AGENCY AGREEMENT

Effective as of December 18, 2020

Gatling Exploration Inc.
200 Burrard Street, Suite1680
Vancouver, BC
V6C 3L6

Attention: Jason Billan, President and CEO

Dear Sir:

Re: Private Placement of Units and "Flow-Through" Common Shares

Sprott Capital Partners LP ("**Sprott**" or the "**Lead Agent**") and Canaccord Genuity Corp. (together with Sprott, the "**Agents**") understand that Gatling Exploration Inc. (the "**Corporation**") proposes to issue and sell up to $5,000,000 in equity securities of the Corporation (the "**Maximum Offering**") consisting of (i) 5,497,140 "flow-through" common shares of the Corporation ("**Flow-Through Shares**") at a price of C$0.55 per Flow-Through Share (the "**Flow-Through Share Issue Price**"), and (ii) 3,240,000 units ("**Units**" and, together with the Flow-Through Shares, the "**Securities**") at a price of C$0.50 per Unit (the "**Unit Issue Price**") with each Unit consisting of one common share ("**Common Shares**") of the Corporation (a "**Unit Share**") and one half of one transferable Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire one common share of the Corporation (a "**Warrant Share**") at a price of C$0.70 for a period of 24 months following the closing of the Offering, provided that if the volume weighted average closing price of the common shares of the Corporation (the "**Shares**") on the TSX Venture Exchange or such other stock exchange on which the Shares are then trading (the "**TSX-V**") is equal to or greater than $1.10 for a period of 10 consecutive trading days, the Corporation may at its option elect to accelerate the expiry of the Warrants by providing notice to the holders thereof within 10 calendar days following the end of such 10 consecutive trading day period, in which case the Warrants will expire on the date specified in such notice, which shall be not less than 30 calendar days following delivery of such notice. The Warrants shall be governed by the provisions of a warrant indenture (the "**Warrant Indenture**") to be entered into by the warrant agent and the Corporation. The offering of the Securities by the Corporation is referred to in this Agreement as the "**Offering**". The Flow-Through Shares, the Units, and the Unit Shares and Warrants comprising the Units, in each case sold pursuant to this Agreement, are collectively referred to as the "**Offered Securities**".

The Corporation shall grant the Agents an option (the "**Over-Allotment Option**") to sell up to an additional 15% of the number of Offered Securities sold under the Offering at the Unit Issue Price or the Flow-Through Share Issue Price, as applicable, and on such other same terms and conditions under the Offering. The Over-Allotment Option shall be exercisable, in whole or in part, on or before the date that is three business days prior to the Closing Date (as defined below). References to the "**Offering**" in this Agreement shall include the exercise of the Over-Allotment Option, if any, as applicable and the Units and/or the Flow-Through Shares issued on the exercise of the Over-Allotment Option shall be included in the definition of "**Offered Securities**".

Subject to the terms and conditions of this Agreement, the Agents agree to act as, and the Corporation appoints the Agents as, the sole and exclusive agents of the Corporation (i) to offer the Offered Securities for sale on a "best efforts" basis in the Selling Jurisdictions (as defined below) in Canada on a private placement basis, (ii) to offer the Units, Unit Shares and Warrants for sale on a "best efforts" basis to accredited investors (satisfying one or more of the requirements set forth in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the "**U.S. Securities Act**")), in the United States on a private placement basis only under Rule 506(b) of Regulation D and/or Section 4(a)(2) under the U.S. Securities Act and applicable state securities laws; and (iii) to offer the Units, Unit Shares and Warrants for sale on a "best efforts" basis to purchasers in certain international jurisdictions, in each case in accordance with all applicable laws provided that no prospectus, registration statement or similar document is required to be filed in such jurisdiction. The Corporation acknowledges and agrees that the Agents may, but are not obligated to, purchase any of the Offered Securities as principal.

The Corporation agrees that the Agents shall be permitted to appoint, at their sole expense, other registered dealers or other dealers duly qualified in their respective jurisdictions, as agents, to assist in the Offering in the Selling Jurisdictions and that the Agents may determine, and shall be solely responsible for, the remuneration payable to such other dealers appointed by it.

In consideration of the Agents' services to be rendered in connection with the Offering, including assisting in preparing documentation relating to the Offered Securities and distributing the Offered Securities, directly and through other investment dealers and brokers, subject to the paragraph below, the Corporation shall pay to the Agents a cash fee (the "**Agents' Fee**") equal to 6.0% of the gross proceeds received from the Units sold under the Offering to Subscribers, other than those Units sold pursuant to the President's List (as defined herein) for which no cash fee shall be payable. The Agents' Fee shall be payable at the Closing Time as provided for in Section 7. As additional compensation for the services provided, the Corporation shall grant to the Agents compensation options (the "**Compensation Options**") entitling the Agents to acquire that number of common shares ("**Compensation Shares**") of the Corporation as is equal to (i) 6.0% of the total number of Units sold pursuant to the Offering to Subscribers, other than those Units sold pursuant to the President's List (as defined herein) for which no Compensation Options are issuable, and (ii) 5.0% of the number of Flow-Through Shares sold under the Offering. Each Compensation Option will be exercisable to acquire one Compensation Share of the Corporation for a period of 24 months following the Closing Date (as defined below) at an exercise price equal to the $0.70 per Compensation Share pursuant to the terms of compensation option certificates (the "**Compensation Option Certificates**") representing the Compensation Options.

The Offering will close (the "**Closing**") on December 18, 2020, or on such date as the Corporation and the Lead Agent, on behalf of the Agents, may agree upon (the "**Closing Date**").

The Agents acknowledge that none of the Compensation Options or the Compensation Shares (collectively, the "**Compensation Securities**") have been registered under the U.S. Securities Act or the securities laws of any state of the United States. In connection with the issuance of the Compensation Securities, each of the Agents represents, warrants and covenants that (i) it is acquiring the Compensation Securities as principal for its own account and not for the benefit of any other person; (ii) it is not a U.S. Person and is not acquiring the Compensation Options in the United States, or on behalf of a U.S. Person or a person located in the United States; and (iii) this

Agreement was executed and delivered outside the United States. Each of the Agents acknowledges and agrees that the Compensation Options may not be exercised in the United States or by or on behalf or for the benefit of a U.S. Person or a person in the United States, unless such exercise is not subject to registration under the U.S. Securities Act or the securities laws of any state of the United States.

1. Definitions

In this Agreement:

(a) "**affiliate**", "**distribution**", "**material change**", "**material fact**", "**misrepresentation**", and "**subsidiary**" have the respective meanings given to them in the *Securities Act* (British Columbia);

(b) "**Agents**" has the meaning given to it above;

(c) "**Agents' Counsel**" means Borden Ladner Gervais LLP;

(d) "**Agents' Fee**" has the meaning given to it above;

(e) "**Agreement**" means the agreement resulting from the acceptance by the Corporation of the offer made by the Agents by this letter, including the schedules attached to this letter, as amended or supplemented from time to time;

(f) "**Applicable Securities Laws**" means all applicable securities, corporate and other laws, rules, regulations, notices and policies;

(g) "**Business Day**" means any day, other than a Saturday or Sunday on which banking institutions in Toronto, Ontario and Vancouver, British Columbia are open for commercial banking business during normal banking hours;

(h) "**Canadian Exploration Expense**" or "**CEE**" means Canadian exploration expenses described in paragraph (f) of the definition of "Canadian exploration expense" in subsection 66.1(6) of the Tax Act or which would be described in paragraph (h) of that definition if the reference therein to "paragraphs (a) to (d) and (f) to (g.4)" were read as "paragraph (f)", excluding amounts which are: (i) prescribed to constitute "Canadian exploration and development overhead expenses" as prescribed pursuant to the Tax Act; (ii) assistance described in paragraph 66(12.6)(a) of the Tax Act; (iii) expenditures described in paragraph 66(12.6)(b.1) of the Tax Act; or (iv) any expenses for prepaid services or rent that do not qualify as outlays or expenses for the period as described in the definition of "expense" in subsection 66(15) of the Tax Act;

(i) "**Closing**" has the meaning given to it above;

(j) "**Closing Date**" has the meaning given to it above;

(k) "**Closing Time**" means 11:00 a.m. (Toronto time) or such other time on the Closing Date as the Lead Agent and the Corporation may agree;

(l) "**Commitment Amount**" means an amount equal to $0.55 multiplied by the number of Flow-Through Shares subscribed and paid for pursuant to the applicable Flow-Through Subscription Agreements;

(m) "**Common Share**" means a common share in the capital of the Corporation;

(n) "**Compensation Options**" has the meaning given to it above;

(o) "**Compensation Option Certificates**" has the meaning given to it above;

(p) "**Compensation Shares**" has the meaning given to it above;

(q) "**Corporation**" has the meaning given to it above;

(r) "**Corporation's counsel**" means Miller Thomson LLP;

(s) "**Documents**" means, collectively:

   (i) the audited consolidated financial statements of the Corporation with respect to the year ended March 31, 2020 together with the notes thereto, the report of the auditors of the Corporation thereon and management's discussion and analysis in respect thereof;

   (ii) the unaudited condensed interim consolidated financial statements of the Corporation with respect to the six months ended September 30, 2020 together with the notes thereto and the management's discussion and analysis in respect thereof;

   (iii) all press releases released by the Corporation since March 31, 2019; and

   (iv) all material change reports filed by the Corporation since March 31, 2019;

(t) "**Due Diligence Sessions**" has the meaning given to it in Section 5(a);

(u) "**Due Diligence Session Responses**" means the written or oral responses of the Corporation, as given by any director or officer of the Corporation, at a Due Diligence Session;

(v) "**Eligible Ontario Exploration Expenditure**" means an amount which qualifies, once renounced to a Subscriber (other than a trust or estate) who is resident in Ontario, or a partnership having a member who is such an individual, as an "eligible Ontario exploration expenditure", as defined in section 103(4) of the ON Tax Act;

(w) "**Employment Laws**" has the meaning given to it in Section 4(aa);

(x) "**Environmental Laws**" means all applicable foreign, federal, provincial, state and local laws and regulations relating to the protection of human health and safety, product safety, product liability, conservation, the environment or hazardous or toxic substances or wastes, pollutants or contaminants;

(y) "**Expenditure Period**" means the period commencing on the date of acceptance of the Flow-Through Subscription Agreements and ending on the earlier of:

(i) the date on which the Commitment Amount has been fully expended in accordance with the terms of the Flow-Through Subscription Agreements; and

(ii) December 31, 2021, or, if the July Proposals are enacted as announced, December 31, 2022;

(z) "**Financial Statements**" means the audited consolidated financial statements of the Corporation as at and for the year ended March 31, 2020, together with the notes thereto and the report of the auditors of the Corporation thereon, and the unaudited condensed interim consolidated financial statements of the Corporation as at and for the six months ended September 30, 2020, together with the notes thereto;

(aa) "**Flow-Through Shares**" has the meaning given to it above;

(bb) "**Flow-Through Share Issue Price**" has the meaning given to it above;

(cc) "**Flow-Through Subscription Agreements**" means the agreements entered into by each Subscriber for Flow-Through Shares and the Corporation in respect of the Subscriber's subscription for Flow-Through Shares in the form and on terms and conditions satisfactory to each of the Corporation and the Lead Agent, acting reasonably;

(dd) "**FTME**" means an expense which qualifies, once renounced by the Corporation pursuant to the Tax Act to a Subscriber who is an individual (other than a trust or estate) or a partnership having a member who is an individual (other than a trust or estate), as a "flow-through mining expenditure", as defined in subsection 127(9) of the Tax Act, of a Subscriber;

(ee) "**Governmental Authorities**" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:

(i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or

(ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

(ff) "**Governmental Licenses**" has the meaning given in Section 4(y);

(gg) "**July Proposals**" means the proposals announced by the Minister of Finance (Canada) on July 10, 2020 to extend by 12 months, the period to incur eligible flow-through share expenses under subsection 66(12.6) of the Tax Act and under subsection 66(12.66) of the Tax Act;

(hh) "**Lien**" means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature, or any other arrangement or condition which, in substance, secures payment or performance of an obligation;

(ii) "**Material Adverse Effect**" means any effect, change, event or occurrence that is, or is reasonably likely to be, materially adverse to the results of operations, condition (financial or otherwise), assets, properties, capital, liabilities (contingent or otherwise), cash flow, income or business operations of the Corporation;

(jj) "**Material Agreements**" means, collectively, the Subscription Agreements, the Warrant Indenture, the Compensation Option Certificates and this Agreement;

(kk) "**Material Property**" means the Corporation's Larder Lake Project in the Ontario;

(ll) "**Material Property Technical Report**" means the technical report entitled "Technical Report on the Larder Lake Property, Larder Lake, Ontario, Canada" dated August 15, 2018;

(mm) "**Maximum Offering**" has the meaning given to it above;

(nn) "**NI 43-101**" means National Instrument 43-101 — *Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators*;

(oo) "**notice**" has the meaning given in Section 18;

(pp) "**Offered Securities**" has the meaning given to it above;

(qq) "**Offering**" has the meaning given to it above;

(rr) "**ON Tax Act**" means the *Taxation Act, 2007* (Ontario), together with any and all regulations promulgated thereunder, as amended, re-enacted or replaced from time to time;

(ss) "**President's List**" means the list of strategic investors developed by the Corporation with the Agents who may participate in the Offering;

(tt) "**principal business corporation**" means a principal-business corporation as defined in subsection 66(15) of the *Tax Act*;

(uu) "**Public Record**" means all information filed by or on behalf of the Corporation with the Securities Commissions in Canada since March 31, 2019, including without limitation, the Documents and any other information filed with any Securities Commission in Canada in compliance, or intended compliance, with any Applicable Securities Laws of the Selling Jurisdictions in Canada;

(vv) "**Qualifying Expenditures**" means an expense that (i) qualifies as CEE which is incurred by the Corporation during the Expenditure Period and which may be renounced by the Corporation with an effective date not later than December 31, 2020 pursuant to subsection 66(12.6) of the Tax Act if incurred in 2020 and pursuant to subsections 66(12.6) and 66(12.66) of the Tax Act if incurred in 2021, or, if the July Proposals are enacted as announced, if incurred in 2021 and 2022 (provided that the Subscriber and, where the Subscriber is a partnership, every member thereof, deals at arm's length with the Corporation for purposes of the Tax Act at all relevant times) and in respect of which, but for the renunciation, the Corporation would be entitled to a deduction from income for income tax purposes; and (ii) on the date it is renounced, is a FTME and an Eligible Ontario Exploration Expenditure;

(ww) "**Securities Commissions**" means the securities commissions or similar regulatory authorities in the Selling Jurisdictions;

(xx) "**Selling Jurisdictions**" means all of the provinces of Canada and such other jurisdictions as the Lead Agent and the Corporation may agree;

(yy) "**Subscriber**" means, for the purposes of this Agreement, the person who executes a Subscription Agreement or, if such person executes a Subscription Agreement as a duly authorized agent of one or more principals, the principal or principals of such person;

(zz) "**Subscription Agreements**" means, collectively, the Flow-Through Subscription Agreements and the Unit Subscription Agreements, and "**Subscription Agreement**" means either one of them;

(aaa) "**Tax Act**" means the *Income Tax Act* (Canada), as amended, re-enacted or replaced from time to time, including where applicable any specific proposals to amend the Tax Act that are publicly announced by the Minister of Finance (Canada) to have effect prior to the date of this Agreement;

(bbb) "**to the knowledge of the Corporation**" means the actual knowledge of the current directors and officers of the Corporation, after reasonable enquiry;

(ccc) "**TSX-V**" has the meaning given to it above;

(ddd) "**Unit Issue Price**" has the meaning given to it above;

(eee) “**Unit Share**” has the meaning given to it above;

(fff) “**Unit Subscription Agreements**” means the agreements entered into by each Subscriber for Units and the Corporation in respect of the Subscriber’s subscription for Units in the form and on terms and conditions satisfactory to each of the Corporation and the Agents, acting reasonably;

(ggg) “**Units**” has the meaning given to it above;

(hhh) “**U.S. Person**” means a “U.S. Person” as that term is defined in Rule 902(k) of Regulation S adopted by the United States Securities and Exchange Commission under the U.S. Securities Act;

(iii) “**U.S. Securities Act**” has the meaning given to it above;

(jjj) “**Warrant**” has the meaning given to it above;

(kkk) “**Warrant Indenture**” has the meaning given to it above; and

(lll) “**Warrant Shares**” has the meaning given to it above.

2. Restrictions on Sale

Each of the Agents hereby represents, warrants, covenants and agrees with the Corporation and acknowledges that the Corporation is relying upon such representations, warranties and covenants, that:

(a) it will not solicit subscriptions for Offered Securities, trade in Offered Securities or otherwise do any act in furtherance of a trade of Offered Securities outside of the Selling Jurisdictions, provided that the Agent may so solicit, trade or act within such jurisdictions only if such solicitation, trade or act is in compliance with Applicable Securities Laws in such jurisdiction and does not (i) obligate the Corporation to take any action to qualify any of its securities or any trade of any of its securities, (ii) obligate the Corporation to establish or maintain any office or director or officer in such jurisdiction, or (iii) subject the Corporation to any reporting or other requirement in such jurisdiction, if any, comparable to and not greater than the liability with respect thereto under the Applicable Securities Laws of one of the Selling Jurisdictions in Canada;

(b) in respect of the offer and sale of the Offered Securities, it will conduct its activities in connection with the Offering and comply with all Applicable Securities Laws and the provisions of this Agreement and the Subscription Agreements;

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

(d) it shall not make any representation or warranty with respect to the Offered Securities in connection with the Offering, other than as set forth in this Agreement or the Subscription Agreements; and

(e) it will not advertise the proposed sale of the Offered Securities in printed media of general and regular paid circulation, radio or television nor provide or make available to prospective purchasers of Offered Securities any document or material which would constitute an offering memorandum (as defined in Applicable Securities Laws) without the consent of the Corporation.

The parties hereto acknowledge that the Offered Securities have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold to, or for the account or benefit of, persons in the United States or U.S. Persons, except in accordance with Schedule "A".

3. Delivery of Subscription Agreements

The Agents agree to obtain from each Subscriber executed Subscription Agreements (including the execution of applicable Schedules to such Subscription Agreements) and deliver such Subscription Agreements (including applicable Schedules) to the Corporation on the Closing Date. In addition, the Agents agree to obtain from each Subscriber such forms and other documents as may be required by the Securities Commissions and provided by the Corporation to the Agents for delivery under this Agreement.

The Corporation may not reject any properly completed Subscription Agreement unless the number of Offered Securities subscribed for pursuant to the Subscription Agreements and tendered by the Agents exceeds the maximum number of Offered Securities to be sold under this Agreement or unless the distribution cannot be completed in accordance with Applicable Securities Laws.

4. Representations and Warranties of the Corporation

The Corporation represents and warrants to the Agents, and acknowledges that the Agents are relying upon such representations and warranties, that:

(a) since March 31, 2019, the Corporation has been and is in compliance with its timely disclosure obligations under Applicable Securities Laws and the rules and regulations of the TSX-V; no confidential material change report has been filed by the Corporation under Applicable Securities Laws that remains confidential at the date hereof; the Corporation has not completed a "significant acquisition" which would require the Corporation to file a business acquisition report under Applicable Securities Laws; all of the material contracts and agreements of the Corporation not made in the ordinary course of business, if required under the Applicable Securities Laws, have been filed with the Applicable Securities Commissions;

(b) other than as disclosed in the Public Record, since the date of the most recent audited balance sheet (i) there has been no material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise), prospects, or capital of the

Corporation, (ii) there have been no transactions entered into by the Corporation which are material with respect to the Corporation, other than those in the ordinary course of business, and (iii) there has been no dividend or distribution of any kind declared, paid or made by the Corporation on any class of its shares;

(c) the Corporation has been duly incorporated and organized and is validly subsisting under the laws of its jurisdiction of formation and is properly registered or licensed to carry on business under the laws of all jurisdictions in which its business is carried on, except where the failure to be so registered or licensed would not have a Material Adverse Effect;

(d) the Corporation has the requisite corporate power, authority and capacity to enter into the Material Agreements and to perform its obligations under the Material Agreements and the Corporation has the requisite corporate power, authority and capacity to own, lease and operate its property and assets and to carry on its business as currently carried on or as proposed to be carried on;

(e) the Corporation has authorized share capital consisting of an unlimited number of Common Shares, of which 31,015,676 Common Shares are issued and outstanding as of the date hereof following the completion of a share consolidation on a 2:1 basis effected on December 14, 2020. No person, firm or corporation has any agreement or option, or right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase from the Corporation of any unissued shares of the Corporation;

(f) all of the issued and outstanding securities of the Corporation have been duly and validly authorized and issued and are fully paid and non-assessable shares of the Corporation, and none of the outstanding securities of the Corporation were issued in violation of the pre-emptive or similar rights of any securityholder of the Corporation;

(g) the Corporation has full corporate power and authority to issue the Offered Securities, the Compensation Options and the Compensation Shares and to incur and renounce to Subscribers for Flow-Through Shares, Qualifying Expenditures in an amount equal to the Commitment Amount;

(h) the Offered Securities, at the Closing Time, the Warrant Shares issuable upon the exercise of the Warrants in accordance with their terms, at the time of issue of the Warrant Shares, the Compensation Shares issuable upon the exercise of the Compensation Options in accordance with their terms shall be duly authorized and upon receipt of payment therefor, validly issued, and with respect to the Flow-Through Shares, Unit Shares, Warrant Shares and Compensation Shares, fully paid and non-assessable Common Shares of the Corporation and the provisions of the Flow-Through Shares, Unit Shares, Warrant Shares and Compensation Shares, conform in all material respects with their descriptions in this Agreement and the Subscription Agreement;

(i) on or prior to the Closing Time, the forms of the certificates for the Flow-Through Shares, Unit Shares, Warrants, Warrant Shares, Compensation Options and Compensation Shares will have been approved by the board of directors of the Corporation and adopted by the Corporation and will comply with all legal and stock exchange requirements and will not conflict with the Corporation's articles or other constating documents;

(j) the Unit Shares, Warrant Shares and Compensation Shares are conditionally listed for trading on the TSX-V, subject to the satisfaction of customary conditions required by such exchange;

(k) at all times prior to the expiry of the Warrants, a sufficient number of Warrant Shares shall be allocated and reserved for issuance upon due exercise of the Warrants in accordance with their terms;

(l) at all times prior to the expiry of the Compensation Options, a sufficient number of Compensation Shares shall be allocated and reserved for issuance upon due exercise of the Compensation Options in accordance with their terms;

(m) the Corporation is not in material default or breach of, and the execution and delivery of, and the performance of and compliance with the terms of, the Material Agreements and the performance of any of the transactions contemplated thereby by the Corporation, do not and will not result in any breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or constitute a default under any applicable laws or any term or provision of the articles, by-laws or resolutions of the directors or shareholders of the Corporation, or any mortgage, note, indenture, contract, agreement (written or oral), instrument, lease or other document to which the Corporation is a party or by which it is bound, or any judgment, decree, order, statute, rule or regulation applicable to the Corporation;

(n) the Material Agreements and the performance of the Corporation's obligations under the Material Agreements have been duly authorized by all necessary corporate action, and the Material Agreements have been duly executed and delivered by the Corporation and constitute legal, valid and binding obligations of the Corporation, enforceable against the Corporation in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and, with respect to this Agreement, by the application of equitable principles when equitable remedies are sought and subject to the fact that rights of indemnity and contribution may be limited by applicable law;

(o) no approval, authorization, consent or other order of, and no filing, registration or recording with any Governmental Authority or other person is required of the Corporation in connection with the execution and delivery of or with the performance by the Corporation of its obligations under the Material Agreements, except as required by Applicable Securities Laws with regard to the distribution of the Offered Securities, if any, in the Selling Jurisdictions;

(p) the Corporation is not aware of any pending change or contemplated change to any applicable law or regulation or governmental position that would have a Material Adverse Effect;

(q) the Financial Statements have been prepared in conformity with Canadian generally accepted accounting principles applied on a consistent basis throughout the periods involved, contain no misrepresentations and present fairly in all material respects the financial position, results of operations and cash flows of the Corporation as at the dates of such statements;

(r) the Corporation maintains a system of internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles and maintains a system of disclosure controls and procedures that is designed to provide reasonable assurances that information required to be disclosed by the Corporation under Applicable Securities Laws is recorded, processed, summarized and reported within the time periods specified under Applicable Securities Laws and to ensure that information required to be disclosed by the Corporation under Applicable Securities Laws is accumulated and communicated to the Corporation's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure;

(s) no director or officer, former director or officer, or shareholder or employee of, or any other person not dealing at arm's length with, the Corporation will continue after the latest Closing to be engaged in any material transaction or arrangement with or to be a party to a material contract with, or has any indebtedness, liability or obligation to, the Corporation, except as disclosed in the Documents or for employment or consulting arrangements with employees or consultants or those serving as a director or officer of the Corporation as described in the Documents;

(t) the Corporation has not incurred any liabilities or obligations (whether accrued, absolute, contingent or otherwise) that continue to be outstanding except (i) as disclosed or contemplated in the Documents, or (ii) as incurred in the ordinary course of business by the Corporation;

(u) there is no litigation or governmental or other proceeding or investigation at law or in equity before any Governmental Authority, domestic or foreign, in progress, pending or, to the Corporation's knowledge, threatened (and the Corporation does not know of any basis therefor) against, or involving the assets, properties or business of, the Corporation, nor are there any matters under discussion with any Governmental Authority relating to taxes, governmental charges, orders or assessments asserted by any such authority and to the Corporation's knowledge there are no facts or circumstances which would reasonably be expected to form the basis for any such litigation, governmental or other proceeding or investigation, taxes, governmental charges, orders or assessments;

(v) Crowe Mackay LLP is independent with respect to the Corporation within the meaning of the rules of professional conduct applicable to auditors in British Columbia and there has not been any reportable event (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations of the Canadian Securities Administrators*) with such firm or any other prior auditor of the Corporation;

(w) all tax returns required to be filed by the Corporation on or prior to the date hereof have been filed, and all taxes and other assessments of a similar nature (whether imposed directly or through withholding), including any interest, additions to tax or penalties applicable thereto, due or claimed to be due have been paid, and the Corporation is not a party to any agreement, waiver or arrangement with any taxing authority which relates to any extension of time with respect to the filing of any tax returns, any payment of taxes or any assessment thereof; there is no tax deficiency which has been asserted against the Corporation and all material tax liabilities are adequately provided for in accordance with Canadian generally accepted accounting principles within the Financial Statements of the Corporation for all periods up to date of latest audited balance sheet; there are no assessments or investigations in progress, pending or, to the knowledge of the Corporation, threatened against the Corporation in respect of taxes; there are no Liens for taxes upon the assets of the Corporation;

(x) the Corporation has conducted and is conducting its business in compliance with all applicable laws, rules and regulations of each jurisdiction in which it carries on business and the Corporation has not received any notice of any alleged violation of any such laws, rules and regulations;

(y) the Corporation possesses such permits, licences, approvals, consents and other authorizations issued by Governmental Authorities (collectively, "**Governmental Licences**") necessary to conduct the business now operated by them and currently proposed to be operated by them, and all such Governmental Licences are valid and existing and in good standing. The Corporation is in compliance with the terms and conditions of all such Governmental Licences;

(z) (i) except for matters noted in the Mine Rehabilitation Inspection Report dated February 15, 2018 by the Ministry of Northern Development and Mines, the Corporation is not in violation of any Environmental Laws, (ii) the Corporation has all permits, authorizations and approvals required under any applicable Environmental Laws and is in compliance with their requirements, and (iii) there are no pending administrative, regulatory or judicial actions, suits, demands, demand letters, claims, Liens, orders, directions, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Law against the Corporation, and there are no facts or circumstances which would reasonably be expected to form the basis for any such administrative, regulatory or judicial actions, suits, demands, demand letters, claims, Liens, orders, directions, notices of non-compliance or violation, investigation or proceedings;

(aa) (i) the Corporation is in compliance, in all material respects, with the provisions of all applicable federal, provincial, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours (collectively, "**Employment Laws**"), (ii) no collective labour dispute, grievance, arbitration or legal proceeding is ongoing, pending or, to the knowledge of the Corporation, threatened and no individual labour dispute, grievance, arbitration or legal proceeding is ongoing, pending or, to the knowledge of the Corporation, threatened with any employee of the Corporation and, to the knowledge of the Corporation, none has occurred during the past year, and (iii) no union has been accredited or otherwise designated to represent any employees of the Corporation and, to the knowledge of the Corporation, no accreditation request or other representation question is pending with respect to the employees of the Corporation, and no collective agreement or collective bargaining agreement or modification thereof has expired or is in effect in any of the Corporation facilities and none is currently being negotiated by the Corporation;

(bb) no existing contractor of the Corporation has indicated that it intends to terminate its relationship with the Corporation or that it will be unable to meet the Corporation's contracting requirements;

(cc) the Corporation is not in default or breach, in any material respect, of any real property lease, and the Corporation has not received any notice or other communication from the owner or manager of any real property leased by the Corporation that the Corporation is not in compliance with any real property lease, and to the knowledge of the Corporation, no such notice or other communication is pending or has been threatened;

(dd) the Corporation maintains such policies of insurance, issued by responsible insurers, as are appropriate to its operations, property and assets, in such amounts and against such risks as are customarily carried and insured against by owners of comparable businesses, properties and assets and all such policies of insurance will at the Closing continue to be in full force and effect; and the Corporation is not in default as to the payment of premiums or otherwise, under the terms of any such policy;

(ee) the Corporation has good and marketable title to all of its assets and property and no person has any contract or any right or privilege capable of becoming a right to purchase any personal property from the Corporation;

(ff) the Corporation does not have any loans or other indebtedness outstanding which have been made to or from any of its shareholders, officers, directors or employees or any other person not dealing at arm's length with the Corporation that are currently outstanding;

(gg) no officer, director, employee or any other person not dealing at arm's length with the Corporation or, to the knowledge of the Corporation, any associate or affiliate of any such person, owns, has or is entitled to any royalty, net profits interest, carried interest or any other encumbrances or claims of any nature whatsoever which are based on production from the Corporation's properties or assets or any revenue or rights attributed thereto;

(hh) to the knowledge of the Corporation, no insider of the Corporation has a present intention to sell any securities of the Corporation held by it;

(ii) the Corporation has no outstanding debentures, notes, mortgages, or other indebtedness that is material to the Corporation;

(jj) the Corporation holds freehold title, mining leases, mining claims, mining concessions or other conventional proprietary interests or rights recognized in the jurisdiction in which the Material Property described in the Documents is located, in respect of gold and minerals in such mining properties under valid, subsisting and enforceable title documents, contracts, leases, licenses of occupation, mining concessions, permits, or other recognized and enforceable instruments and documents, sufficient to permit the Corporation to explore for, extract, exploit, remove, process or refine the minerals relating thereto. In addition, the Corporation has all necessary surface rights, access rights and water rights, and all other presently required rights and interests granting the Corporation the rights and ability to explore for, mine, extract, remove or process the minerals derived from the Material Property described in the Documents, with only such exceptions as are described in the Documents. Each of the aforementioned interests and rights is currently in good standing;

(kk) (i) the Material Property Technical Report has been prepared in accordance with NI 43-101 by or under the supervision of a "qualified person" as defined therein; and (ii) there has been no material misrepresentation of the information contained in, related to or derived from the Material Property Technical Report in the Public Record;

(ll) the information contained in, related to or derived from the Material Property Technical Report is based on or derived from sources that the Corporation reasonably believes to be reliable and accurate in all material respects and represent its good faith estimate that is made on the basis of data derived from such sources, and the Corporation has obtained the written consent to the use of such data from such sources to the extent required;

(mm) the minute books and corporate records of the Corporation made available to Borden Ladner Gervais LLP, counsel to the Agents, in connection with the Agents' due diligence investigations are the original minute books and records or true and complete copies thereof and contain copies of all proceedings of the shareholders, the boards of directors and all committees of the boards of directors of the Corporation that have been minuted or resolved and there have been no other meetings, resolutions or proceedings of the shareholders, boards of directors or any committee thereof to the date of review of such corporate records and minute books not reflected in such minute books and other corporate records, other than those which are not material to the Corporation;

(nn) to the knowledge of the Corporation, no securities commission, stock exchange or comparable authority has issued any order requiring trading in any of the Corporation's securities to cease or preventing the distribution of the Offered Securities in any Selling Jurisdiction nor instituted proceedings for that purpose and, to the knowledge of the Corporation, no such proceedings are pending or contemplated;

(oo) Computershare Investor Services Inc., at its principal office in the City of Vancouver, has been duly appointed as registrar and transfer agent for the Common Shares of the Corporation;

(pp) the Corporation is and will continue to be a "principal business corporation" until such time as the last of the Qualifying Expenditures have been incurred and validly renounced to a Subscriber of Flow-Through Shares;

(qq) upon issuance pursuant to the provisions of the Flow-Through Subscription Agreements, to the best of the Corporation's knowledge and but for any agreement, arrangement or undertaking to which the Corporation is not a party and of which it has no knowledge, the Flow-Through Shares will be "flow-through shares" as defined in subsection 66(15) of the Tax Act and not "prescribed shares" for the purpose of section 6202.1 of the regulations to the Tax Act, provided that the Subscribers under the Flow-Through Subscription Agreements are not in breach of any of their representations, warranties, covenants or certifications under the Flow-Through Subscription Agreements which would cause a Flow- Through Share to be a "prescribed share" within the meaning of section 6202.1 of the regulations to the Tax Act;

(rr) the Corporation will not knowingly renounce any of the Qualifying Expenditures to a trust, corporation or partnership with which the Corporation has a prohibited relationship as defined in subsection 66(12.671) of the Tax Act;

(ss) other than as contemplated herein, there is no person acting at the request of the Corporation who is entitled to any brokerage or agency fee in connection with the sale of the Offered Securities;

(tt) there are no shareholders' agreements, voting agreements, investors' rights agreements or other agreements in force or effect which in any manner affects or will affect the voting or control of any of the securities of the Corporation or the operations or affairs of the Corporation;

(uu) other than as disclosed in the Public Record, the Corporation has not entered into any agreements or made any covenants with any parties with respect to the renunciation of CEE, which amounts have not been or will not be fully expended and renounced as required under such agreements;

(vv) the representations and warranties of the Corporation in the Subscription Agreements are, or will be at the Closing Time, true and correct;

(ww) other than as disclosed in the Public Record, the Corporation has not entered into any agreements or made any covenants with any parties that would restrict the Corporation from entering into the Subscription Agreements and agreeing to incur and renounce Qualifying Expenditures in accordance with the Subscription Agreements;

(xx) the Corporation is a reporting issuer in British Columbia and Alberta and is not in default of any requirement under Applicable Securities Laws; and

(yy) the information and statements set forth in the Public Record were true, correct and complete in all material respects and did not contain any misrepresentation as of the date of such information or statements.

It is further agreed by the Corporation that all representations, warranties and covenants contained in this Agreement made by the Corporation to the Agents shall also be deemed to be made for the benefit of Subscribers as if the Subscribers were also parties to this Agreement (it being agreed that the Agents are acting for and on behalf of the Subscribers for this purpose).

5. Covenants of the Corporation

The Corporation covenants with each of the Agents and the Subscribers that:

(a) prior to the latest Closing Time, the Corporation shall allow the Agents the opportunity to conduct required due diligence and to obtain, acting reasonably, satisfactory results from such due diligence and in particular, the Corporation shall allow the Agents and Agents' Counsel to conduct all due diligence which the Agents may reasonably require in order to confirm the Documents and the Public Record are accurate, complete and current in all material respects and to fulfill the Agents' obligations as a registrant and, in this regard, without limiting the scope of the due diligence inquiries that the Agents may conduct, the Corporation shall make available its senior management, directors and auditors to participate in one or more due diligence sessions on or prior to the Closing Date (the "**Due Diligence Sessions**") to answer in person any questions that the Agents may have, the first such Due Diligence Session to be held prior to the Closing Date, and the Agents shall distribute a list of written questions to be answered in advance of such Due Diligence Sessions and the Corporation shall provide written responses to such questions;

(b) if any of the facts or information underlying or supporting the statement provided in the Corporation's Due Diligence Session Responses have changed, the Corporation shall provide the Agents with prompt notice of the particulars of any such changes, prior to the Closing Time on the last Closing Date;

(c) it will comply with all the obligations to be performed by it, and all of its covenants and agreements, under and pursuant to the Material Agreements including, without limitation, all covenants and agreements of the Corporation relating to or in respect of the incurring and renouncing of Qualifying Expenditures to Subscribers of Flow-Through Shares and all reporting obligations relating to the incurring and renouncing of Qualifying Expenditures;

(d) during the period commencing on the date of this Agreement and ending at the latest Closing Time, it will promptly provide to the Agents, for review by the Lead Agent and Agents' Counsel, prior to filing or issuance of the same, any proposed public disclosure document concerning the Offering, including without limitation, any press release or material change report.

(e) during the period commencing on the date of this Agreement and ending at the latest Closing Time, promptly notify the Agents in writing of any of the representations or warranties made by the Corporation in this Agreement being no longer true and correct;

(f) during the period commencing on the date of this Agreement and ending on the latest Closing Time, the Corporation will promptly inform the Agents of the full particulars of any material change (actual, anticipated, contemplated or threatened) in the business, affairs, operations, capital, prospects, or condition (financial or otherwise) of the Corporation or its properties or assets; provided, however, that if the Corporation is uncertain as to whether a material change, change, occurrence or event of the nature referred to in this Section 5(f) has occurred, the Corporation shall promptly inform the Agents of the full particulars of the occurrence giving rise to the uncertainty and shall consult with the Agents as to whether the occurrence is of such a nature;

(g) during the period commencing on the date of this Agreement and ending at the latest Closing Time, the Corporation will promptly inform the Agents of the receipt by the Corporation of (i) any communication of a material nature from any Securities Commission or similar regulatory authority, any stock exchange or any other Governmental Authority relating to the Corporation or the distribution of the Offered Securities, and (ii) the issuance by any Securities Commission or similar regulatory authority, any stock exchange or any other Governmental Authority of any order to cease or suspend trading of any securities of the Corporation or of the institution or threat of institution of any proceedings for that purpose;

(h) the Corporation will promptly, and in any event within any applicable time limitation, comply to the reasonable satisfaction of the Agents and Agents' Counsel with Applicable Securities Laws of the Selling Jurisdictions in which it is a reporting issuer with respect to any material change, change, occurrence or event of the nature referred to in Sections 5(f) and 5(g) above;

(i) the Corporation will use the net proceeds from the Offering of Units for exploration and general corporate and working capital purposes and will use the gross proceeds from the Offering of Flow-Through Shares for Qualifying Expenditures on or before the expiration of the Expenditure Period;

(j) as soon as reasonably possible, and in any event by the Closing Date, the Corporation shall take all such steps as may reasonably be necessary to enable the Offered Securities to be offered for sale and sold on a private placement basis to Subscribers in the Selling Jurisdictions through the Agents or any other investment dealers or brokers registered in any of the Selling Jurisdictions by way of the exemptions set forth in Applicable Securities Laws of each of the Selling Jurisdictions;

(k) use its commercially reasonable efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Securities Laws in each of the applicable Selling Jurisdictions where the Corporation is a "reporting issuer" for a period of at least 24 months following the Closing Date; and

(l) use its commercially reasonable efforts to maintain the listing of the Common Shares (including those issuable pursuant to the Offering) on the TSX-V or such other recognized stock exchange or quotation system as the Agents may approve, acting reasonably, for a period of at least 24 months following the Closing Date.

6. Conditions to the Agents' Obligation to Purchase

The obligations of the Agents hereunder shall be conditional upon the Agents receiving, and the Agents shall have the right on the Closing Date on behalf of Subscribers for Offered Securities to withdraw, all Subscription Agreements delivered and not previously withdrawn by Subscribers unless the Agents receive, on such Closing Date:

(a) a favourable legal opinion dated the Closing Date from Corporation's Counsel, in form and substance satisfactory to the Lead Agent, on behalf of the Agents, acting reasonably, together with corresponding opinions (where relevant) of local counsel to the Corporation in relation to the laws of the Selling Jurisdictions in which the Offered Securities are sold and on which Corporation's Counsel is not qualified to express opinions;

(b) a favourable legal opinion dated the Closing Date from the Corporation's Counsel, in form and substance satisfactory to the Lead Agent, on behalf of the Agents, acting reasonably, that:

   (i) the Offered Securities are "qualified investments" under subsection 4900(1) of the regulations to the Tax Act; and

   (ii) the Flow-Through Shares are "flow-through shares" as defined in subsection 66(15) of the Tax Act and not "prescribed shares" for the purposes of Regulation 6202.1 of the regulations to the Tax Act;

(c) a favourable title opinion dated the Closing Date regarding the Material Property in form and substance satisfactory to the Lead Agent, on behalf of the Agents, acting reasonably;

(d) if any Offered Securities are being sold to persons in the United States pursuant to this Agreement and Schedule "A" hereto, the Agents shall have received an opinion from U.S. legal counsel to the Corporation, in form and substance reasonably satisfactory to the Lead Agent, on behalf of the Agents, to the effect that (i) registration under the U.S. Securities Act is not required in connection with the offer and sale of the Offered Securities and (ii) provided no compensation is paid to solicit such exchange, registration under the U.S. Securities Act is not required for the Common Shares issued upon conversion of the Warrants, provided that such offers and sales are made in compliance with Schedule "A" to this Agreement and provided further that it being understood that no opinion is expressed as to any subsequent resale of any Offered Securities or Common Shares;

(e) a certificate of the Corporation dated the Closing Date, addressed to the Agents and signed on the Corporation's behalf by its Chief Executive Officer or such other officer or director of the Corporation satisfactory to the Lead Agent, on behalf of the Agents, acting reasonably, with respect to the constating documents of the Corporation, solvency, all resolutions of the board of directors of the Corporation relating to this Agreement and the incumbency and specimen signatures of signing officers of the Corporation and such other matters as the Lead Agent, on behalf of the Agents, may reasonably request;

(f) a certificate of the Corporation dated the Closing Date, addressed to the Agents and signed on the Corporation's behalf by its Chief Executive Officer or such other officer or director of the Corporation satisfactory to the Lead Agent, on behalf of the Agents, acting reasonably, certifying that:

  (i) the Corporation has complied with and satisfied all terms and conditions of this Agreement and the Subscription Agreements on its part to be complied with or satisfied at or prior to the Closing Time;

  (ii) the representations and warranties of the Corporation contained in this Agreement and the Subscription Agreements are true and correct at the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement;

  (iii) the Due Diligence Session Responses provided by the Corporation at the Due Diligence Session are true and correct and would not be different in any material respect if the Due Diligence Session were held immediately prior to the Closing Time;

  (iv) the Corporation has made and/or obtained on or prior to the Closing Time, all necessary filings, approvals, consents and acceptances of applicable regulatory authorities and under any applicable agreement or document to which the Corporation is a party or by which it is bound, required for the execution and delivery of this Agreement and the Subscription Agreements, the offering and sale of the Offered Securities and the consummation of the other transactions contemplated hereby (subject to completion of filings with certain regulatory authorities following the Closing Date); and

(v) no order, ruling or determination having the effect of suspending the sale or cease trading of the Common Shares or any other securities of the Corporation has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officer of the Corporation, contemplated or threatened under any Applicable Securities Laws or by any other regulatory authority.

The foregoing conditions contained in this Section 6(a), (b), (c), (d), (e) and (f) are for the sole benefit of the Agents and may be waived in whole or in part by the Agents at any time and without limitation. If any of the foregoing conditions have not been met at the Closing Time, the Agents may terminate its obligations under this Agreement without prejudice to any other remedies it may have and the Agents shall have the right on behalf of the Subscribers to withdraw all Subscription Agreements delivered and not previously withdrawn by Subscribers.

7. Deliveries and Agents' Fee

The sale of the Offered Securities shall be completed electronically or at such other place as the Corporation and the Agents may agree. At the Closing Time, the Corporation shall deliver to the Agents:

(a) the opinions, certificates and agreements referred to in Section 6 and all other documents required to be provided by the Corporation to the Agents pursuant to this Agreement and the Subscription Agreements;

(b) an electronic deposit of the Units and Flow-Through Shares, or, if requested by the Lead Agent, definitive certificates representing the Flow-Through Shares, Common Shares and Warrants purchased from it registered in the name of each Subscriber or in such other name or names as the Agents may direct the Corporation in writing not less than 24 hours prior to the Closing Time;

(c) the Compensation Option Certificates;

(d) the lock-up agreement required pursuant to Section 10(a);

(e) a certificate from Computershare Trust Company of Canada as to the number of Common Shares issues and outstanding as at the end of business day on the date prior to the Closing Date;

(f) evidence of the approval (or conditional approval) of the listing and posting for trading of the Unit Shares, Warrant Shares and Compensation Shares, subject only to satisfaction by the Corporation of standard listing conditions;

(g) the Corporation's receipt for payment by the Agents of an amount equal to the aggregate purchase price for the Offered Securities sold pursuant to the Offering to Subscribers, excluding those Offered Securities sold pursuant to the President's List, net of the Agents' Fee and the costs and expenses of the Agents; and

(h) such further documentation as may be contemplated by this Agreement or as Agents' Counsel or the applicable regulatory authorities may reasonably require;

against:

(i) all duly completed Subscription Agreements tendered by the Subscribers for the Offered Securities being issued and sold and, where applicable, all completed forms, schedules and certificates contemplated by the Subscription Agreements;

(j) a wire transfer of immediately available funds in an amount equal to the aggregate purchase price for the Offered Securities sold pursuant to the Offering to Subscribers, excluding those Offered Securities sold pursuant to the President's List, less from the gross proceeds attributable to the distribution of the Units only, an amount equal to the Agents' Fee for the Offered Securities sold, and the reasonable costs and expenses of the Agents provided for in Section 8; and

(k) the Agents' receipt for the Agents' Fee and the definitive certificates delivered to the Agents in accordance with Section 7(b) and the Compensation Option Certificates.

8. Expenses

(a) Whether or not the transactions contemplated by this Agreement shall be completed, all expenses of or incidental to the issue, sale and delivery of the Offered Securities shall be borne by the Corporation including, without limitation, (i) all expenses of or incidental to the creation, issue, sale or distribution of the Offered Securities and the listing of the Common Shares comprising part of the Offered Securities and the Warrant Shares; (ii) the fees and expenses of the Corporation's legal counsel; (iii) all costs incurred in connection with the preparation of documentation relating to the Offering; and (iv) all reasonable documented out-of-pocket expenses incurred by the Agents in connection with the Offering, including the completion of reasonable due diligence related to the Corporation and its business, and the reasonable fees and disbursements of the Agents' legal counsel and local counsel including US counsel, if any, (the "**Agents' Expenses**"), to a maximum of $65,000 (exclusive of taxes and disbursements), as set out in the engagement letter between the Corporation and the Agents dated November 25, 2020, and any advertising, printing, courier, telecommunications, data search, presentation, travel and other expenses incurred by the Agents together with all related taxes (including, without limitation, provincial sales taxes and HST).

(b) For the avoidance of doubt, the services provided by the Agents in connection with this Agreement will not be subject to the Goods and Services Tax or Harmonized Sales Tax ("**HST**") provided for in the *Excise Tax Act* (Canada) and taxable supplies provided will be incidental to the exempt financial services provided. However, in the event that the Canada Revenue Agency determines that HST provided for in the *Excise Tax Act* (Canada) is exigible on the Agents' Fee, the Corporation agrees to pay the amount of HST forthwith upon the request of the Agents.

9. Syndication of Agents

The sale of the Offered Securities in connection with the Offering shall be on a "best efforts" basis without underwriter liability or obligation and shall be as to the following percentages of the Offered Securities to be sold at that time:

Name of Agents	**Syndicate Position**
Sprott Capital Partners LP*	80%
Canaccord Genuity Corp.	20%

*Lead Agent and sole book-runner. A step-up fee of 6% of the Agents' Fee shall be paid and allocated to Sprott Capital Partners LP, as among the Agents, which is not in addition to the Agents' Fee, but paid out of the Agents' Fee.

If one of the Agents fails to sell its applicable percentage of the aggregate amount of the Offered Securities at the Closing Time, the other Agent shall have the right, but not the obligation, to sell the Offered Securities which would otherwise have been sold by the Agent which fails to sell.

10. Restriction on Offerings

(a) The Corporation shall use reasonable efforts to cause its executive officers and directors to enter into agreements on terms and conditions satisfactory to the Lead Agent in which they will covenant and agree that they will not, for a period commencing on the date hereof and ending 120 days following the Closing Date, directly or indirectly, offer, sell, contract to sell, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, or publicly announce any intention to offer, sell, contract to sell, grant or sell any option to purchase, hypothecate, pledge, transfer, assign, purchase any option or contract to sell, lend, swap or enter into any agreement to transfer the economic consequences of, or otherwise dispose of or deal with, whether through the facilities of a stock exchange, by private placement or otherwise, any Common Shares held by them, directly or indirectly, without first obtaining the written consent of the Lead Agent on behalf of the Agents, which consent will not be unreasonably withheld or delayed, and will not be withheld upon the occurrence of a take-over bid or similar transaction involving a change of control of the Corporation.

11. Rights of Termination

(a) **Regulatory Proceedings Out**

If prior to the Closing Time, any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is instituted, announced or threatened or any order is issued by any Governmental Authority, including, without limitation, the TSX-V, or otherwise in respect of the Corporation or any of its directors and officers (other than an inquiry, investigation, proceeding or order based upon the activities or alleged activities of the Agents); or there is any change of law, or the interpretation or administration thereof; or any order to cease trading (including communicating with persons in order to obtain expressions of interest) in the securities of the Corporation is made by a Governmental Authority and that order is still in effect, which in the reasonable opinion of the Agents operate to prevent or restrict the trading in the securities of the Corporation including, without limitation, the Offered Securities and Common Shares of the Corporation, or the distribution of the Offered Securities or which in the reasonable opinion of the Agents, acting in good faith, could be expected to have a material adverse effect on the market price or value of the Offered Securities or Common Shares, then the Agents shall be entitled, at their option and in accordance with Section 11(g), to terminate their obligations under this Agreement by notice to that effect given to the Corporation any time at or prior to such Closing Time.

(b) **Disaster Out**

If prior to the Closing Time there should develop, occur or come into effect or existence any event, action, state, condition or occurrence of national or international consequence, including any material adverse development due to the COVID-19 outbreak that materially affects the operations of the Corporation after December 18, 2020, acts of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions or any action, law, regulation or inquiry which, in the reasonable opinion of the Agents, materially adversely affects or involves, or may materially adversely affect or involve, the financial markets in Canada or the United States, or the business, operations or affairs of the Corporation or the market price or value of the common shares of the Corporation, then the Agents shall be entitled, at their option and in accordance with Section 11(g), to terminate their obligations under this Agreement by written notice to that effect given to the Corporation at any time at or prior to such Closing Time.

(c) **Market Out**

If prior to the latest Closing Time, the state of financial markets in Canada or elsewhere where it is planned to market the Offered Securities is such that, in the reasonable opinion of the Agents, the Offered Securities cannot be marketed profitably, then the Agents shall be entitled, at their option and in accordance with

Section 11(g), to terminate their obligations under this Agreement by written notice to that effect given to the Corporation at any time at or prior to such Closing Time.

(d) **Material Change or Change in Material Fact Out**

If prior to the latest Closing Time, there shall occur any material change or change in a material fact which, in the reasonable opinion of the Agents, has or would be expected to have a significant adverse effect on the market price or value of the Offered Securities or the Common Shares of the Corporation, then the Agents shall be entitled, at their option, in accordance with Section 11(g), to terminate their obligations under this Agreement by written notice to that effect given to the Corporation any time at or prior to such Closing Time.

(e) **Due Diligence Out**

If the Agents' due diligence investigations reveal any material adverse information concerning the Corporation, that as of the date hereof has not already been publicly disclosed, and which, in the reasonable opinion of the Agents, has or would be expected to have a significant adverse effect on the market price or value of the common shares of the Corporation, then the Agents shall be entitled, at their option, in accordance with Section 11(g), to terminate their obligations under this Agreement by written notice to that effect given to the Corporation any time at or prior to such Closing Time.

(f) **Non-Compliance with Conditions**

The Corporation agrees that all terms and conditions in Section 6 shall be construed as conditions and complied with so far as they relate to acts to be performed or caused to be performed by it, that it will use its best efforts to cause such conditions to be complied with, and that any breach or failure by the Corporation to comply with any such conditions shall entitle the Agents to terminate its obligations under this Agreement to purchase the Offered Securities by notice to that effect given to the Corporation at any time at or prior to the Closing Time, unless otherwise expressly provided in this Agreement. The Agents may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to their rights in respect of any other terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon the Agents only if such waiver or extension is in writing and signed by the Agents.

(g) **Exercise of Termination Rights**

The rights of termination contained in this Section 11 may be exercised by the Agents and are in addition to any other rights or remedies the Agents may have in respect of any default, act or failure to act or non-compliance by the Corporation in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of the Agents to the Corporation or on the part of the Corporation to the Agents except in respect of any liability which may have arisen prior to or arise after such termination under Sections 8, 12 and 13.

12. Indemnity

(a) Rights of Indemnity

In connection with the Offering, the Corporation (the "**Indemnifying Party**") agrees, to indemnify and hold harmless the Agents and their affiliates and each of their directors, officers, employees, partners, agents, shareholders and legal counsel (collectively, the "**Indemnified Parties**" and individually, an "**Indemnified Party**"), from and against any and all losses, claims (including shareholder actions, derivative or otherwise), actions, suits, proceedings, damages, liabilities or expenses of whatever nature or kind, joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees, expenses and taxes of their counsel that may be incurred in advising with respect to and/or defending any action, suit, proceedings, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this indemnity (collectively, the "**Claims**") to which any Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the engagement of the Agents, whether performed before or after the Indemnifying Party's execution of the Agreement and to reimburse each Indemnified Party forthwith, upon demand, for any legal or other expenses reasonably incurred by such Indemnified Party in connection with any Claim.

(b) Notification of Claims

In case any action, suit, proceeding or claim is brought against an Indemnified Party, or an Indemnified Party has received notice of the commencement of any investigation in respect of which indemnity may be sought against the Indemnifying Party, the Indemnified Party will give the Indemnifying Party prompt written notice of any such action, suit, proceeding, claim or investigation of which the Indemnified Party has knowledge and the Indemnifying Party will undertake the investigation and defence thereof on behalf of the Indemnified Party, including the prompt employment of counsel acceptable to the Indemnified Parties affected, acting reasonably, and the payment of all expenses. Failure by the Indemnified Party to so notify shall not relieve the Indemnifying Party of its obligation of indemnification hereunder unless (and only to the extent that) such failure results in forfeiture by the Indemnifying Party of substantive rights or defences. No admission of liability and no settlement, compromise or termination of any action, suit, proceeding, claim or investigation shall be made without the consent of the Indemnifying Party and the consent of the Indemnified Parties affected, such consents not to be unreasonably withheld. Notwithstanding that the Indemnifying Party will undertake the investigation and defence of any Claim, an Indemnified Party will have the right to employ separate counsel with respect to any Claim and participate in the defence thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Party, unless:

(i) employment of such counsel has been authorized in writing by the Indemnifying Party;

(ii) the Indemnifying Party has not assumed the defence of the action within a reasonable period of time after receiving notice of the Claim;

(iii) the named parties to any such claim include both the Indemnifying Party and the Indemnified Party and the Indemnified Party shall have been advised by counsel to the Indemnified Party that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party; or

(iv) there are one or more defences available to the Indemnified Party which are different from or in addition to those available to the Indemnifying Party such that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party; in which case such fees and expenses of such counsel to the Indemnified Party will be for the account of the Indemnifying Party. The rights accorded to the Indemnified Parties hereunder shall be in addition to any rights an Indemnified Party may have at common law or otherwise.

(c) **Right of Indemnity in Favour of Others**

With respect to any Indemnified Party who is not a party to the Material Agreements, the Agents shall obtain and hold the rights and benefits of this Section 12 in trust for and on behalf of such Indemnified Party.

(d) **Retaining Counsel**

In any such Claim, the Indemnified Party shall have the right to retain other counsel to act on his, her or its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party unless:

(i) the Corporation and the Indemnified Party shall have mutually agreed to the retention of the other counsel;

(ii) the named parties to any such Claim (including any added third or impleaded party) include both the Indemnified Party and the Corporation and the representation of both parties by the same counsel would be inappropriate due to the actual or potential differing interests between them; or

(iii) the Corporation shall not have retained counsel within seven Business Days following receipt by the Corporation of notice of any such Claim from the Indemnified Party.

(e) **Indemnity Unavailable**

The Indemnifying Party also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Indemnifying Party or any person asserting claims on behalf of or in right of the Indemnifying Party for or in connection with the Engagement except to the extent any losses, expenses, claims, actions, damages or liabilities incurred by the Indemnifying Party are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted primarily from the negligence, fraud or willful misconduct of such Indemnified Party. The Indemnifying Party will not, without the Indemnified Party's prior written consent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any action, suit, proceeding, investigation or claim in respect of which indemnification may be sought hereunder (whether or not any Indemnified Party is a party thereto) unless such settlement, compromise, consent or termination includes a release of each Indemnified Party from any liabilities arising out of such action, suit, proceeding, investigation or claim. The foregoing indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that such losses, expenses, claims, actions, damages or liabilities to which the Indemnified Party may be subject were primarily caused by the negligence, fraud or willful misconduct of the Indemnified Party.

13. Contribution

(a) **Rights of Contribution**

In order to provide for a just and equitable contribution in circumstances in which the indemnity provided in Section 12 would otherwise be available in accordance with its terms but is, for any reason, held to be unavailable to or unenforceable by the Agents or the Indemnified Parties or enforceable otherwise than in accordance with its terms, the Corporation shall contribute to the aggregate of all claims, expenses, costs and liabilities and all losses (other than loss of profits) of a nature contemplated by Section 12 in such proportions so that the Agents or the Indemnified Parties shall be responsible for the portion represented by the percentage that the aggregate Agents' Fee hereunder bears to the aggregate offering price of the Offered Securities being sold by the Corporation and the Corporation shall be responsible for the balance, whether or not they have been sued together or sued separately, provided, however, that:

(i) the Agents or any Indemnified Party shall not in any event be liable to contribute, in the aggregate, any amounts in excess of the aggregate Agents' Fee actually received by the Agents from the Corporation under this Agreement; and

(ii) no party who has engaged in any fraud, fraudulent misrepresentation or negligence shall be entitled to claim contribution from any person who has not engaged in such fraud, fraudulent misrepresentation or negligence.

(b) **Rights of Contribution in Addition to Other Rights**

The rights to contribution provided in this Section 13 shall be in addition to and not in derogation of any other right to contribution which the Agents may have by statute or otherwise at law.

(c) **Calculation of Contribution**

In the event that the Corporation may be held to be entitled to contribution from the Agents under the provisions of any statute or at law, the Corporation shall be limited to contribution in an amount not exceeding the lesser of:

(i) the portion of the full amount of the loss or liability giving rise to such contribution for which the Agents is responsible, as determined in Section 13(a); and

(ii) the amount of the Agents' Fee actually received by the Agents from the Corporation under this Agreement.

(d) **Notice**

If the Agents have reason to believe that a claim for contribution may arise, they shall give the Corporation notice of such claim in writing, as soon as reasonably possible, but failure to notify the Corporation shall not relieve the Corporation of any obligation which it may have to the Agents under this Section 13.

(e) **Remedy Not Exclusive**

The remedies provided for in this Section 13 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any party at law or in equity.

14. Survival of Representations and Warranties

The indemnities, agreements, representations, warranties and other statements of the Corporation, as set forth in this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results of any investigation) made by or on behalf of the Agents and shall survive delivery of and payment for the Offered Securities and the subsequent disposition of the Offered Securities by the Agents or the termination of the Agents' obligations under this Agreement for a period of two years following the Closing Date, other than the representations and warranties relating to any tax matters which shall survive until the 90th day following the date upon which the liability to which any such tax matter may relate is barred by all applicable laws. The agreements, representations, warranties and other statements of the Agents, as set forth in this Agreement shall remain in full force and effect, regardless of any investigation (or any statement as to the results of any investigation) made by or on behalf of the Agents and shall survive in full force and effect for the benefit of the Corporation for a period of two years following the Closing Date.

15. Severability

If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.

16. Time

Time is of the essence in the performance of the parties' respective obligations under this Agreement.

17. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in the Province of British Columbia.

18. Notice

Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a "**notice**") shall be in writing addressed as follows:

If to the Corporation, addressed and sent to:

Gatling Exploration Inc.
200 Burrard Street, Suite1680
Vancouver, BC V6C 3L6

Attention: Jason Billan
Email: jason@gatlingexploration.com

In case of any notice to the Corporation, with a copy to (which does not constitute notice):

Miller Thomson LLP
Pacific Centre, 400 – 725 Granville Street
Vancouver, BC V7Y 1G5

Attention : Rory Godinho
Email: rgodinho@millerthomson.com

If to the Agents, to the Lead Agent addressed and sent to:

Sprott Capital Partners LP
200 Bay Street, Suite 2600
Toronto, ON M5J 2J1

Attention: David Wargo
Email: dwargo@sprott.com

In case of any notice to the Agents, with a copy to (which does not constitute notice):

Borden Ladner Gervais LLP
22 Adelaide Street West
Toronto, ON M5H 4E3

Attention: Andrew Powers
Email: apowers@blg.com

or to such other address as any of the parties may designate by giving notice to the others in accordance with this Section 18. Each notice shall be personally delivered to the addressee or sent by fax or email to the addressee. A notice which is personally delivered or delivered by fax or email shall, if delivered prior to 5:00 p.m. (Toronto time) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered.

19. Agents as Trustee

The Corporation acknowledges and agrees that it is the intention of the parties to this Agreement and the Corporation hereby constitutes the Agents as trustee for each of the Subscribers in respect of each of the covenants, agreements and representations and warranties of the Corporation contained in this Agreement and the Agents shall be entitled, as trustee, in addition to any rights of the Subscribers, to enforce such covenants, agreements and representations and warranties on behalf of the Subscribers.

20. Counterparts

This Agreement may be executed by the parties to this Agreement in counterpart and may be executed and delivered by facsimile and all such counterparts and facsimiles shall together constitute one and the same agreement.

[remainder of page intentionally left blank]

If the foregoing is in accordance with your understanding and is agreed to by you, please signify your acceptance by executing the enclosed copies of this letter where indicated below and returning the same to the Agents upon which this letter as so accepted shall constitute an Agreement among us.

Yours very truly,

SPROTT CAPITAL PARTNERS LP by its general partner, **SPROTT CAPITAL PARTNERS GP INC.**

By: "***David Wargo***"

Name: David Wargo

Title: Partner and Head of Investment Banking

CANACCORD GENUITY CORP.

By: "***Earle McMaster***"

Name: Earle McMaster

Title: Director, Investment Banking

Accepted and agreed to effective as of the date of this Agreement.

GATLING EXPLORATION INC.

By: "***Jason Billan***"

Name: Jason Billan

Title: CEO

SCHEDULE "A"
COMPLIANCE WITH UNITED STATES SECURITIES LAWS

As used in this Schedule and related exhibits, the following terms shall have the meanings indicated:

(a) "**Directed Selling Efforts**" means "directed selling efforts" as that term is defined in Rule 902(c) of Regulation S, which, without limiting the foregoing, but for greater clarity in this Schedule, includes, subject to the exclusions from the definition of "directed selling efforts" contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Securities or the Warrant Shares and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Securities or the Warrant Shares;

(b) "**Disqualification Event**" means any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) of Regulation D;

(c) "**Foreign Issuer**" means "foreign issuer" as that term is defined in Rule 902(e) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule A, it means any issuer that is (a) the government of any country, or of any political subdivision of a country, other than the United States, or (b) a national of any country other than the United States, or (c) a corporation or other organization incorporated or organized under the laws of any country other than the United States, except an issuer meeting the following conditions as of the last business day of its most recently completed second fiscal quarter: (1) more than 50 percent of the outstanding voting securities of such issuer are directly or indirectly owned of record by residents of the United States, and (2) any of the following: (i) the majority of the executive officers or directors are United States citizens or residents, (ii) more than 50 percent of the assets of the issuer are located in the United States, or (iii) the business of the issuer is administered principally in the United States;

(d) "**General Solicitation**" and "**General Advertising**" means "general solicitation" and "general advertising", respectively, as used under Rule 502(c) of Regulation D, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or the internet or broadcast over radio or television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

(e) "**Offshore Transaction**" means an "offshore transaction" as that term is defined in Rule 902(h) of Regulation S;

(f) "**Qualified Institutional Buyer**" means a "qualified institutional buyer" as such term is defined in Rule 144A;

(g) “**Regulation D**” means Regulation D adopted by the SEC under the U.S. Securities Act;

(h) “**Regulation S**” means Regulation S adopted by the SEC under the U.S. Securities Act;

(i) “**Rule 144A**” means Rule 144A under the U.S. Securities Act;

(j) “**SEC**” means the United States Securities and Exchange Commission;

(k) “**Substantial U.S. Market Interest**” means “substantial U.S. market interest” as that term is defined in Rule 902(j) of Regulation S;

(l) “**United States**” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

(m) “**U.S. Accredited Investor**” means an “accredited investor” as defined in Rule 501(a) of Regulation D;

(n) “**U.S. Affiliate**” means the U.S. registered broker-dealer affiliate of an Agent that makes offers of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons;

(o) “**U.S. Exchange Act**” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder; and

(p) “**U.S. Person**” means a “U.S. person” as that term is defined in Rule 902(k) of Regulation S.

All other capitalized terms used but not otherwise defined in this Schedule shall have the meanings assigned to them in the Agency Agreement to which this Schedule is attached.

<u>Representations, Warranties and Covenants of the Corporation</u>

The Corporation represents, warrants, acknowledges, covenants and agrees with the Agents, as at the date hereof and as at the Closing Date, that:

1. The Corporation is a Foreign Issuer and reasonably believes that there is no Substantial U.S. Market Interest with respect to the any of its equity securities.

2. The Corporation is not, and after giving effect to the offering contemplated hereby and the application of the proceeds, will not be, registered or required to be registered as an “investment company” (as such term is defined under the Investment Company Act of 1940, as amended), under the Investment Company Act of 1940.

3. The Corporation acknowledges that the Offered Securities and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws and that the Offered Securities and Warrant Shares may be offered and sold only in

transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. Except with respect to sales of Offered Securities by the Agents, the U.S. Affiliates or any members of the selling group formed by them (as to whom the Corporation makes no representation, warranty, acknowledgement, covenant or agreement), neither the Corporation nor any of its affiliates, nor any person acting on any their behalf (other than the Agents, the U.S. Affiliates, or any members of the selling group formed by them, as to whom the Corporation makes no representation, warranty, acknowledgement, covenant or agreement), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person; or (B) any sale of Offered Securities unless, at the time the buy order was or will have been originated, the Purchaser is (i) outside the United States and not a U.S. Person, or (ii) the Corporation, its affiliates, and any person acting on any of their behalf reasonably believe that the Purchaser is outside the United States and not a U.S. Person.

4. None of the Corporation, any of its affiliates or any person acting on any of their behalf (other than the Agents, the U.S. Affiliates, or any members of the selling group formed by them, as to whom the Corporation makes no representation, warranty, acknowledgement, covenant or agreement), has engaged or will engage in any Directed Selling Efforts, or has taken or will take any action that would cause the applicable exemption afforded by Section 4(a)(2) of the U.S. Securities Act and/or Rule 506(b) of Regulation D to be unavailable for offers and sales of the Offered Securities pursuant to this Agreement, or the exclusion afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Offered Securities in Offshore Transactions pursuant to this Agreement.

5. None of the Corporation, any of its affiliates or any person acting on any of their behalf (other than the Agents, the U.S. Affiliates, or any members of the selling group formed by them, as to whom the Corporation makes no representation, warranty, acknowledgement, covenant or agreement) has offered or will offer to sell, or has solicited or will solicit offers to buy, any of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons by means of any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.

6. Neither the Corporation nor any person acting on behalf of the Corporation has, within six months prior to the commencement of the Offering, sold, offered for sale or solicited any offer to buy any of the Corporation's securities, and will not do so during or for a period of six months following the completion of this Offering, in a manner that would be integrated with the offer and sale of the Offered Securities and would cause the exemption from registration set forth in Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D to become unavailable with respect to the offer and sale of the Offered Securities.

7. Neither the Corporation nor any of its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.

8. None of the Corporation, its affiliates or any person acting on any of their behalf (other than the Agents, the U.S. Affiliates, or any members of the selling group formed by them, as to whom the Corporation makes no representation, warranty, acknowledgement, covenant or agreement) has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with the offer and sale of Offered Securities contemplated hereby.

9. The Corporation shall provide to a Purchaser that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person, upon written request, all of the information that would be required for United States income tax reporting purposes by a United States security holder making an election to treat the Corporation as a "qualified electing fund" for the purposes of the United States Internal Revenue Code of 1986, as amended, should the Corporation determine that the Corporation is a "passive foreign investment company" in any calendar year following such Purchaser's purchase of the Offered Securities.

10. None of the Corporation, any of its subsidiaries, or to the knowledge of the Corporation, any member, officer, agent, employee or affiliate of the Corporation or any of its affiliates is currently subject to any sanctions administered by the Office of Foreign Assets Control of the U.S. Department of Treasury ("**OFAC**"); and the Corporation will not directly or indirectly use the proceeds hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any sanctions administered by OFAC.

11. With respect to the Offered Securities offered in reliance on Rule 506(b) of Regulation D, none of the Corporation, any of its predecessors, any affiliated issuer that is issuing Offered Securities in this Offering, any director, executive officer, or other officer of the Corporation participating in the Offering, any beneficial owner of 20% or more of the Corporation's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Corporation in any capacity at the time of sale of the Offered Securities (but excluding the Regulation D Agents (as defined below), as to whom no representation, warranty, covenant or agreement is made) (each, a "**Corporation Covered Person**" and, collectively, the "**Corporation Covered Persons**") is subject to a Disqualification Event. The Corporation will notify the Agents in writing, prior to any offer or sale of Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person of (i) any Disqualification Event relating to a Corporation Covered Person not previously disclosed to the Agents in accordance with this section, and (ii) any event that would, with the passage of time, become a Disqualified Event relating to any Corporation Covered Person. As of the Closing Date, the Corporation is not aware of any person (other than any Regulation D Agent Covered Person (as defined below)) that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the offer and sale of any Offered Securities.

12. The Corporation shall duly prepare and file with the SEC a Form D within 15 days after the first sale of Offered Securities in reliance on Rule 506(b) of Regulation D, and will file

such notices and other documents as are required to be filed under the state securities or "blue sky" laws of the states in which Offered Securities are sold to satisfy the requirements of applicable exemptions from registration or qualification of the Offered Securities under such laws.

13. None of the Corporation or any of its predecessors has had the registration of a class of securities under the U.S. Exchange Act revoked by the U.S. Securities and Exchange Commission pursuant to Section 12(j) of the U.S. Exchange Act and any rules or regulations promulgated thereunder.

Representations, Warranties and Covenants of the Agents

Each Agent, on its own behalf and on behalf of its U.S. Affiliate, severally (and not jointly and severally) represents, warrants and covenants to and with the Corporation, as at the date hereof and as at the Closing Date, that:

1. It acknowledges that the Offered Securities and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws and may be offered and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. It has offered for sale by the Corporation, and will offer for sale by the Corporation, any Offered Securities only as follows: (a) offers of Offered Securities in Offshore Transactions in accordance with Rule 903 of Regulation S; or (b) offers of Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons that are U.S. Accredited Investors and/or Qualified Institutional Buyers, in transactions that are exempt from the registration requirements of the U.S. Securities Act and state blue sky laws, as provided in paragraphs 2 through 12 below. Accordingly, none of the Agent, its U.S. Affiliate, any of their affiliates or any persons acting on behalf of any of them, has made or will make (except as permitted in paragraphs 2 through 12 below) any: (x) offer to sell, or any solicitation of an offer to buy, any Offered Securities to, or for the account or benefit of, any person in the United States or any U.S. Person; (y) any sale of Offered Securities to any Purchaser unless, at the time the buy order was or will have been originated, the Purchaser was outside the United States and not a U.S. Person, or such Agent, U.S. Affiliate, affiliate or person acting on any of their behalf reasonably believed that such Purchaser was outside the United States and not a U.S. Person; or (z) Directed Selling Efforts.

2. It has not entered and will not enter into any contractual arrangement with respect to the offer and sale of the Offered Securities, except with its U.S. Affiliate, any selling group members or with the prior written consent of the Corporation. It shall require its U.S. Affiliate and each selling group member to agree, for the benefit of the Corporation, to comply with, and shall use its commercially reasonable efforts to ensure that its U.S. Affiliate and each selling group member complies with, the provisions of this Schedule applicable to the Agent as if such provisions applied directly to its U.S. Affiliate and such selling group member.

3. All offers of Offered Securities to, or for the account or benefit of, persons in the United

States and U.S. Persons shall be solicited and arranged by the Agent through its U.S. Affiliate, which on the dates of such offers and subsequent sales by the Agent through its U.S. Affiliate or by the Corporation, as applicable, was and will be duly registered as a broker-dealer under the U.S. Exchange Act and under all applicable state securities laws (unless exempted therefrom) and a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc. in accordance with all applicable United States state and federal securities (including broker-dealer) laws.

4. It and its U.S. Affiliate and their respective affiliates, either directly or through a person acting on behalf of any of them, have not solicited and will not solicit offers for, and have not offered to sell and will not offer to sell, any of the Offered Securities in the United States by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.

5. Any offer, or solicitation of an offer to buy, Offered Securities that has been made or will be made to, or for the account or benefit of, a person in the United States or a U.S. Person was or will be made only to U.S. Accredited Investors and/or Qualified Institutional Buyers.

6. Immediately prior to soliciting any Purchaser that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person, the Agent, its U.S. Affiliate, their respective affiliates, and any person acting on behalf of any of them, had reasonable grounds to believe and did believe that each such Purchaser was a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable, and at the time of completion of each sale by the Agent (through its U.S. Affiliate) or by the Corporation to, or for the benefit or account of, a person in the United States or a U.S. Person identified by such Agent and U.S. Affiliate, the Agent, its U.S. Affiliate, their respective affiliates, and any person acting on behalf of any of them will have reasonable grounds to believe and will believe, that each Purchaser designated by the Agent or the U.S. Affiliate to purchase Offered Securities from it (through its U.S. Affiliate) or from the Corporation is a Qualified Institutional Buyer or a U.S. Accredited Investor, as applicable.

7. Prior to arranging for any sale of Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person, it shall cause each such Purchaser to execute a Subscription Agreement.

8. At least two Business Days prior to the applicable Closing Date, the transfer agent for the Corporation will be provided with a list of the names and addresses of all Purchasers of the Offered Securities in the United States or that are U.S. Persons.

9. At the Closing, the Agent and its U.S. Affiliate that has offered or solicited offers and arranged for the sale of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons, will provide a certificate, substantially in the form of Exhibit I, relating to the manner of the offer and sale of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons, or be deemed to represent and warrant that no offers or sales of the Offered Securities were made to, or for

the account or benefit of, persons in the United States or U.S. Persons by such persons.

10. Each Purchaser will be informed that the Offered Securities have not been and will not be registered under the U.S. Securities Act and are being offered by the Agent through its U.S. Affiliate and sold by the Corporation to such Purchaser in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act.

(q) None of the Agent, its U.S. Affiliate or any person acting on any of their behalf has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with the offering of Offered Securities contemplated hereby.

11. With respect to Offered Securities offered in reliance on Rule 506(b) of Regulation D, neither the Agent nor its affiliates (including its U.S. Affiliate) (collectively, the "**Regulation D Agents**"), any general partner or managing member of the Regulation D Agents, any director, executive officer or other officer of the Regulation D Agents participating in the offering of the Offered Securities or general partner or managing member of the Regulation D Agents or any officer, employee or agent of the Regulation D Agents or general partner or managing member of the Regulation D Agents that have been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the offer and sale of any Offered Securities (each, a "**Regulation D Agent Covered Person**" and collectively, the "**Regulation D Agent Covered Persons**") is subject to any Disqualification Event, except for a Disqualification Event contemplated by Rule 506(d)(2) of the U.S. Securities Act and a description of which has been furnished in writing to the Corporation prior to the date hereof. Each Regulation D Agent will notify the Corporation in writing, prior to any offer or sale of Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person of (i) any Disqualification Event relating to any Regulation D Agent Covered Person not previously disclosed to the Corporation in accordance with this section, and (ii) any event that would, with the passage of time, become a Disqualified Event relating to any Regulation D Agent Covered Person. As of the Closing Date, the Agent is not aware of any person (other than any Regulation D Agent Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the offer and sale of any Offered Securities pursuant to Rule 506(b) of Regulation D.

EXHIBIT I TO SCHEDULE "A"
(TERMS AND CONDITIONS OF U.S. SALES)

AGENT'S CERTIFICATE

In connection with the offer and sale to, or for the account or benefit of, persons in the United States and U.S. Persons of units consisting of unit shares and warrants (collectively, the "**Offered Units**") of Gatling Exploration Inc. (the "**Corporation**") pursuant to an agency agreement (the "**Agency Agreement**") effective as of December 18, 2020 between the Corporation and the Agents named in the Agency Agreement, <*> (the "**Agent**") and <*> (the "**U.S. Affiliate**"), the U.S. broker-dealer affiliate of the Agent, hereby certify as follows:

(i) on the date hereof and on the date of each offer, solicitation of an offer or sale of Offered Units to, or for the account or benefit of, a person in the United States or a U.S. Person by the undersigned, the U.S. Affiliate is and was: (A) a duly registered broker-dealer with the United States Securities and Exchange Commission and under the laws of each state where offers and sales of Offered Units were made (unless exempted therefrom); and (B) a member of and in good standing with the Financial Industry Regulatory Authority, Inc.;

(ii) all offers of Offered Units for sale by the Corporation to, or for the account or benefit of, persons in the United States and U.S. Persons have been and will be effected and arranged by the U.S. Affiliate in accordance with all applicable U.S. federal and state broker-dealer requirements;

(iii) immediately prior to offering or soliciting offers for the Offered Units to or from offerees that were, or were acting for the account or benefit of, persons in the United States or U.S. Persons, we had reasonable grounds to believe and did believe that each such offeree was a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable, and, on the date hereof, we continue to believe that each such person purchasing Offered Units from the Corporation is a U.S. Accredited Investor and from undersigned is a Qualified Institutional Buyer;

(iv) no form of "general solicitation" or "general advertising" (as those terms are used in Regulation D under the U.S. Securities Act) was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or the internet or broadcast over radio or television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer or sale of the Offered Units to, or for the account or benefit of, persons in the United States and U.S. Persons;

(v) no Directed Selling Efforts were made by us in the United States in connection with the offer or sale of Offered Units;

(vi) the offers and solicitations of offers of the Offered Units to, or for the account or benefit of, persons in the United States and U.S. Persons have been conducted by us in accordance with the terms of the Agency Agreement;

(vii) in connection with each sale of Offered Units to, or for the account or benefit of, a person in the United States or a U.S. Person, we caused each such Purchaser to execute and deliver to the Corporation a Unit Subscription Agreement, including all applicable schedules thereto; and

(viii) with respect to Offered Units offered or sold to, or for the account or benefit of, persons in the United States and U.S. Persons, none of the Regulation D Agent Covered Persons relating to the undersigned is subject to any Disqualification Event except for a Disqualification Event (A) covered by Rule 506(d)(2) of Regulation D and (B) a description of which has been furnished in writing to the Corporation prior to the date hereof, and the undersigned are not aware of any person (other than any Regulation D Agent Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the sale of any Offered Units to, or for the account or benefit of, persons in the United States and U.S. Persons.

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

Dated this ____ day of ____________, 2020.

[INSERT NAME OF AGENT]

By: ______________________________
Name:
Title:

[INSERT NAME OF U.S. AFFILIATE]

By: ______________________________
Name:
Title: