertain Group Limited
24 Duncan Street, Floor 2
Toronto, Ontario M5V 2B8

Attention: Chief Executive Officer
Fax: (416) 352-1456

(ii) if to the Underwriters, care of the Lead Underwriter:

Canaccord Genuity Corp.
Brookfield Place
161 Bay Street
Suite 3000, P.O. Box 516
Toronto, Ontario M5J 2S1

Attention: Michael Kogan
Fax: (416) 869-3876

(iii) if to the Subscription Receipt Agent:

CST Trust Company
320 Bay Street, 3rd Floor
Toronto, Ontario M5H 4A6

Attention: Christopher Voutsinas
Fax: 1-877-715-0494

and any such notice delivered in accordance with the foregoing shall be deemed to have been received on the date of delivery or, if transmitted by facsimile on the day of transmission or, if such day is not a Business Day, on the first Business Day following the day of transmission. Accidental error or omission in giving notice or accidental failure to mail notice to any Receiptholder will not invalidate any action or proceeding founded thereon.

(b) The Corporation, the Lead Underwriter or the Subscription Receipt Agent, as the case may be, may from time to time notify the other in the manner provided in Subsection 12.1(a) of a change of address which, from the effective date of such notice and until changed by like notice, shall be the address of the Corporation,

the Lead Underwriter or the Subscription Receipt Agent, as the case may be, for all purposes of this Agreement.

12.2 Notice to Receiptholders

- (a) Unless herein otherwise expressly provided, any notice to the Receiptholders under the provisions of this Agreement shall be valid and effective if delivered or sent by letter or circular through the ordinary post addressed to such holders at their post office addresses appearing on the register hereinbefore mentioned and shall be deemed to have been effectively given on the date of delivery or, if mailed, five Business Days following actual posting of the notice.
- (b) If, by reason of a strike, lockout or other work stoppage, actual or threatened, involving postal employees, any notice to be given to the Receiptholders hereunder could reasonably be considered unlikely to reach its destination, such notice shall be valid and effective only if it is delivered personally to such Receiptholders or if delivered to the address for such Receiptholders contained in the register of Subscription Receipts maintained by the Subscription Receipt Agent.
- (c) All notices to joint holders of any Subscription Receipt may be given to whichever one of the holders thereof is named first in the appropriate register hereinbefore mentioned, and any notice so given shall be sufficient notice to all such joint holders of the Subscription Receipt.

12.3 Ownership of Subscription Receipts

The Corporation and the Subscription Receipt Agent may deem and treat the registered owner of any Subscription Receipt Certificate or, in the case of a transferee who has surrendered a Subscription Receipt Certificate in accordance with and as contemplated in Sections 3.3 and 3.5, such transferee, as the absolute owner of the Subscription Receipt represented thereby for all purposes, and the Corporation and the Subscription Receipt Agent shall not be affected by any notice or knowledge to the contrary except where the Corporation or the Subscription Receipt Agent is required to take notice by statute or by order of a court of competent jurisdiction. A Receiptholder shall be entitled to the rights evidenced by such Subscription Receipt Certificate free from all equities or rights of set off or counterclaim between the Corporation and the original or any intermediate holder thereof and all persons may act accordingly and the receipt of any such Receiptholder for the Underlying Shares which may be acquired pursuant thereto shall be a good discharge to the Corporation and the Subscription Receipt Agent for the same and neither the Corporation nor the Subscription Receipt Agent shall be bound to inquire into the title of any such holder except where the Corporation or the Subscription Receipt Agent is required to take notice by statute or by order of a court of competent jurisdiction.

12.4 Satisfaction and Discharge of Agreement

Upon the earliest of:

- (a) the issuance of certificates evidencing Underlying Shares to all holders of Subscription Receipts as provided in Subsection 3.3(a) and the payment of

monies required to be paid to the Corporation and the Underwriters pursuant to Section 3.2; or

- (b) the payment of all monies required where Termination occurs as provided in Subsection 3.5(e),

this Agreement shall cease to be of further effect and the Subscription Receipt Agent, on demand of and at the cost and expense of the Corporation and upon delivery to the Subscription Receipt Agent of a certificate of the Corporation stating that all conditions precedent to the satisfaction and discharge of this Agreement have been complied with, shall execute proper instruments acknowledging satisfaction of and discharging this Agreement.

12.5 Sole Benefit of Parties and Receiptholders

Nothing in this Agreement or in any Subscription Receipt Certificates, expressed or implied, shall give or be construed to give to any person other than the parties hereto, the Receiptholders and the transferees of Subscription Receipts as contemplated in Section 2.14, as the case may be, any legal or equitable right, remedy or claim under this Agreement, or under any covenant or provision herein or therein contained, all such covenants and provisions being for the sole benefit of the parties hereto, the Receiptholders and such transferees.

12.6 Time of Essence

Time is and shall remain of the essence of this Agreement.

12.7 Counterparts

This Agreement may be executed and delivered in counterparts, each of which when so executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution they shall be deemed to be dated as of the date hereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the parties hereto have executed this Agreement under their respective corporate seals and the hands of their proper officers in that behalf.

THE INTERTAIN GROUP LIMITED

By: (signed) "Keith Laslop"
Name: Keith Laslop
Title: Chief Financial Officer

CANACCORD GENUITY CORP.

By: (signed) "Michael Kogan"
Name: Michael Kogan
Title: Director

CST TRUST COMPANY

By: (signed) "Radha Mulchan-Singh"
Name: Radha Mulchan-Singh
Title: Authorized Signatory

By: (signed) "Christopher Voutsinas"
Name: Christopher Voutsinas
Title: Authorized Signatory

SCHEDULE A

FORM OF SUBSCRIPTION RECEIPT CERTIFICATE

[In the case of Subscription Receipts issued in the United States or to, or for the account or benefit of, a U.S. Person, insert:

“THE SECURITIES REPRESENTED HEREBY AND SECURITIES ISSUABLE PURSUANT HERETO HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY OR (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, PROVIDED THAT, IN THE CASE OF TRANSFERS PURSUANT TO (B) ABOVE, THE HOLDER HAS, PRIOR TO SUCH TRANSFER, FURNISHED TO THE COMPANY AN OPINION TO SUCH EFFECT FROM COUNSEL OF RECOGNIZED STANDING, OR OTHER EVIDENCE, IN EITHER CASE REASONABLY SATISFACTORY TO THE COMPANY. THE SECURITIES REPRESENTED HEREBY CANNOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, TO A U.S. PERSON WITHIN THE MEANING OF REGULATION S UNDER THE U.S. SECURITIES ACT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.”]

THE INTERTAIN GROUP LIMITED
(A corporation governed by the laws of Ontario)

Number: ●

CUSIP/ISIN: 46111Q143/CA46111Q1431

THIS IS TO CERTIFY THAT, for value received _____ (the “holder”) is the registered holder of _____ Subscription Receipts represented hereby.

The Subscription Receipts represented by this Subscription Receipt certificate (the “**Certificate**”) are issued pursuant to a subscription receipt agreement (the “**Agreement**”) dated February 26, 2015 between The Intertain Group Limited (the “**Corporation**”), Canaccord Genuity Corp. and CST Trust Company (the “**Subscription Receipt Agent**”). Capitalized terms used in the Agreement have the same meaning herein as therein, unless otherwise defined.

Each Subscription Receipt entitles the holder:

- (a) provided that the Escrow Release Conditions occur on or before May 6, 2015 (the “**Escrow Release Deadline**”), to receive automatically, without any further action required by such holder and without the payment of any additional consideration on the Escrow Release Date one fully paid and non-assessable common share (an “**Underlying Share**”) of the Corporation; or
- (b) in the event Termination occurs, at the Termination Payment Time, to receive from the Corporation an amount, out of the Escrowed Funds, equal to the Subscription Price in

respect of such holder's Subscription Receipts together with such holder's *pro rata* share of Earned Interest, less applicable withholding taxes, if any. Subject to Section 3.5(c)(i) of the Agreement, to the extent that the Escrowed Funds are insufficient to refund to each holder of Subscription Receipts an amount equal to the aggregate Subscription Price of the Subscription Receipts held by them, the Corporation shall be responsible and liable to the holders of Subscription Receipts, with no further recourse by the holders of the Subscription Receipts or the Underwriters against the Corporation, for any shortfall and shall contribute such amounts as are necessary to satisfy any shortfall such that each holder of Subscription Receipts will receive an amount equal to the aggregate Subscription Price for the Subscription Receipts held together with such holder's *pro rata* share of Earned Interest, less applicable withholding rates, if any.

If the Escrow Release Conditions do not occur on or before the Termination Date, the Termination Date may be extended by up to 30 days by the Lead Underwriter, on behalf of the Underwriters, in its sole discretion, acting reasonably. In such case, the Lead Underwriter shall provide a notice of such extension to the Corporation and the Subscription Receipt Agent by no later than 12:00 p.m. (Toronto time) on the Termination Date.

This Certificate also evidences the receipt by the Corporation of the Subscription Price of \$15.00 for each Subscription Receipt represented hereby, which funds (less 50% of the Underwriters' Fee) shall be delivered to the Subscription Receipt Agent, pursuant to the Agreement.

The Subscription Receipts represented hereby are issued under and pursuant to the Agreement. Reference is hereby made to the Agreement and any and all other instruments supplemental or ancillary thereto for a full description of the rights of the holders of the Subscription Receipts and the terms and conditions upon which such Subscription Receipts are, or are to be, issued and held, all to the same effect as if the provisions of the Agreement and all instruments supplemental or ancillary thereto were herein set forth, and to all of which provisions the holder of these Subscription Receipts by acceptance hereof assents. In the event of a conflict or inconsistency between the terms of the Agreement and this Certificate, the terms of the Agreement shall prevail.

The holding of the Subscription Receipts evidenced by this Certificate shall not constitute the holder hereof a shareholder of the Corporation or entitle such holder to any right or interest in respect thereof except as herein and in the Agreement expressly provided. The Agreement provides for adjustment in the number of Underlying Shares to be issued upon the exchange of the Subscription Receipts, evidenced by this Certificate upon the occurrence of certain events set forth therein.

The Agreement contains provisions making binding upon all holders of Subscription Receipts outstanding thereunder resolutions passed at meetings of such holders held in accordance with such provisions and by instruments in writing signed by the holders of a specified majority of the outstanding Subscription Receipts.

The Subscription Receipts evidenced by this Certificate, the Underlying Shares issuable upon conversion of this Subscription Receipt have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or under the securities laws of any state of the United States. All or any portion of this Subscription Receipt may not be offered, sold or pledged or otherwise transferred unless to the Corporation or pursuant to Regulation S under the U.S. Securities Act.

The Subscription Receipts evidenced by this Certificate may be transferred on the register kept at the Designated Office of the Subscription Receipt Agent by the registered holder hereof or his legal representatives or his attorney duly appointed by an instrument in writing in form and execution satisfactory to the Subscription Receipt Agent, only upon payment of the charges provided for in the Agreement and upon compliance with such reasonable requirements as the Subscription Receipt Agent may prescribe. The transfer register shall be closed on the earlier to occur of the Escrow Release Date and the Termination Date.

This Certificate shall not be valid for any purpose whatever unless and until it has been countersigned by or on behalf of the Subscription Receipt Agent.

After the Escrow Release Date, this Certificate and all rights hereunder, other than the right to receive the Underlying Shares, will be void and of no further value or effect.

Time shall be of the essence hereof. This Certificate is governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the Corporation has caused this Certificate to be signed by its duly authorized representatives as of February 26, 2015.

THE INTERTAIN GROUP LIMITED

By: _____
Name:
Title:

Certified and countersigned by:

CST TRUST COMPANY
as Subscription Receipt Agent

By: _____
Name:
Title:

Date:

TRANSFER FORM

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

NAME and ADDRESS in full (please print)

Subscription Receipts (the "**Subscription Receipts**") of The Intertain Group Limited represented by this Certificate and irrevocably constitutes and appoints

as the attorney of the undersigned to transfer such securities on the register of transfers with full power of substitution.

THE UNDERSIGNED TRANSFEROR HEREBY CERTIFIES AND DECLARES that the Subscription Receipts are not being offered, sold or transferred to, or for the account or benefit of, a U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933 as amended (the "**U.S. Securities Act**")) or a person within the United States.

This transfer form shall be effective to transfer all of the holder's right, title and entitlement in and to the Underlying Shares issuable upon the exchange of the Subscription Receipts.

Dated _____, 20__.

Residential Address of Transferee

Nationality of Transferee (if an individual)

Date of Birth (if an individual)

Registration number and jurisdiction of incorporation /formation (if Transferee is a business entity)

Signature of Transferor

Signature Guarantee

Note: Subject to applicable law, the securities may be required to contain a legend which restricts trading in such securities. The signature to any endorsement hereof must correspond with the name as written upon the face of this Certificate in every particular without alteration or any change whatsoever. All endorsements or assignments of this Certificate must be endorsed by the registered holder thereof or be accompanied by a share transfer power of attorney duly and properly completed by the registered holder, with the signature guaranteed in either case by a Canadian Schedule I chartered bank, a member of the Securities Transfer Association Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP). The signature of the registered holder must correspond in every respect with the name of the registered holder appearing on the face of this Certificate(s).

If the certificate representing the Subscription Receipts bears a legend restricting the transfer of the Subscription Receipts under the United States Securities Act of 1933, as amended, and applicable state securities laws, this transfer form must be accompanied by evidence, which may, if required, include an opinion of counsel of recognized standing, reasonably satisfactory to The Intertain Group Limited to the effect that the proposed transfer may be effected without registration under the United States Securities Act of 1933, as amended, or applicable state securities laws.

SCHEDULE B

FORM OF ESCROW RELEASE NOTICE

TO: CST Trust Company (the “**Subscription Receipt Agent**”)

Reference is made to the subscription receipt agreement dated as of February 26, 2015 between the undersigned and the Subscription Receipt Agent (the “**Subscription Receipt Agreement**”). All capitalized terms used herein without definition having the meanings specified thereto in the Subscription Receipt Agreement.

In accordance with the provisions of the Subscription Receipt Agreement, we are writing to advise you that the Escrow Release Conditions have been satisfied.

In accordance with Section 3.2 of the Subscription Receipt Agreement, you are hereby irrevocably directed and authorized, in your capacity as Subscription Receipt Agent, to release the Escrowed Funds as follows:

- (a) as to \$_____ **[representing the Balance of the Underwriters’ Fee and all of the Underwriters’ Expenses]** to Canaccord Genuity Corp. by means of a wire transfer to the account indicated in the attached; and
- (b) as to the balance to the Corporation by wire transfer to the account indicated in the attached.

The Corporation hereby irrevocably directs and authorizes CST Trust Company, in its capacity as registrar and transfer agent of the Underlying Shares, to issue and deliver on behalf of the Corporation, through the non-certificated inventory process via CDS pursuant to the Subscription Receipt Agreement effective as at the Escrow Release Date, all as provided in Section 3.3 of the Subscription Receipt Agreement. The Underlying Shares shall be deemed to be issued on the Escrow Release Date notwithstanding that a certificate evidencing such Underlying Shares has not been issued. We hereby confirm that the allotment and issue of these Underlying Shares has been duly authorized by all necessary action.

[Remainder of page intentionally left blank.]

The foregoing direction, which may be signed in counterparts and delivered electronically, is irrevocable and shall constitute your good and sufficient authority for making such payments and issuances as directed above.

DATED the _____ day of _____, 2015.

THE INTERTAIN GROUP LIMITED

CANACCORD GENUITY CORP.

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer