

AGENCY AGREEMENT

June 22, 2021

Reyna Silver Corp.
595 Burrard Street, Suite 2900
Vancouver, BC V7X 1J5

Attention: Jorge Ramiro Monroy, Chief Executive Officer

Dear Sir:

Eight Capital ("**Eight**") and Red Cloud Securities Inc. ("**Red Cloud**" and together with Eight, the "**Agents**"), as co-lead agents and bookrunners understand that Reyna Silver Corp. (the "**Corporation**") proposes to issue and sell **7,229,000** units of the Corporation (the "**Units**") at a price of \$0.83 per Unit (the "**Purchase Price**") for gross proceeds of up to **\$6,000,070**, subject to the terms and conditions set out below. The Units are referred to herein as the "**Units**" and individually, a "**Unit**". The offer and sale of the Units are referred to as the "**Offering**".

Upon and subject to the terms and conditions set forth herein, the Corporation hereby appoints the Agents, and the Agents hereby agree to act as agents to the Corporation to effect the Offering on a "best efforts" private placement basis to Purchasers (as hereinafter defined) in the Canadian Offering Jurisdictions (as hereinafter defined) and in those jurisdictions outside of Canada (including the United States) consented to by the Corporation where the Units may be lawfully sold pursuant to the terms and conditions hereof. It is understood that no offering memorandum (as defined under applicable securities laws) shall be delivered to prospective investors and that the Corporation shall take all steps necessary to comply with the applicable provisions of NI 45-106. Nothing herein shall obligate the Agents or any of their affiliates to purchase securities under the Offering.

Each Unit shall be comprised of one Common Share (as hereinafter defined) of the Corporation (each, a "**Unit Share**") and one-half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant shall entitle the holder thereof to purchase one Common Share (a "**Warrant Share**") at a price of \$1.25 per Warrant Share at any time before 5:00 p.m. (Toronto time) on the date that is 24 months following the Closing Date. The Warrants shall be duly and validly created and issued pursuant to, and governed by, a warrant indenture dated June 22, 2021 (the "**Warrant Indenture**") entered into between TSX Trust Company of Canada (the "**Warrant Agent**"), in its capacity as warrant agent thereunder, and the Corporation. The description of the Warrants herein is a summary only and is subject to the specific attributes and detailed provisions of the Warrants to be set forth in the Warrant Indenture. In case of any inconsistency between the description of the Warrants in this Agreement (as hereinafter defined) and the terms of the Warrants as set forth in the Warrant Indenture, the provisions of the Warrant Indenture shall govern.

The Agents shall be entitled to appoint a soliciting dealer group consisting of other registered dealers subject to acceptance by the Corporation (each, a "**Selling Firm**") as its agents to assist in the Offering. Any fee payable to such dealer(s) shall be for the account of the Agents and shall be negotiated between the Agents and the Selling Firm(s).

In consideration of the services to be rendered by the Agents hereunder, the Corporation shall: (i) pay to the Agents collectively on the Closing Date a cash commission in an amount equal to 7.0% of the aggregate gross proceeds of the Offering (the "**Commission**"), and (ii) issue to the Agents compensation warrants (the "**Agent Warrants**") in an amount equal to 7.0% of the aggregate number of Units sold under the Offering. Each Unit sold to Purchasers under the President's List will be subject to a reduced cash commission equal to 3.5% and the compensation warrants will be reduced to 3.5% of the Units sold to the Purchasers. Each Agent Warrant shall entitle the holder thereof to purchase, subject to adjustment in accordance with the terms and conditions of the certificates evidencing the Agent Warrants (the "**Agent Warrant Certificates**"), one Unit (each an "**Agent Unit**") at a price of \$0.83 per Agent Unit at any time before 5:00 p.m. (Toronto time) on the date that is 24 months following the Closing Date. Each Agent Unit will be comprised of one Common Share (each an "**Agent Unit Share**") and one-half of one Warrant (each whole warrant an "**Agent Unit Warrant**") on the same terms as Units acquired by the Purchasers. Each Agent Unit Warrant will entitle the holder to acquire, subject to adjustment in accordance with the terms and conditions of the certificates evidencing the Agent Unit Warrants (the "**Agent Unit Warrant Certificates**"), one Common Share in the capital of the Corporation (each an "**Agent Unit Warrant Share**") for a period expiring 24 months following the date of issue at an exercise price of \$1.25 per Agent Unit Warrant Share. The Agent Warrants, and Agent Unit Shares, Agent Unit Warrants and Agent Unit Warrant Shares are together referred to herein as the "**Agents' Securities**". The obligation of the Corporation to pay the Commission shall arise on the Closing Date and the Commission shall be fully earned by the Agents at the Closing Time.

The parties acknowledge that the Units, the Unit Shares and Warrants comprising the Units and the Warrant Shares issuable upon exercise of the Warrants (collectively referred to herein as the "**Securities**") have not been and will not be registered under the U.S. Securities Act (as hereinafter defined) 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 (as hereinafter defined) or U.S. Persons (as hereinafter defined), nor may the Warrants be exercised in the United States or by or on behalf of a person in the United States or a U.S. Person, except pursuant to exemptions from the registration requirements of the U.S. Securities Act and the applicable laws of any state of the United States, in the manner specified in this Agreement.

The Corporation shall be entitled to designate to the Agents certain Purchasers to be included in the Offering for up to a maximum of 1,807,229 Units for aggregate gross proceeds of up to \$1,500,000 (the "**President's List**"). The Corporation hereby agrees that the Agents shall not be required to conduct a suitability review under applicable Securities Laws in respect of sales to Purchasers on the President's List, and the Corporation shall indemnify and save harmless the Agents against any and all losses or expenses relating to sales to Purchasers on the President's List. The Agents may in their sole discretion refuse to process any subscription for a Purchaser on the President's List.

DEFINITIONS

In this Agreement, in addition to the terms defined above or elsewhere in this Agreement, the following terms shall have the following meanings:

"affiliate", "associate", "distribution", "material change", "material fact" and "misrepresentation" shall have the respective meanings ascribed thereto in the *Securities Act* (Ontario);

"Agents' Securities" shall have the meaning ascribed thereto on the second page hereof;

"Agent Units" shall have the meaning ascribed thereto on the second page hereof;

"Agent Unit Share" shall have the meaning ascribed thereto on the second page hereof;

"Agent Unit Warrant" shall have the meaning ascribed thereto on the second page hereof;

"Agent Unit Warrant Certificates" shall have the meaning ascribed thereto on the second page hereof;

"Agent Unit Warrant Share" shall have the meaning ascribed thereto on the second page hereof;

"Agent Warrant Certificates" shall have the meaning ascribed thereto on the second page hereof;

"Agent Warrants" shall have the meaning ascribed thereto on the second page hereof;

"Agreement" means this agency agreement resulting from the acceptance by the Corporation of the offer made by the Agents hereby, including all schedules hereto, as amended or supplemented from time to time in accordance with the terms herein;

"Bugambillas Underlying Royalty" means the 4.5% net smelter returns royalty held by Minera Bugambillas, S.A. de C.V. over the Batopilas Property.

"Business Day" means a day which is not a Saturday, Sunday or statutory or civic holiday in Toronto, Ontario or Vancouver, British Columbia;

"Canadian Offering Jurisdictions" means any Province in Canada as the Agents may designate;

"Claims" shall have the meaning ascribed thereto in section 122;

"Closing" means the completion of the issue and sale of the Units;

"Closing Date" means the date of the Closing, which is anticipated to occur on the date hereof;

"Closing Time" means 11:00 a.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as agreed to between the Corporation and the Agents;

"Commission" shall have the meaning ascribed thereto on the second page hereof;

"Common Shares" means the common shares in the capital of the Corporation;

"Coralillo NSR" means the 2.5% net smelter returns royalty held by Minera Coralillo, S.A. de C.V. over the Guigui Property;

"Corporation" shall have the meaning ascribed thereto on the first page hereof;

"Corporation's Auditors" means DeVisser Gray LLP, Chartered Professional Accountants, or such other firm of chartered accountants as the Corporation may have appointed or may from time to time appoint as auditors of the Corporation;

"Debt Instrument" means any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability;

"Engagement Letter" means, collectively, the letter agreement dated as of May 27, 2021 and the amending letter agreement dated as of June 3, 2021 between the Corporation and the Agents relating to the Offering, as amended;

"Environmental Laws" shall have the meaning ascribed thereto in subsection 3(t);

"Environmental Permits" shall have the meaning ascribed thereto in subsection 3(u);

"Financial Statements" means the audited consolidated financial statements of the Corporation for the year ended December 31, 2020, together with the notes thereto and the report of the Corporation's Auditors thereon, and the unaudited condensed consolidated interim financial statements of the Corporation for the three months ended March 31, 2021;

"Governmental Authority" means and includes any national or federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, any instrumentality, court, tribunal, arbitrator or arbitral body (public or private), any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority, including any self-regulatory authority, any Securities Regulator and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing;

"Guigui Property" means the 4,554-hectare mining concession in the southern part of the Santa Eulalia Mining District, about 23 km east of Chihuahua City, Mexico;

"IFRS" means International Financial Reporting Standards as issued by the International Accounting Standards Board;

"Indemnitor" shall have the meaning ascribed thereto in section 122;

"Indemnified Party" or **"Indemnified Parties"** shall have the meaning ascribed thereto in section 122;

"knowledge" means, as it pertains to the Corporation and where such reference to knowledge is not qualified, the actual knowledge of Jorge Ramiro Monroy, as at the date of this Agreement, together with the knowledge which he would have had if he had conducted due and applicable inquiry into the relevant subject matter (which for greater certainty shall exclude any due diligence reports or materials prepared by the Agents or their counsel);

"La Chinche Amendment Agreement" means the "Amendment Agreement to certain Letter of Intent and certain Master Purchase Agreement" entered into between Minerales Unidos La Chinche S.A. de C.V., La Chinche Concession Holder, Reyna Silver S.A.P.I de C.V., Potosi Silver Cyprium S.A. de C.V., Minera Potosi Silver S. de R.L. de C.V., and Minerales Nacionales de Mexico S.A. de C.V. on June 29, 2020;

"La Chinche Concession Holder" means Exploraciones Mineras La Chinche S.A.P.I. de C.V.;

"La Chinche Initial Delivery" means the 250,000 Common Shares and 1,000,000 Warrants of the Corporation which are to be delivered pursuant to the La Chinche United Minerals Agreement;

"La Chinche Option Agreement" means the "Exploration, Exploitation with Option to Purchase Mining Concessions Agreement" entered into between the La Chinche Concession Holder and Reyna Silver S.A.P.I. de C.V. on June 29, 2020;

"La Chinche Payments" means the payments to the La Chinche Concession Holder calculated as a minimum of US\$1,000,000 (for up to 1,500,000 tonnes of resource based on 12% Zn equivalent cut-off) plus an additional US\$250,000 for every 500,000 tonnes of resource at comparable grade contained within the property over and above 1,500,000 tonnes as further described in the La Chinche Option Agreement;

"La Chinche Property" means the 240-hectare mining concession contiguous to the Guigui Property in Chihuahua City, Mexico;

"La Chinche United Minerals Agreement" means the mineral property agreement between United Minerals, Minerales Unidos La Chinche S.A. de C.V. and the Corporation dated July 1, 2020;

"Leased Premises" means the premises which are material to the Corporation, and which the Corporation or either of the Subsidiaries occupies as a tenant;

"Losses" shall have the meaning ascribed thereto in section 122;

"MAG Asset Agreement" means the asset purchase and sale agreement between MAG Silver Corp. and the Corporation dated June 29, 2018;

"Material Adverse Effect" means the effect resulting from any change (including a decision to implement such a change made by the board of directors or by senior management who believe that confirmation of the decision of the board of directors is probable), event, violation, occurrence or circumstance that is materially adverse to the business, assets (including intangible assets), liabilities, capital, properties, prospects, financial condition, or results of operations of the Corporation and the Subsidiaries, taken as a whole;

"Material Agreement" means any material contract, commitment, Debt Instrument, indenture, agreement (written or oral), instrument, lease, joint operating agreement, option, joint venture agreement, or other document, including license agreements and agreements relating to the Properties, to which the Corporation or the Subsidiaries is a party or by which any of them is bound;

"Medicine Springs Option Agreement" means the property option agreement entered into between the Corporation and Northern Lights Resources Corp. on September 24, 2020 pursuant to which the Corporation is entitled to acquire an 80% interest in 149 claims covering 1,189 hectares that form a portion of the Medicine Springs Property;

"Medicine Springs Property" means the 599 claims covering 4,831 hectares, of which 149 claims covering 1,189 hectares are subject to a property option agreement with Northern Lights Resources Corp., that is located in the Ruby Mountains Valley in Elko County, Nevada;

"Mining Rights" shall have the meaning ascribed thereto in subsection 3(bb);

"NI 41-101" means National Instrument 41-101 - *General Prospectus Requirements*

"NI 43-101" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;

"NI 45-102" means National Instrument 45-102 – *Resale of Securities*;

"NI 45-106" means National Instrument 45-106 – *Prospectus Exemptions*;

"NI 51-102" means National Instrument 51-102 – *Continuous Disclosure Obligations*;

"Offering" shall have the meaning ascribed thereto on the first page hereof;

"person" shall mean any individual, company, corporation, partnership, limited partnership, joint venture, sole proprietorship, association, trust, trustee or other legal entity;

"President's List" shall have the meaning ascribed thereto on the second page hereof;

"Property" or **"Properties"** means the Corporation's interests and rights in claims, mining concessions, permits and leases including, but not limited to, the Guigui, Batopilas, Medicine Springs and La Chinche properties;

"Public Record" means all information filed by or on behalf of the Corporation with the Alberta Securities Commission, the British Columbia Securities Commission, the Manitoba Securities Commission, the Financial and Consumer Services Commission (New Brunswick), the Securities NL Financial Services Regulation Division (Newfoundland), the Nova Scotia Securities Commission, the Ontario Securities Commission, the Office of the Superintendent Securities Consumer, Corporate and Insurance Services Division Office of the Attorney General (Prince Edward Island) and the Financial and Consumer Affairs Authority of Saskatchewan in compliance, or intended compliance, with Securities Laws and publicly available on SEDAR under the Corporation's profile at www.sedar.com;

"Purchase Price" shall have the meaning ascribed thereto on the first page hereof;

"Purchasers" means the persons who, as purchasers, acquire the Units by duly completing, executing and delivering the Subscription Agreements;

"Qualified Institutional Buyer" means a "qualified institutional buyer" as defined in Rule 144A under the U.S. Securities Act, that is also a U.S. Accredited Investor;

"Regulation D" means Regulation D under the U.S. Securities Act;

"Regulation S" means Regulation S under the U.S. Securities Act;

"Securities" shall have the meaning ascribed thereto on the second page hereof;

"Securities Laws" means, collectively, and, as the context may require, the applicable securities laws of each of the Canadian Offering Jurisdictions and the respective regulations and rules made

under those securities laws together with all applicable policy statements, instruments, rules, blanket orders and rulings of the Securities Regulators and all discretionary orders or rulings, if any, of the Securities Regulators made in connection with the transactions contemplated by this Agreement together with applicable published policy statements of the Canadian Securities Administrators as well as the rules, regulations and policies of the TSXV;

"Securities Regulators" means, collectively, the securities commissions or other securities regulatory authorities in the Canadian Offering Jurisdictions;

"Selling Firm" shall have the meaning ascribed thereto on the first page hereof;

"Subscription Agreements" means, collectively, the subscription agreements in the forms agreed to by the Agents and the Corporation pursuant to which Purchasers agree to subscribe for and purchase Units as contemplated herein and shall include, for greater certainty, all schedules and exhibits thereto;

"Subsidiaries" means Reyna Silver Mining Inc., Reyna Silver S.A.P.I. de C.V., Explorada La Reyna, S.A. de C.V. and Silver Medicine LLC;

"subsidiary" shall have the meaning ascribed thereto in the *Business Corporations Act* (British Columbia);

"Taxes" shall have the meaning ascribed thereto in subsection 3(j);

"TSXV" means the TSX Venture Exchange;

"Unit" shall have the meaning ascribed thereto on the first page hereof;

"Unit Share" shall have the meaning ascribed thereto on the first page hereof;

"United Minerals" means United Minerals PTY Limited;

"United States" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

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

"U.S. Affiliate" means the U.S. registered broker-dealer affiliate of an Agent;

"U.S. Person" means a U.S. person as that term is defined in Rule 902(k) of Regulation S;

"U.S. Securities Act" means the United States Securities Act of 1933, as amended, and the rules and regulations made thereunder;

"Warrant" shall have the meaning ascribed thereto on the first page hereof;

"Warrant Agent" shall have the meaning ascribed thereto on the first page hereof;

"Warrant Certificates" means the certificates evidencing the Warrants, if any Warrants are issued in certificated form;

"Warrant Indenture" shall have the meaning ascribed thereto on the first page hereof; and

"Warrant Share" shall have the meaning ascribed thereto on the first page hereof.

TERMS AND CONDITIONS

1. (a) **Sale on Exempt Basis.** The Agents will offer and sell the Units: (i) in the Canadian Offering Jurisdictions on a private placement basis in compliance with Securities Laws such that the offer and sale of the Units does not require the Corporation to file a prospectus or offering memorandum; (ii) to, or for the account or benefit of, persons in the United States and U.S. Persons on a private placement basis pursuant to the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D available for offers and sales to U.S. Accredited Investors and Qualified Institutional Buyers and similar exemptions under applicable U.S. state securities laws, and in accordance with the terms, conditions, representations, warranties and covenants of the parties contained in Schedule "B" hereto, the provisions of which are agreed to by the Corporation and the Agents (on their own behalf and on behalf of their U.S. Affiliate), and which Schedule "B" forms part of this Agreement; and (iii) in such other jurisdictions as consented to by the Corporation on a private placement basis in compliance with all applicable securities laws of such other jurisdictions provided that no prospectus, registration statement or similar document is required to be filed in such jurisdiction and the Corporation does not thereafter become subject to on-going continuous disclosure obligations in such other jurisdictions.
- (b) **Filings.** The Corporation undertakes to file or cause to be filed all forms or undertakings required to be filed by the Corporation in connection with the purchase and sale of the Units so that the distribution of the Units on the terms and conditions set forth herein may lawfully occur without the necessity of filing a prospectus or offering memorandum in Canada or comparable document in any other jurisdiction (but on terms that will permit the Units acquired by the Purchasers in the Canadian Offering Jurisdictions to be sold by such Purchasers and the Agents in the Canadian Offering Jurisdictions subject to, and in compliance with, applicable hold periods and other restrictions under applicable Securities Laws). The Agents undertake to cause Purchasers to complete and deliver to the Corporation (and it shall be a condition of closing in favour of the Corporation that the Purchasers complete and deliver to the Corporation) any forms required by applicable Securities Laws in connection with the Offering. All fees payable in connection with such filings under applicable Securities Laws shall be at the expense of the Corporation.
- (c) **No Offering Memorandum.** Neither the Corporation nor the Agents shall: (i) provide to prospective Purchasers any document or other material or information that would constitute an offering memorandum within the meaning of applicable Securities Laws; or (ii) engage in any form of general solicitation or general advertising in connection with the offer and sale of the Units, including causing the sale of the Units to be advertised in any newspaper, magazine, printed public media, printed media or similar medium of general and regular paid circulation, broadcast over radio, television or telecommunications, including

electronic display, or conduct any seminar or meeting relating to the offer and sale of the Units whose attendees have been invited by general solicitation or advertising.

2. **Covenants.** The Corporation hereby covenants to the Agents and to the Purchasers, and acknowledges that each of them is relying on such covenants in connection with the Offering, that the Corporation shall:

- (a) allow the Agents and their respective representatives to conduct all due diligence regarding the Corporation and its Subsidiaries which the Agents may reasonably require to be conducted prior to the Closing Date in order to fulfill their obligations as Agents;
- (b) commencing on the date hereof and continuing until the date that is 24 months following the Closing Date, use commercially reasonable efforts to maintain its status as a "reporting issuer" under the Securities Laws of the Provinces of Alberta, Ontario, British Columbia, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland not in default of any requirement of such Securities Laws, provided that this covenant shall not prevent the Corporation from completing any transaction which would result in the Corporation ceasing to be a "reporting issuer" so long as the holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada or the United States or cash, and the holders of the Common Shares have approved the transaction in accordance with the requirements of applicable corporate laws and the policies of the TSXV (or such other applicable stock exchange upon which its Common Shares are listed or quoted);
- (c) commencing on the date hereof and continuing until the date that is 24 months following the Closing Date, use commercially reasonable efforts to maintain the listing of the Common Shares on the TSXV or other recognized stock exchange or quotation system, provided that this covenant shall not prevent the Corporation from completing any transaction which would result in the Common Shares ceasing to be listed so long as the holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada or the United States or cash, and the holders of the Common Shares have approved the transaction in accordance with the requirements of applicable corporate laws and the policies of the TSXV (or such other applicable stock exchange upon which its Common Shares are listed or quoted);
- (d) duly execute and deliver the Subscription Agreements (which have been accepted by the Corporation and duly completed and executed by the Purchasers), any certificates representing the Unit Shares, the Agent Warrants, the Warrants comprising the Units, and the Warrant Indenture at the Closing Time and comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Corporation;
- (e) use its best efforts to cause its directors and officers of the Corporation to enter into the Form of Lock-Up Agreement attached hereto as Schedule "A";
- (f) use commercially reasonable efforts to fulfil or cause to be fulfilled, at or prior to the Closing Date, each of the conditions required to be fulfilled by it set out in Section 7;

- (g) ensure that, at the Closing Time, the Unit Shares be issued as fully paid and non-assessable shares in the capital of the Corporation on payment of the purchase price therefor;
- (h) ensure that, at the Closing Time, the Warrants and Agent Warrants shall be validly created and issued and shall have attributes corresponding in all material respects to the description thereof set forth in the Warrant Indenture and Agent Warrant Certificates;
- (i) ensure that, at all times prior to the expiry of the Warrants, Agent Warrants, Agent Units and Agent Unit Warrants, a sufficient number of Warrant Shares, Agent Unit Shares, and Agent Unit Warrant Shares are allotted and reserved for issuance upon the due exercise of the Warrants and Agent Units in accordance with their terms;
- (j) ensure that the Warrant Shares, the Agent Unit Shares, and the Agent Unit Warrant Shares upon the due exercise of the Warrants, Agent Units and Agent Unit Warrants, in accordance with their terms, shall be issued as fully paid and non-assessable shares in the capital of the Corporation on payment of the purchase price therefor;
- (k) appoint the Warrant Agent as the agent under the Warrant Indenture at or prior to the Closing Time;
- (l) ensure that the Unit Shares and Agent Unit Shares partially comprising the Units and Agent Units and the Warrant Shares and Agent Unit Warrant Shares issuable on due exercise of the Warrants and the Agent Unit Warrants are listed and posted for trading on the TSXV upon their respective dates of issuance;
- (m) subject to applicable law, obtain the prior approval of the Agents, acting reasonably, as to the content and form of any press release relating to the Offering; and
- (n) use the net proceeds of the Offering to fund: the exploration and drilling at the Guigui and Batopilas Properties, as well as for general working capital purposes.

3. **Representations and Warranties of the Corporation.** The Corporation represents and warrants to the Agents and to the Purchasers, and acknowledges that each of them is relying upon such representations and warranties in connection with the Offering, that:

- (a) each of the Corporation and the Subsidiaries has been duly incorporated and is validly existing under the laws of its jurisdiction of existence, has all requisite corporate power and authority and is duly qualified and possesses all material certificates, authorizations, permits and licences issued by the appropriate Governmental Authority necessary (and has not received or is not aware of any modification or revocation to such licences, authorizations, certificates or permits) to carry on its business as now conducted and to own or lease its properties and assets, including the Properties, and the Corporation has all requisite corporate power and authority to enter into this Agreement and the Warrant Indenture, to issue the Warrant Certificates, if any, and the Agent Warrant Certificate, and to carry out its obligations hereunder and thereunder;
- (b) the Corporation has no direct or indirect subsidiaries or any material investment or proposed investment in any person other than the Subsidiaries. The Corporation, directly

or indirectly beneficially owns all of the issued and outstanding shares in the capital of the Subsidiaries free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands of any kind whatsoever, all of such shares have been duly authorized and validly issued and are outstanding as fully paid and non-assessable shares and no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from the Corporation or the Subsidiaries or any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of the Subsidiaries or any other security convertible into or exchangeable for any such shares;

- (c) at the Closing Time, all consents, approvals or conditional approvals, permits, authorizations or filings as may be required under Securities Laws necessary for the execution and delivery of this Agreement, the Warrant Indenture, the Warrant Certificates and the Agent Warrant Certificates and the consummation of the transactions contemplated hereby and thereby including the issuance and sale of the Units, Unit Shares, the Warrants, the Agent Warrants, Agent Units, Agent Unit Shares, Agent Unit Warrants and the Warrant Shares and Agent Unit Warrant Shares will have been made or obtained, as applicable;
- (d) the execution and delivery of this Agreement, the Warrant Indenture, the Warrant Certificates and the Agent Warrant Certificates, the performance by the Corporation of its obligations hereunder or thereunder, including the issue and sale of the Units, Unit Shares, the Warrants, the Agent Warrants, Agent Units, Agent Unit Shares and Agent Unit Warrants and the Warrant Shares and Agent Unit Warrant Shares and the consummation of the transactions contemplated hereby and thereby do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both), (i) any statute, rule or regulation applicable to the Corporation, including applicable Securities Laws; (ii) the constating documents or resolutions of the board of directors or shareholders of the Corporation which are in effect at the date hereof; (iii) any Material Agreement; or (iv) any judgment, decree, order, rule, law or regulation binding the Corporation or the material property or assets of the Corporation or the Subsidiaries, including the Properties;
- (e) neither of the Corporation nor the Subsidiaries has approved or entered into any agreement in respect of, or received any written notice with respect to: (i) the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by the Corporation or the Subsidiaries whether by asset sale, transfer of shares or otherwise; (ii) the change of control of the Corporation or the Subsidiaries (whether by sale or transfer of shares or sale of all or substantially all of the property and assets of the Corporation or the Subsidiaries or otherwise); or (iii) to the knowledge of the Corporation, a proposed or planned disposition of shares by any shareholder who owns, directly or indirectly, 10% or more of the outstanding Common Shares;
- (f) the Financial Statements have been prepared in accordance with IFRS consistently applied throughout the periods referred to therein and present fully, fairly and correctly, the consolidated financial position (including the assets and liabilities, whether absolute, contingent or otherwise) of the Corporation as at such dates and results of operations of the Corporation for the periods then ended and contain and reflect adequate provisions or

allowance for all reasonably anticipated liabilities, expenses and losses of the Corporation and there has been no change in accounting policies or practices of the Corporation since March 31, 2021;

- (g) the Corporation is in material compliance with all timely and continuous disclosure obligations under applicable Securities Laws and, without limiting the generality of the foregoing, no Material Adverse Effect has occurred with respect to the Corporation, as a whole, since March 31, 2021 which has not been publicly disclosed and all the statements set forth in all documents publicly filed by or on behalf of the Corporation pursuant to applicable Securities Laws were true, correct and complete and did not contain any misrepresentation as of the date of such statements and the Corporation has not filed any confidential material change reports since the date of such statements which remain confidential as of the date hereof;
- (h) as of the date hereof (i) there are no material changes or material facts relating to the Corporation that have not been publicly disclosed in accordance with the requirements of the *Securities Act* (Ontario) and NI 51-102, (ii) the information available on the Corporation's profile at www.sedar.com was accurate and complete on the date of filing such information and such information does not contain a misrepresentation, and (iii) the Corporation has not completed any significant acquisitions, nor is it proposing any probable acquisitions (as such terms are defined in NI 41-101) that would require the filing of a business acquisition report or historical and/or revised pro-forma financial statements;
- (i) since March 31, 2021 and other than as disclosed in the Public Record: (i) there has been no material adverse change in the condition (financial or otherwise), or in the properties, capital, affairs, prospects, operations, assets or liabilities of the Corporation, whether or not arising in the ordinary course of business, but for greater certainty, any decreases in the Corporation's assets resulting from the use of cash to finance the Corporation's operations in a manner consistent with the Corporation's use of cash to finance its operations after the financial year ended March 31, 2021 shall not be considered material adverse changes; and (ii) there have been no transactions entered into by the Corporation, other than those in the ordinary course of business;
- (j) except as otherwise disclosed in the Financial Statements, all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, customs duties and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable or required to be collected or withheld and remitted by the Corporation and the Subsidiaries have been paid, collected or withheld and remitted as applicable. All tax returns, declarations, remittances and filings required to be filed by the Corporation and the Subsidiaries have been filed with all appropriate Governmental Authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading or have a Material Adverse Effect. To the knowledge of the Corporation, no examination of any tax return of the Corporation or the Subsidiaries is currently in progress and there are no issues or disputes outstanding with any Governmental Authority respecting any Taxes that have been paid, or may be payable, by the Corporation or the Subsidiaries. There are no

agreements, waivers or other arrangements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to the Corporation or the Subsidiaries;

- (k) each of the Corporation and the Subsidiaries has established on its books and records reserves that are adequate for the payment of all material Taxes not yet due and payable and there are no liens for Taxes on the assets of the Corporation or the Subsidiaries that are material, and there are no audits pending of the tax returns of the Corporation or the Subsidiaries (whether federal, state, provincial, local or foreign) and there are no claims which have been or may be asserted relating to any such tax returns, which audits and claims, if determined adversely, would result in the assertion by any governmental agency of any deficiency that would have a Material Adverse Effect on the Corporation, other than as disclosed in the Public Record;
- (l) the Corporation's Auditors are independent public accountants as required under applicable Securities Laws;
- (m) there has never been a "reportable event" (within the meaning of NI 51-102) with the Corporation's Auditors or the former auditors of the Corporation;
- (n) the Corporation maintains a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management's general or specific authorization; and (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain accountability for assets;
- (o) other than the participation rights held by MAG Silver Corp., no holder of outstanding securities of the Corporation is entitled to any pre-emptive or any similar rights to subscribe for any Common Shares or other securities of the Corporation (including pursuant to the Offering) and any such pre-emptive or any similar rights have been fully complied with or waived by the holder thereof in relation to the Offering;
- (p) except as disclosed in the Public Record or to the Agents, no rights, warrants or options to acquire, or instruments convertible into or exchangeable for, any security in the capital of the Corporation are outstanding;
- (q) no legal or governmental proceedings or inquiries by any Governmental Authority are pending to which any of the Corporation or the Subsidiaries is a party or to which their respective property, including the Properties, is subject that would result in the revocation or modification of any certificate, authorization, permit or license, necessary to conduct the business now owned or operated by the Corporation or the Subsidiaries which, if the subject of an unfavourable decision, ruling or finding would have a Material Adverse Effect, and no such proceedings have been threatened against or, to the knowledge of the Corporation, are contemplated with respect to the Corporation or the Subsidiaries or their respective properties and assets, including the Properties;
- (r) each of the Corporation and the Subsidiaries 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 (including all applicable federal, provincial, municipal and local environmental, anti-pollution and licensing laws, regulations and other lawful requirements of any Governmental Authority, including Environmental Laws and relevant exploration and exploitation permits and concessions) except where the failure to so comply would not have a Material Adverse Effect and the Corporation and the Subsidiaries hold all material requisite licences, registrations, qualifications, permits and consents necessary or appropriate for carrying on its business as currently carried on and all such licences, registrations, qualifications, permits and consents are valid and subsisting and in good standing. Without limiting the generality of the foregoing, neither of the Corporation nor the Subsidiaries has received a written notice of non-compliance, nor have knowledge of, nor have reasonable grounds to believe, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits which would have a Material Adverse Effect;

- (s) the Corporation is not aware of any pending or contemplated change to any applicable law or regulation or governmental position that would have a Material Adverse Effect on the business of the Corporation or the Subsidiaries or the business or legal environment under which the Corporation or the Subsidiaries operate;
- (t) the lands covered by the Properties in which the Corporation has an interest or right are as of the date hereof free and clear of any hazardous or toxic material, pollution, or other adverse environmental conditions which may give rise to any and all claims, actions, causes of action, damages, losses, liabilities, obligations, penalties, judgments, amounts paid in settlement, assessments, costs, disbursement or expenses of any kind or of any nature whatsoever that are asserted against the Corporation or any other party alleging liability of any kind or of any nature whatsoever arising out of, based on or resulting from (i) the presence, release, threatened release, discharge or emission into the environment of any hazardous materials or substances existing or arising on, beneath or above the Properties and/or emanating or migrating and/or threatening to emanate or migrate from the Properties to off-site properties; (ii) physical disturbance of the environment; and (iii) the violation or alleged violation of all applicable laws aimed at reclamation or restoration of the Properties; abatement of pollution; protection of the environment, protection of wildlife, including endangered species; ensuring public safety from environmental hazards; protection of cultural and historic resources; management, storage or control of hazardous materials and substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances as wastes into the environment, including ambient air, surface water and groundwater; and all other applicable laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes (collectively, "**Environmental Laws**"); all environmental approvals required pursuant to Environmental Laws with respect to activities carried out by or on behalf of the Corporation on any part of the lands covered by the Properties, have been obtained, are valid and in full force and effect and have been complied with; and there are no proceedings commenced or threatened to revoke or amend any such environmental approvals;

- (u) the Corporation and the Subsidiaries have, as the case may be, obtained all material licences, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws (the "**Environmental Permits**") necessary as at the date hereof for the operation of the business as currently carried on by the Corporation and the Subsidiaries, and each Environmental Permit is valid, subsisting and in good standing and none of the Corporation or the Subsidiaries is in material default or breach of any Environmental Permit and no proceeding has been threatened, or to the knowledge of the Corporation, is pending to revoke or limit any Environmental Permit;
- (v) neither the Corporation nor the Subsidiaries have used, except in material compliance with all Environmental Laws and Environmental Permits, any Properties or facility which it owns or leases or previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any hazardous substance;
- (w) neither the Corporation nor the Subsidiaries or, to the knowledge of the Corporation, any predecessor companies thereto have received any notice of, or been prosecuted for an offence alleging, non-compliance with any laws, ordinances, regulations and orders, including Environmental Laws, and neither the Corporation nor the Subsidiaries or, to the knowledge of the Corporation, any predecessor companies thereto have settled any allegation of non-compliance short of prosecution. There are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Corporation or the Subsidiaries, nor have the Corporation or the Subsidiaries received notice of any of the same;
- (x) as of the date hereof, there are no unresolved, pending or, to the Corporation's knowledge, threatened claims, complaints, notices or requests for information with respect to any alleged material violation of any law, statute, order, regulation, ordinance or decree and no conditions exist at, on or under the Properties which, with the passage of time, or the giving of notice or both, would give rise to liability under any law, statute, order, regulation, ordinance or decree that, individually or in the aggregate, has or may reasonably be expected to have a Material Adverse Effect with respect to the Corporation;
- (y) except as ordinarily or customarily required by applicable permits, neither the Corporation nor the Subsidiaries have received any notice, which remains unresolved, wherein it is alleged or stated that it is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under any law including any Environmental Laws. None of the Corporation or the Subsidiaries has received any request for information, which remains unresolved, in connection with any federal, state, municipal or local inquiries as to disposal sites;
- (z) there are no material environmental audits, evaluations, assessments, studies or tests relating to the Properties except for ongoing assessments conducted by or on behalf of the Corporation or the Subsidiaries in the ordinary course;
- (aa) the Corporation has good registered and marketable title to the Guigui Property, free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, and property rights (including access rights) as are necessary for the conduct

of the business of the Corporation as currently conducted or contemplated to be conducted; other than the La Chinche Payments, the Bugambillas Underlying Royalty, and the Coralillo NSR, the Corporation does not know of any claim or basis for any claim that might or could adversely affect the right of the Corporation to use, transfer or otherwise exploit the Properties and, other than the La Chinche Payments and the Coralillo NSR, neither the Corporation nor the Subsidiaries have any responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any person;

- (bb) the Corporation and the Subsidiaries hold either freehold title, mining leases, mining claims, mineral concessions, mining and/or exploration licenses, property leases, or other conventional property, proprietary or contractual interests or rights (including contractual rights under the La Chinche Amendment Agreement, La Chinche Option Agreement, MAG Asset Agreement, Medicine Springs Option Agreement and La Chinche United Minerals Agreement) recognized in the jurisdiction in which a particular property is located, including for greater certainty the Guigui and La Chinche Properties (the "**Mining Rights**") in respect of the deposits, ore bodies and minerals located in properties in which the Corporation and the Subsidiaries have an interest as described in the Public Record under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Corporation and the Subsidiaries to explore for minerals, free and clear of any liens, charges or encumbrances, other than the Chinche Payments and Coralillo NSR, and all property, leases, claims or licences in which the Corporation and the Subsidiaries have any interest or right have been validly located and recorded or applied for recordation in accordance with all applicable laws and are valid and subsisting; the Corporation and the Subsidiaries have all necessary surface rights, access rights and other necessary rights and interest relating to the properties in which the Corporation and the Subsidiaries have a material interest as described in the Public Record granting the Corporation and the Subsidiaries the right and ability to explore for minerals, ore and metals for development purposes as are appropriate in view of their respective rights and interests therein, and each of the proprietary interests or rights and each of the documents, agreements and instruments and obligations relating thereto referred to above, including for greater certainty the Guigui and La Chinche Properties, are currently in good standing, under the laws of Mexico, are not expired and either the Corporation or the Subsidiaries has taken all required steps and made all required payments to maintain such proprietary interests or rights in good standing. The Mining Rights in respect of the Corporation's and the Subsidiaries' material properties as disclosed in the Public Record constitute a complete description of all material Mining Rights held by the Corporation or the Subsidiaries. No other property rights are necessary for the conduct of the Corporation's or any Subsidiaries' business in respect of the material properties;
- (cc) any and all of the agreements and other documents and instruments pursuant to which the Corporation and the Subsidiaries hold any Properties (including, for greater certainty, but not limited to, the La Chinche Amendment Agreement, La Chinche Option Agreement, MAG Asset Agreement, Medicine Springs Option Agreement and La Chinche United Minerals Agreement, and any other option in, interest in, or right to earn an interest in any property) are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with the terms thereof; neither the Corporation nor the Subsidiaries are in default and, to the knowledge of the Corporation, none of the other

parties thereto (including for greater certainty, the Concession Holder, United Minerals and their affiliates) are in default, of any of the material provisions of any such agreements, documents or instruments, nor has any such default been alleged. None of the Properties (or, as may be applicable, any option agreement or any interest in, or right to earn an interest in, any property) of the Corporation and the Subsidiaries are subject to any right of first refusal or purchase or acquisition rights; all such rights and interests have been validly located and recorded or applied for recordation in accordance with all applicable laws;

- (dd) The La Chinche Amendment Agreement, La Chinche Option Agreement, Medicine Springs Option Agreement and La Chinche United Minerals Agreement were properly authorized and executed by the Corporation and/or its Subsidiaries and constitute binding agreements of the Corporation. The Corporation has satisfied all of the obligations required of it as at the date hereof in order to earn the interest in the Properties that it is entitled to earn pursuant to the La Chinche Amendment Agreement, La Chinche Option Agreement, Medicine Springs Option Agreement and La Chinche United Minerals Agreement. The Corporation fully expects to be able to meet all such future obligations required of it to enable it to earn the interest in the La Chinche Property that it is entitled to earn pursuant to the La Chinche Option Agreement. No provision of the La Chinche Amendment Agreement, La Chinche Option Agreement, and La Chinche United Minerals Agreement contravenes, or requires the Corporation to contravene at some point in the future in order to earn an interest in the La Chinche Property, the applicable laws of Mexico, the Province of Ontario and of Canada in any material respect. The Corporation has no knowledge, after making due enquiry, of any reason why the La Chinche Amendment Agreement, La Chinche Option Agreement, Medicine Springs Option Agreement and La Chinche United Minerals Agreement would not been enforceable against each of the other parties thereto;
- (ee) the Corporation has all necessary surface rights, access rights and other necessary rights and interests relating to the Properties and such right and ability to access the Properties and each of the documents, agreements and instruments and obligations relating thereto referred to above are currently in good standing in the name of the Corporation or the Subsidiaries;
- (ff) each of the Corporation and the Subsidiaries have conducted and are conducting their respective business in compliance in all material respects with all applicable mining laws, rules and regulations of each jurisdiction in which it carries on business and with all laws, regulations, rules, orders and directives material to its operation, and neither the Corporation nor the Subsidiaries have received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any of the permits, licenses, leases or other instruments conferring mining exploration rights in respect of the Properties currently held, as applicable;
- (gg) there are no claims with respect to Aboriginal rights pending or, to the knowledge of the Corporation, threatened, with respect to the Properties;
- (hh) each Subsidiary has been duly incorporated and is validly existing under the laws of its jurisdiction of existence, has all requisite corporate power and authority and is duly qualified and possesses all material certificates, authorizations, permits and licenses issued by the appropriate Governmental Authority necessary (and has not received or is not aware

of any modification or revocation to such licenses, authorizations, certificates or permits) to carry on its business as now conducted and to own or lease its properties and assets;

- (ii) there are no legal or governmental proceedings or inquiries by any Governmental Authority pending to which either Subsidiary is a party or to which its property is subject that would result in the revocation or modification of any certificate, authorization, permit, or license necessary to conduct the business now owned or operated by the Subsidiaries which, if the subject of an unfavourable decision, ruling or finding would have a Material Adverse Effect on the Subsidiary;
- (jj) all exploration activities on the Properties conducted by or on behalf of the Corporation have been conducted in all material respects in accordance with good mining exploration and engineering practices and all applicable material workers' compensation and health and safety and workplace laws, regulations and policies have been complied with;
- (kk) the Corporation has duly filed with the applicable regulatory authorities in compliance in all material respects with Securities Laws all reports required by NI 43-101, and all such reports and all other scientific and technical information and disclosure concerning the Property were prepared in accordance with the requirements of NI 43-101 and, other than as disclosed in subsequent reports, there has been no change to the information set out in each such report of which the Corporation is aware that would disaffirm any aspect of such report in a materially adverse manner;
- (ll) no event or change has occurred that would require the Corporation to file a technical report with respect to the Guigui and La Chinche Properties pursuant to NI 43-101;
- (mm) this Agreement has been duly authorized, executed and delivered by the Corporation and, at the Closing Time, the Warrant Indenture and the Warrant Certificates shall have been duly authorized, executed and delivered and, upon such execution and delivery, each shall constitute valid and binding obligations of the Corporation and each shall be enforceable against the Corporation in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;
- (nn) at the Closing Time, all necessary corporate action will have been taken by the Corporation to allot and authorize the issuance of the Unit Shares and, when issued and delivered by the Corporation pursuant to the terms hereof, the Unit Shares will be validly issued as fully paid and non-assessable shares in the capital of the Corporation;
- (oo) at the Closing Time, all necessary corporate action will have been taken by the Corporation to create and issue the Warrants and Agent Warrants and, upon the due exercise of the Warrants and Agent Warrants, the Warrant Shares, the Agent Units, the Agent Unit Shares, Agent Unit Warrants, and Agent Unit Warrant Shares, will be validly issued as fully paid and non-assessable shares in the capital of the Corporation;

- (pp) the authorized capital of the Corporation consists of an unlimited number of Common Shares, of which, as at the close of business on June 14, 2021, 92,921,959 Common Shares were issued and outstanding as fully paid and non-assessable shares in the capital of the Corporation;
- (qq) the Corporation is, or will be on the Closing Date, a "reporting issuer" in the Provinces of British Columbia, Ontario, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and it is not in default of any requirement of applicable Securities Laws, and the Corporation is not included on a list of defaulting reporting issuers maintained by any of the Securities Regulators in such jurisdictions;
- (rr) all information which has been prepared by the Corporation relating to the Corporation and the Subsidiaries and their business, property and liabilities and either publicly disclosed or provided to the Agents, including all financial, marketing, sales and operational information provided to the Agents, is, as of the date of such information, true and correct and, as applicable, complies in all material respects with applicable Securities Laws, and no fact or facts have been omitted therefrom which would make such information misleading;
- (ss) the Corporation and the Subsidiaries are in compliance in all material respects with all laws respecting employment and employment practices, terms and conditions of employment, occupational health and safety, pay equity and wages. There is not currently any, or any reasonably foreseeable, labour disruption or conflict involving the Corporation or the Subsidiaries;
- (tt) TSX Trust Company, at its principal offices in Vancouver, British Columbia has been duly appointed as transfer agent and registrar for the Common Shares;
- (uu) TSX Trust Company, at its principal offices in Vancouver, British Columbia has been duly appointed as Warrant Agent;
- (vv) other than the Agents and the Selling Firms, if any, there is no person acting or, to the Corporation's knowledge, purporting to act at the request or on behalf of the Corporation that is entitled to any brokerage, agency, finder's fee or similar fee in connection with the Offering;
- (ww) the Corporation is not a party to any agreement, nor is the Corporation aware of any agreement, which in any manner affects the voting control of any of securities of the Corporation;
- (xx) the Corporation is not party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any material Debt Instrument other than in the ordinary course of business and none of the Corporation or the Subsidiaries has made any loans to or guaranteed the obligations of any person, other than inter-corporate loans or guarantees;
- (yy) none of the Corporation or the Subsidiaries is in violation of its constating documents or in default of the performance or observance of any material obligation, agreement, covenant

or condition contained in any Material Agreement to which it is a party or by which it or its property may be bound, and to the knowledge of the Corporation, no counterparty to any material obligation, agreement, covenant or condition contained in any Material Agreement to which the Corporation or the Subsidiaries is a party is in default in the performance or observance thereof;

- (zz) the minute books and records of the Corporation and the Subsidiaries which the Corporation has made available to the Agents in connection with their due diligence investigation of the Corporation for the period from inception to the date of examination thereof, are all of the minute books and corporate records of the Corporation and the Subsidiaries for such period and contain copies of all material proceedings (or certified copies thereof) of the shareholders, the board of directors and all committees of the board of directors of the Corporation and the Subsidiaries to the date of review of such corporate minute books and records. There have been no other meetings, resolutions or proceedings of the shareholders, board of directors or any committees of the board of directors of the Corporation or the Subsidiaries during such period not reflected in such minute books and other records, except for certain resolutions relating to the Offering, copies of which will be delivered at Closing;
- (aaa) with respect to each of the Leased Premises, the Corporation and the Subsidiaries occupy the Leased Premises and have the right to occupy and use the Leased Premises and each of the leases pursuant to which the Corporation or the Subsidiaries occupy the Leased Premises is in good standing and in full force and effect;
- (bbb) there are no actions, suits, judgments, investigations, proceedings or inquiries pending or threatened against or affecting the Corporation or the Subsidiaries or their respective material property or assets or their directors, officers or employees at law or in equity or before or by any Governmental Authority, court, commission, board, bureau, agency or instrumentality and, to the knowledge of the Corporation, there is no basis therefor, and neither the Corporation nor the Subsidiaries is subject to any judgment, order, writ, injunction, decree, award, rule, policy or regulation of any Governmental Authority, which, either separately or in the aggregate, could reasonably be expected to have a Material Adverse Effect or would adversely affect the ability of the Corporation to perform its obligations under this Agreement, the Warrant Indenture and the Warrant Certificates and, to the knowledge of the Corporation, there is no basis therefor;
- (ccc) there are no judgments against the Corporation or the Subsidiaries which are unsatisfied, nor are there any consent decrees or injunctions to which the Corporation or its material properties or assets is subject;
- (ddd) the material assets of the Corporation and the Subsidiaries and their businesses and operations are, where commercially reasonable to do so, insured against loss or damage with responsible insurers on the basis consistent with insurance obtained by reasonably prudent participants in comparable businesses, and such coverage is in full force and effect, and the Corporation has not failed to promptly give any notice of any claim thereunder;
- (eee) no order, ruling or determination having the effect of suspending the sale or ceasing or suspending trading in any securities of the Corporation has been issued by any regulatory

authority and is continuing in effect and no proceedings for such purpose have been instituted or are, to the knowledge of the Corporation, pending or threatened; and

- (fff) all necessary notices and filings have been made with, and all necessary consents, approvals and authorizations obtained by the Corporation from the TSXV to ensure that the Unit Shares, the Warrant Shares, the Agent Unit Shares and Agent Unit Warrant Shares, will be listed and posted for trading on the TSXV upon their issuance, subject only to satisfaction by the Corporation of customary post-closing conditions imposed by the TSXV.

Where any representation or warranty contained in this Agreement or any agreement delivered pursuant to this Agreement is expressly qualified by reference to "the best knowledge" of a party, such qualification shall be deemed to refer to the actual knowledge of such party only, without such party having conducted any inquiry out of the ordinary course of business into the relevant subject matter.

Reference to "the Corporation" in the representations and warranties in this Agreement shall mean, where the context so requires, the Corporation and its subsidiaries, including the Subsidiaries, on a consolidated basis.

Unless so advised otherwise, the Agents will be entitled to rely on the Corporation's advice or absence of advice, as the case may be. In carrying out its responsibilities hereunder, the Agents will (i) necessarily rely on information prepared or supplied by the Corporation and other sources believed by the Agents to be reliable; (ii) be entitled to rely on and assume no obligation to verify the accuracy or completeness of such information; and (iii) not be liable to the Corporation or its securityholders for any damages arising out of the inaccuracy or incompleteness of such information.

It is further agreed by the Corporation that all representations and warranties of the Corporation in this Section 3 made by the Corporation to the Agents shall also be deemed to be made for the benefit of the Purchasers as if the Purchasers were also parties hereto (it being agreed that the Agents are acting for and on behalf of the Purchasers for this purpose).

- 4. **Representations, Warranties and Covenants of the Agents.** The Agents hereby represent, warrant and covenant to the Corporation, and acknowledge that the Corporation is relying upon such representations, warranties and covenants in connection with the Offering, that:

- (a) the Agents are valid and subsisting corporations, duly incorporated, continued, amalgamated or formed, as applicable, and in good standing under the laws of the jurisdiction in which they are existing;
- (b) the Agents are, and will remain until the completion of the Offering, appropriately qualified and registered under applicable Securities Laws so as to permit them to lawfully fulfil their obligations hereunder, and they will not make available to prospective purchasers of Units documents or material other than the Subscription Agreement, a term sheet outlining the terms of the Offering or such other documents as form part of the public record filed in accordance with applicable Securities Laws in Canada;

- (c) the Agents have all requisite corporate power and capacity to enter into this Agreement and to carry out the transactions contemplated under this Agreement on the terms and conditions set forth herein;
- (d) this Agreement has been duly authorized, executed and delivered by the Agents and shall constitute a valid and binding obligation of the Agents, enforceable against them in accordance with its terms except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;
- (e) the Agents hereby covenant to solicit subscriptions for the Units in the Canadian Offering Jurisdictions in a manner so as to enable the Corporation to comply with the requirements of the applicable Securities Laws;
- (f) the Agents have and will, and have required and will require each Selling Firm (if any) to agree to, conduct their/its activities in connection with the Offering in compliance with all applicable Securities Laws;
- (g) the Agents will provide to the Corporation as soon as practicable following the Closing Date all information necessary to allow the Corporation to file with each of the securities commissions, if required, a report of trade in accordance with applicable Securities Laws within the required time frame;
- (h) the Agents have not and will not, and have required and will require each Selling Firm (if any) to agree not to, engage in or authorize any form of general solicitation or general advertising in connection with or in respect of the Units in any newspaper, magazine, printed media of general and regular paid circulation or any similar medium, or broadcast over radio or television or by means of the internet or otherwise or conduct any seminar or meeting concerning the Offering whose attendees have been invited by any general solicitation or general advertising;
- (i) the Agents have not and will not, and have required and will require each Selling Firm (if any) to agree not to, directly or indirectly, offer, sell or solicit offers to purchase or sell the Units so as to require the filing of a prospectus or offering memorandum or similar document with respect thereto or the provision of a contractual right of action or a statutory right of action under the laws of any jurisdiction;
- (j) the Agent have not and will not, and have required and will require each Selling Firm (if any) to agree not to, directly or indirectly, offer, sell or solicit offers to purchase or sell the Units to Purchasers so as to require registration of the Unit Shares or Warrants, or filing of a prospectus or registration statement or similar document in respect thereof, or require continuing obligations on the part of the Corporation under the laws of any jurisdiction other than the Provinces of Alberta, Ontario, British Columbia, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland; and

- (k) the Agents will obtain prior to the Closing Time a duly completed and executed Subscription Agreement from each Purchaser along with all other applicable forms, reports, undertakings or documentation required under applicable Securities Laws.
- 5. **Other Agent Business.** The Corporation acknowledges that the Agents and certain of their affiliates: (i) act as traders of, and dealers in, securities both as principal and on behalf of their clients and, as such, may have had, and may in the future have, long or short positions in the securities of the Corporation or related entities and, from time to time, may have executed or may execute transactions on behalf of such persons; (ii) may provide research or investment advice or portfolio management services to clients on investment matters, including the Corporation; (iii) may participate in securities transactions on a proprietary basis, including transactions in the Offering or other securities of the Corporation or related entities; and, (iv) nothing herein shall restrict their ability to conduct business in the ordinary course and in compliance with applicable laws.
- 6. **Closing Deliveries.** The purchase and sale of the Units and the issue of the Agent Warrants shall be completed electronically or represented by one or more certificates at the Closing Time. At or prior to the Closing Time, the Corporation shall issue and validly deliver to the Agents the Unit Shares and the Warrants, respectively, comprising the Units, and the Agent Warrants in each case registered as directed by the Agents in writing, against payment to the Corporation, in lawful money of Canada, of an amount, subject to Section 133, equal to the aggregate Purchase Price for the Units being issued and sold hereunder, less the Commission.
- 7. **Closing Conditions.** Each Purchaser's obligation to purchase the Units at the Closing Time shall be conditional upon the fulfilment at or before the Closing Time of the following conditions:
 - (a) the Agents shall have received a certificate, dated as of the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Corporation, or such other officers of the Corporation as the Agents may agree, certifying for and on behalf of the Corporation, to the best of the knowledge, information and belief of the persons so signing, that:
 - (i) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any 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, contemplated or threatened by any regulatory authority;
 - (ii) there is no Material Adverse Effect on the Corporation that has not been generally disclosed;
 - (iii) the Corporation has complied with all the terms, covenants and conditions of this Agreement on its part to be complied with up to the Closing Time; and
 - (iv) the representations and warranties of the Corporation contained in this Agreement are true and correct as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement.

- (b) the Agents shall have received at the Closing Time a certificate dated as of the Closing Date, signed by an appropriate officer or officers of the Corporation addressed to the Agents, with respect to the constating documents of the Corporation, all resolutions of the Corporation's board of directors relating to the Offering, this Agreement and the transactions contemplated hereby, the incumbency and specimen signatures of signing officers and such other matters as the Agents may reasonably request;
- (c) the Agents shall have received copies of correspondence indicating that the Corporation has obtained all necessary approvals for the Unit Shares, Warrant Shares, Agent Unit Shares, and Agent Unit Warrant Shares to be conditionally listed on the TSXV, subject only to satisfaction by the Corporation of customary post-closing conditions imposed by the TSXV;
- (d) the Subscription Agreements, the Warrant Indenture and, if applicable, the Warrant Certificates, shall have been executed and delivered by the Corporation in form and substance satisfactory to the Agents acting reasonably;
- (e) the Agents shall have received a certificate from TSX Trust Company as to the number of Common Shares issued and outstanding as at a date not more than two Business Days prior to the Closing Date;
- (f) the Agents shall have received legal opinions addressed to the Agent and the Purchasers, in form and substance satisfactory to the Agents, acting reasonably, dated as of the Closing Date, from Owen Bird Law Corporation, counsel to the Corporation, or local counsel with respect to those matters governed by the laws of jurisdictions other than the jurisdictions in which it is qualified to practice, which counsel in turn may rely, as to matters of fact, on certificates of public officials and officers of the Corporation, as appropriate, with respect to the following matters:
 - (i) as to the existence of the Corporation under the *Business Corporations Act* (British Columbia), and as to the requisite corporate power and capacity of the Corporation to carry out its obligations under this Agreement, the Subscription Agreements, the Warrant Indenture, the Agent Warrant Certificates, and the Agent Unit Warrant Certificates and to issue the Unit Shares and Warrants comprising the Unit, and the Warrant Shares and the Agent Unit Shares and Agent Unit Warrants comprising the Unit and Agent Unit Warrant Shares;
 - (ii) as to the authorized capital of the Corporation;
 - (iii) as to the requisite corporate power and capacity of the Corporation to carry on business and to own, lease and operate properties and assets;
 - (iv) the execution and delivery of this Agreement, the Subscription Agreements and the Warrant Indenture by the Corporation, the performance by the Corporation of its obligations hereunder and thereunder, do not or will not violate, contravene or breach any provision of: (i) the constating documents of the Corporation; (ii) the *Business Corporations Act* (British Columbia) and the regulations thereunder; or (iii) any resolutions of the directors of the Corporation;

- (v) each of this Agreement, the Subscription Agreements, the Warrant Indenture and, if applicable, the Warrant Certificates has been duly authorized and executed and delivered by the Corporation, and constitute valid and binding obligations of the Corporation enforceable against it in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, liquidation, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and the qualification that the enforceability of rights of indemnity, contribution and waiver and the ability to sever unenforceable terms may be limited by applicable law;
- (vi) the Unit Shares partially comprising the Units and the Warrant Shares have been duly authorized and reserved for issuance;
- (vii) the Unit Shares partially comprising the Units have been and, upon the due exercise of the Warrants and Agent Warrants in accordance with the provisions thereof, the Warrant Shares will be, validly issued as fully paid and non-assessable shares in the capital of the Corporation;
- (viii) the Warrants partially comprising the Units have been validly issued and created;
- (ix) the Agent Warrants have been validly issued and created;
- (x) the issuance of the Unit Shares and Warrants comprising the Units to the Purchasers and the Agent Warrants are exempt from the prospectus requirements of applicable Securities Laws and no documents are required to be filed (other than specified forms accompanied by requisite filing fees), proceedings taken or approvals, permits, consents or authorizations of regulatory authorities obtained under the applicable Securities Laws to permit such issuances;
- (xi) each of the issuance of the Warrant Shares upon due exercise of the Warrants and Agent Warrants is or will be exempt from the prospectus requirements of applicable Securities Laws and no documents are required to be filed, proceedings taken or approvals, permits, consents or authorizations of regulatory authorities obtained under the applicable Securities Laws of the Canadian Offering Jurisdictions to permit such issuances;
- (xii) no prospectus is required nor are other documents required to be filed, proceedings taken, or approvals, permits, consents or authorizations of regulatory authorities obtained under the applicable Securities Laws to permit a holder of Unit Shares, Warrants comprising the Units or Warrant Shares and Agent Warrants, Agent Unit Shares, Agent Unit Warrants comprising the Agent Unit and Agent Unit Warrant Shares, to trade those securities in the Canadian Offering Jurisdictions, provided that:
 - (A) the Corporation is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade;

- (B) at the time of such trade, at least four months have elapsed from the "distribution date" (as defined under NI 45-102) of the Unit Shares and Warrants comprising the Units and the Agent Warrants, as the case may be;
 - (C) the certificates (if any) representing the Warrant Shares, the Unit Shares, the Agent Unit Shares, and Agent Unit Warrants Share, if issued within four months and one day of the Closing Date, are issued with a legend stating the prescribed restricted period in accordance with section 2.5(2)(3)(i) of NI 45-102 and, if the security is entered into a direct registration system or other electronic book-entry system, or if the purchaser did not directly receive a certificate representing the security, the purchaser received written notice containing the legend restriction notation set out in section 2.5(2)(3)(i) of NI 45-102;
 - (D) such trade is not a "control distribution" (as defined in the NI 45-102);
 - (E) no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of such trade;
 - (F) no extraordinary commission or consideration is paid to a person or company in respect of such trade; and
 - (G) if the selling securityholder is an "insider" or "officer" of the Corporation (as such terms are defined under the applicable Securities Laws), the selling securityholder has no reasonable grounds to believe that the Corporation is in default of "securities legislation" (as defined in National Instrument 14-101 – *Definitions and Interpretation*);
- (xiii) the Corporation is a reporting issuer under applicable Securities Laws in each of Canadian Offering Jurisdictions and is not on the list of defaulting issuers maintained under such legislation;
 - (xiv) the TSXV has conditionally accepted the listing of the Unit Shares, Warrant Shares, Agent Unit Shares and Agent Unit Warrant Shares; and
 - (xv) TSX Trust Company of Canada having been duly appointed as the transfer agent and registrar for the Common Shares and as Warrant Agent;
- (g) the Agents shall have received at the Closing Time a favourable legal opinion addressed to the Agents and the Purchasers, in form and substance satisfactory to counsel to Eight, acting reasonably, dated as of the Closing Date, from counsel in Mexico, which counsel in turn may rely, as to matters of fact, on the books and records of the Subsidiaries and officers of the Subsidiaries, as appropriate, with respect to the following matters: (i) the Subsidiaries are corporations existing under the laws of the jurisdictions in which they exist, and have all requisite corporate power to carry on their business as now conducted and to own, lease and operate their property and assets; (ii) as to the issued and outstanding

shares of each such Subsidiaries controlled, directly or indirectly, by the Corporation; and (iii) as to title to the Properties;

- (h) the Agents shall have received at the Closing Time a favourable legal opinion addressed to the Agents and the Purchasers, in form and substance satisfactory to counsel to Eight, acting reasonably, dated as of the Closing Date, from counsel in the United States, to the effect that no registration of the offer and sale of the Securities in the United States by the Corporation and the Agents pursuant to and in accordance with the terms of this Agreement is required under the U.S. Securities Act, it being understood that such counsel need not express an opinion as to the subsequent resale of the Securities;
- (i) the Agents shall have received a certificate of status (or the equivalent) with respect to the jurisdiction in which the Corporation is incorporated, amalgamated or continued, as the case may be.

8. **Right of Participation.** For a period until August 19, 2021, the Corporation hereby agrees to offer to Eight the opportunity to act as its sole lead manager, underwriter and/or agent and sole bookrunner for any follow-on offerings of common shares of the Corporation, securities exchangeable or convertible into common shares of the Corporation, or debt instruments of the Corporation, with a minimum syndicate position of 50%. For clarity, the right granted by the Corporation does not pertain to the issuance of securities by the Corporation in connection with (i) the grant of stock options under the Corporation's stock option plan, (ii) the exercise of outstanding options or warrants, or (iii) any asset acquisitions, mergers, amalgamations, business acquisitions, joint ventures or similar business transactions. It is understood that the terms and conditions and related fees payable in connection with those services will be negotiated in good faith and be consistent with then prevailing market practice. If Eight does not accept the terms and conditions contained in the Corporation's offer within 48 hours of receipt thereof, the Corporation may engage any other financial institution or agent as manager, underwriter, agent and/or financial advisor (as the case may be, depending on the nature of the transaction) in connection with such transaction, provided that the terms and conditions of any such engagement shall be no more favourable to such other financial institutions or agents than the terms and conditions offered by the Corporation to Eight.

9. **Termination Events**

- (a) In addition to any other remedies which may be available to the Agents in respect of any default, act or failure to act, or non-compliance with the terms of this Agreement by the Corporation, the Agents shall be entitled to terminate its obligations hereunder and the obligations of the Purchasers in relation to the Offering by written notice to that effect given to the Corporation at or prior to the Closing Time if:
 - (i) *due diligence* - the due diligence investigations performed by the Agents or its representatives reveal any material information or fact, which, in the opinion of the Agents, is materially adverse to the Corporation or its business, or materially adversely affects the price or value of the securities comprising the Units;
 - (ii) *material adverse change* - there is a material change or a change in a material fact or new material fact shall arise or there should be discovered any previously

undisclosed material fact required to be disclosed or any amendment thereto, in each case, that has or would be expected to have, in the opinion of the Agents, a significant adverse change or effect on the business or affairs of the Corporation or on the market price or the value of the securities of the Corporation;

- (iii) *disaster* – (i) there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorism or accident) or major financial occurrence of national or international consequence including by way of COVID-19 (which, in the case of COVID-19, the parties are not aware of as of the date hereof only to the extent that there are material adverse developments related thereto on or after May 27, 2021) or a new or change in any law or regulation which in the opinion of the Agents, seriously adversely affects or involves or may seriously adversely affect or involve the financial markets or the business, operations or affairs of the Corporation and its subsidiaries taken as a whole or the market price or value of the securities of the Corporation (ii) any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened in relation to the Corporation or any one of the officers or directors of the Corporation or any one of its principal shareholders where wrong-doing is alleged or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including without limitation the Exchange or securities commission which involves a finding of wrong-doing, or (iii) any order, action or proceeding which cease trades or otherwise operates to prevent or restrict the trading of the common shares or any other securities of the Corporation is made or threatened by a securities regulatory authority;
 - (iv) *breach* - the Corporation is in breach of a material term, condition or covenant of this Agreement (including the term sheet) or any representation or warranty given by the Corporation in this Agreement becomes or is false in any material respect; or
 - (v) *market* - the state of the financial markets in Canada or elsewhere where it is planned to market the securities is such that in the reasonable opinion of the Agents the securities cannot be profitably marketed.
- (b) The Corporation agrees that all material terms and conditions in this Agreement shall be construed as conditions and complied with so far as the same relate to acts to be performed or caused to be performed by the Corporation that it will use its best efforts (or all commercially reasonable efforts, as applicable) to cause such conditions to be complied with, and any breach or failure by the Corporation to comply with any of such conditions shall entitle the Agents, at their option in accordance with this Section 9 hereof, to terminate its obligations under this Agreement (and the obligations of the Purchasers arranged by them to purchase the Units) by notice to that effect given to the Corporation at or prior to the Closing Time. 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 of such 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 the same is in writing and signed by them.

10. **Exercise of Termination Right.** The rights of termination contained in Section 9 may be exercised by the Agents and are in addition to any other rights or remedies the Agents may have in respect of any of the matters contemplated by this Agreement or otherwise. Any such termination shall not discharge or otherwise affect any obligation or liability of the Corporation provided herein or prejudice any other rights or remedies any party may have as a result of any breach, default or non-compliance by any other party. In the event of any such termination by the Agents, 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 or may arise after such termination in respect of acts or omissions prior to such termination under Sections 111, 122 and 133.
11. **Survival of Representations and Warranties.** All representations and warranties herein contained or contained in any documents delivered pursuant to this Agreement and in connection with the transactions herein contemplated shall survive the purchase and sale of the Units for a period of two years from the Closing Date, regardless of any investigations which may be carried out by the Agents or on their behalf and shall not be limited or prejudiced by any investigation made by or on behalf of the Agents in connection with the purchase and sale of the Units or otherwise. In this regard, the Agents shall act as trustees for the Purchasers and accept these trusts and shall hold and enforce such rights on behalf of the Purchasers. Notwithstanding the foregoing, the provisions contained in this Agreement in any way related to indemnification or contribution obligations shall survive and continue, in full force and effect, indefinitely.
12. **Indemnity.** The Corporation and its subsidiaries or affiliated companies, as the case may be (the "**Indemnitor**"), agrees to indemnify and hold harmless Eight and each member of the syndicate and soliciting dealer group and each of their respective subsidiaries and affiliates, and each of their respective directors, officers, employees, securityholders and agents (collectively, the "**Indemnified Parties**" and each, an "**Indemnified Party**"), to the full extent lawful, from and against all expenses, fees, losses, claims, actions, damages, obligations and liabilities, joint or several, of any nature (including the reasonable fees and expenses of their respective counsel and other expenses, but not including any amount for lost profits) (collectively, "**Losses**") that are incurred in investigating, defending and/or settling any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party (collectively, the "**Claims**") or to which an Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims arise out of or are based upon, directly or indirectly, this Agreement or the transaction contemplated herein together with any Losses that are incurred in enforcing this indemnity. This indemnity shall not be available to an Indemnified Party in respect of Losses incurred where a court of competent jurisdiction in a final judgment that has become non-appealable determines that such Losses resulted solely from the fraud, gross negligence or willful misconduct of the Indemnified Parties.
 - (a) The Indemnitor agrees to waive any right it may have of first requiring an Indemnified Party to proceed against or enforce any other right, power, remedy or security or claim payment from any other person before claiming under this indemnity. The Indemnitor also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Corporation or any person asserting Claims on behalf of or in right of the Corporation for or in connection with the Offering except to the extent of the amount of any Losses suffered by the Corporation are determined by a court of

competent jurisdiction in a final judgment that has become non-appealable to have resulted solely from fraud, the gross negligence or willful misconduct of the Indemnified Party.

- (b) If for any reason (other than a determination as to any of the events referred to immediately above) this indemnity is unavailable to an Indemnified Party or is insufficient to hold an Indemnified Party harmless in respect of any Claim, the Indemnitor shall contribute to the Losses paid or payable by such Indemnified Party as a result of such Claim in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand and the Indemnified Party on the other hand but also the relative fault of the Indemnitor and the Indemnified Party as well as any relevant equitable considerations; provided that the Indemnitor shall in any event contribute to the Losses paid or payable by an Indemnified Party as a result of such Claim, the amount (if any) equal to (i) such amount paid or payable, minus (ii) the amount of the fees received by the Indemnified Party, if any, under this Agreement.
- (c) The Indemnitor agrees that in case any legal proceeding shall be brought against, or an investigation is commenced in respect of, the Indemnitor and/or an Indemnified Party and an Indemnified Party or its personnel are required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with or by reason of this Agreement or the transactions contemplated herein, the Indemnified Party shall have the right to employ its own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Indemnified Party for time spent by its personnel in connection therewith at their normal per diem rates together with such disbursements and out-of-pocket expenses incurred by the personnel of the Indemnified Party in connection therewith) shall be paid by the Indemnitor as they occur.
- (d) Eight will notify the Indemnitor promptly in writing after receiving notice of any Claim against Eight or any other Indemnified Party or receipt of notice of the commencement of any investigation which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitor, stating the particulars thereof, will provide copies of all relevant documentation to the Indemnitor and, unless the Indemnitor assumes the defence thereof, will keep the Indemnitor advised of the progress thereof and will discuss all significant actions proposed. The omission to so notify the Indemnitor shall not relieve the Indemnitor of any liability which the Indemnitor may have to an Indemnified Party except only to the extent that any such delay in giving or failure to give notice as herein required materially prejudices the defence of such Claim or results in any material increase in the liability under this indemnity which the Indemnitor would otherwise have incurred had Eight not so delayed in giving, or failed to give, the notice required hereunder.
- (e) The Indemnitor shall be entitled, at its own expense, to participate in and, to the extent it may wish to do so, assume the defence of any Claim, provided such defence is conducted by counsel of good standing acceptable to Eight. Upon the Indemnitor notifying Eight in writing of its election to assume the defence and retaining counsel, the Indemnitor shall not be liable to an Indemnified Party for any legal expenses subsequently incurred by it in connection with such defence. If such defence is not assumed by the Indemnitor, the Indemnified Parties, throughout the course thereof, shall provide copies of all relevant

documentation to the Indemnitor, shall keep the Indemnitor advised of the progress thereof and shall discuss with the Indemnitor all significant actions proposed. If such defence is assumed by the Indemnitor, the Indemnitor throughout the course thereof will provide copies of all relevant documentation to Eight, will keep Eight advised of the progress thereof and will discuss with Eight all significant actions proposed.

- (f) Notwithstanding the foregoing paragraph, any Indemnified Party shall have the right, at the Indemnitor's expense, to separately retain counsel of such Indemnified Party's choice, in respect of the defence of any Claim if: (i) the employment of such counsel has been authorized by the Indemnitor; (ii) the Indemnitor has not assumed the defence and employed counsel therefor promptly after receiving notice of such Claim; or (iii) counsel retained by the Indemnitor or the Indemnified Party has advised the Indemnified Party that representation of both parties by the same counsel would be inappropriate for any reason, including for the reason that there may be legal defences available to the Indemnified Party which are different from or in addition to those available to the Indemnitor or that there is a conflict of interest between the Indemnitor and the Indemnified Party or the subject matter of the Claim may not fall within the indemnity set forth herein (in any of which events the Indemnitor shall not have the right to assume or direct the defence on such Indemnified Party's behalf), provided that the Indemnitor shall not be responsible for the fees or expenses of more than one legal firm in any single jurisdiction for all of the Indemnified Parties.
 - (g) No admission of liability, no settlement of any Claim, no compromise nor any consent to the entry of any judgement shall be made by the Indemnitor without the prior written consent of the Indemnified Parties affected.
 - (h) The Indemnitor hereby acknowledges that Eight acts as trustee for the other Indemnified Parties of the Indemnitor's covenants under this indemnity and Eight agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.
 - (i) The indemnity and contribution obligations of the Indemnitor hereunder shall be in addition to any liability which the Indemnitor may otherwise have (including under this Agreement and the transaction contemplated herein), shall extend upon the same terms and conditions to the Indemnified Parties and shall be binding upon and enure to the benefit of any successors, permitted assigns, heirs and personal representatives of the Indemnitor, Eight and any other Indemnified Party. The foregoing provisions shall survive any termination of this Agreement or the completion of professional services rendered under this Agreement.
13. **Expenses.** The Corporation shall be responsible, whether or not the Offering is completed, for all of its costs and the reasonable costs of the Agents in connection with the Offering, including the reasonable fees and disbursements and taxes thereon of its counsel and of counsel to the Agents, as well as the out-of-pocket expenses incurred in connection with the Offering for a payment to the Agents of \$10,000 (excluding legal expenses, which will be subject to a cap of \$60,000, exclusive of taxes and disbursements) which shall be: (i) immediately payable by the Corporation upon receipt of an invoice; and, (ii) at the option of the Agents, may be deducted from the gross proceeds of the Offering.

14. **Advertisements.** The Corporation acknowledges that the Agents shall have the right after Closing, at their own expense, to place such advertisement or advertisements relating to the purchase and sale of the Units contemplated herein as the Agents may consider desirable or appropriate and as may be permitted by applicable law. The Corporation and the Agents each agree that they will not make or publish any advertisement in any media whatsoever relating to, or otherwise publicize, the transaction provided for herein so as to result in any exemption from the prospectus and registration or other similar requirements under applicable securities legislation in any of the Provinces of Canada or any other jurisdiction in which the Units shall be offered and sold being unavailable in respect of the sale of the Units to prospective purchasers.
15. **Notices.** 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:

- (a) if to the Corporation, to:

Reyna Silver Corp.
21st Floor, Fairmont House
8 Cotton Tree Drive, Central, Hong Kong, SAR

Attention: Jorge Ramiro Monroy
Email: Jorge@reynasilver.com

with a copy to (which shall not constitute notice hereunder):

Owen Bird Law Corporation
2900 – 595 Burrard Street
Vancouver, BC V7X 1J5 Canada

Attention: Jeff Lightfoot
Email: JLightfoot@owenbird.com

- (b) if to Eight, to:

Eight Capital
100 Adelaide St. West, Suite 2900
Toronto, ON M5H 1S3 Canada

Attention: John Sutherland
Email: JSutherland@viiicapital.com

with a copy to (which shall not constitute notice hereunder):

Bennett Jones LLP
3400 One First Canadian Place, P.O. Box 130
Toronto, ON M5X 1A4 Canada

Attention: James Clare
Email: ClareJ@bennettjones.com

(c) if to Red Cloud, to:

Red Cloud Securities Inc.
105 King St. E, 2nd Floor
Toronto, ON M5C 1G6 Canada
Attention: Liliana Miglionico
Email: LMiglionico@redcloudsecurities.com

or to such other address as any of the parties may designate by notice given to the others.

Any notice or other communication required or permitted under this Agreement shall be deemed to have been duly given and made if (a) in writing and served by personal delivery upon the party for whom it is intended; (b) if delivered by email upon the earlier of (i) with receipt confirmed or (ii) one Business Day following sending by email; or (c) if delivered by certified mail, registered mail or courier service, upon the earlier of (i) return receipt received to the party at the address set forth below, to the persons indicated or (ii) one Business Day following sending such certified mail, registered mail or courier service.

16. **Confidentiality.** Except as contemplated by the terms hereof or as required by applicable law, rule or regulation, the Agents will hold in confidence all information of the Corporation received by it from the Corporation, except that no obligation of confidentiality shall apply to information of the Corporation that: (a) is in the public domain as of the date hereof or hereafter enters the public domain without a breach hereof by the Agents, (b) was known or became known by the Agents prior to disclosure thereof hereunder, (c) becomes known to the Agents from a source other than hereunder and other than by a known breach of an obligation of confidentiality owed to the Corporation, (d) is disclosed by the Corporation to a third party without restrictions on its disclosure, or (e) is independently developed by the Agents. Notwithstanding the foregoing or anything herein to the contrary, the Agents may, if requested by any Governmental Authority having jurisdiction over such entity, disclose any information of the Corporation without notice to or consent from the Corporation without causing a breach of this Agreement.
17. **Time of the Essence.** Time shall, in all respects, be of the essence hereof.
18. **Canadian Dollars.** Except as otherwise noted, all references herein to dollar amounts are to lawful money of Canada.
19. **Headings.** The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.
20. **Construction.** Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders. Wherever the word "include," "includes" or "including" is used in this Agreement, it shall be deemed to be followed by the words "without limitation". References herein to any law shall be deemed to refer to such law as amended, re-enacted, supplemented or superseded in whole or in part and in effect from time to time and also to all rules and regulations promulgated thereunder.
21. **Entire Agreement.** This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and

understandings, including the Engagement Letter. This Agreement may be amended or modified in any respect by written instrument signed by each of the Corporation and the Agents only.

22. **Severability.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect or limit the validity or enforceability of the remaining provisions of this Agreement.
23. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
24. **Successors and Assigns.** The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Corporation, the Agents and the Purchasers (as contemplated under the Subscription Agreements) their respective executors, heirs, successors and permitted assigns; provided that this Agreement shall not be assignable by any party without the prior written consent of Eight (in the case of the Corporation or any Purchaser) or the Corporation (in the case of the Agents or any Purchaser), as applicable.
25. **Further Assurances.** Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.
26. **Absence of Fiduciary Relationship.** The Corporation acknowledges and agrees that: (a) the Agents have not assumed and will not assume a fiduciary responsibility in favour of the Corporation with respect to the Offering contemplated hereby or the process leading thereto and the Agents do not have any obligation to the Corporation with respect to the Offering contemplated hereby except the obligations expressly set forth in this Agreement; (b) the Agents and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Corporation; and (c) the Agents have not provided any legal, accounting, regulatory or tax advice with respect to the Offering contemplated hereby and the Corporation has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.
27. **Effective Date.** This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding its actual date of execution or delivery.
28. **Counterparts and Electronic Copies.** This Agreement may be executed by the parties in counterparts and the counterparts may be executed and delivered by electronic means, with all counterparts together constituting one agreement.
29. **Language.** The parties hereby acknowledge that they have expressly required this Agreement and all notices, statements of account and other documents required or permitted to be given or entered into pursuant hereto to be drawn up in the English language only. *Les parties reconnaissent avoir expressément demandées que la présente convention ainsi que tout avis, tout état de compte et tout autre document a être ou pouvant être donné ou conclu en vertu des dispositions des présentes, soient rédigés en langue anglaise seulement.*

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If the Corporation is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this Agreement where indicated below and delivering the same to Eight.

Yours very truly,

EIGHT CAPITAL

Per: “signed”
Authorized Signing Officer

RED CLOUD SECURITIES INC.

Per: “signed”
Authorized Signing Officer

The foregoing is hereby accepted on the terms and conditions therein set forth.

DATED as of the 22nd day of June, 2021.

REYNA SILVER CORP.

Per: “signed”
Authorized Signing Officer

SCHEDULE "A"
FORM OF LOCK-UP AGREEMENT

June __, 2021

Eight Capital

100 Adelaide Street West, Suite 2900
Toronto, ON M5H 1S3

Dear Sirs:

The undersigned understands that Reyna Silver Corp. (the "**Corporation**") proposes to issue and sell units of the Corporation (the "**Units**") by way of private placement (the "**Offering**"). We refer to the terms and conditions contained in the agency agreement dated June ●, 2021 (the "**Agency Agreement**") between Eight Capital ("**Eight**"), Red Cloud Securities Inc. (together with Eight, the "**Agents**") and the Corporation, pursuant to which the Agents agree to act as agents to the Corporation to effect the Offering on a "best efforts" private placement basis. This undertaking is given pursuant to Subsection 2(e) of the Agency Agreement. Capitalized terms used herein unless otherwise defined have the meanings specified in the Agency Agreement.

In recognition of the benefit that the Offering will confer upon the undersigned and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby undertakes in favour of Eight that he, she or it shall not, directly or indirectly, for a period commencing upon and terminating 120 days following the Closing Date (the "**Lock-Up Period**"):

- (a) offer, sell, contract to sell, lend, swap or enter into any other agreement to transfer the economic consequences of, 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, or publicly announce any intention to do any of the foregoing, any Units, Common Shares, Warrants, Agent Warrants, Warrant Shares or any other securities of the Corporation or securities convertible into or exercisable or exchangeable for Common Shares of the Corporation held by them, directly or indirectly (collectively, the "**Securities**"), without first obtaining the written consent of Eight, which consent shall not be unreasonably withheld, conditioned or delayed (any such action is referred to herein as a "**Transfer**"); or
- (b) act jointly or in concert with any third party with respect to any Transfer,

whether any such transaction above is to be settled by delivery of shares of the Corporation, other securities, cash or otherwise. The undersigned acknowledges that the restrictions imposed herein are in addition to any hold periods or other trade restrictions that may be imposed by Securities Laws.

Notwithstanding the restrictions on Transfers described above, the undersigned may undertake any of the following:

- (a) any Transfer of Securities pursuant to a bona fide third party take-over bid, merger, plan of arrangement or other similar transaction made to all holders of such Securities of the Corporation involving a change of control of the Corporation, provided that in the event that the take-over bid, merger, plan of arrangement or other such transaction is not completed, the Securities owned by the undersigned shall remain subject to the restrictions contained in this undertaking;
- (b) if the undersigned is an individual, upon the death, incapacitation, termination of employment or loss of office of such individual, the undersigned or the executor of the undersigned's estate may Transfer any or all of the undersigned's Securities to a recipient that agrees in writing to be bound by the terms of this agreement for the duration of the Lock-Up Period;
- (c) any Transfer of Securities to (i) a spouse, parent, child or grandchild of the undersigned (a "**Relation**"); (ii) corporations, partnerships, limited liability companies or other entities to the extent that such entities are wholly-owned by the undersigned; (iii) trusts existing solely for the benefit of the undersigned and/or a Relation, or (iv) a charitable organization pursuant to a bona fide gift, solely to the extent that in clause (i), (ii), (iii) and (iv) the recipient of the undersigned's Securities agrees in writing to be bound by the terms of this agreement for the duration of the Lock-Up Period;
- (d) the exercise of warrants or options, existing on the date of the Agency Agreement, the whole in accordance with the terms thereof; provided that any Common Shares obtained by such exercise shall remain subject to the terms of this agreement; or
- (e) the sale of Securities solely to fund the exercise price and other expenses, including tax obligations, incurred with respect to the transaction described in clause (d) above.

Upon completion of the Lock-Up Period and at any time thereafter, the undersigned is not restricted from making any Transfer in respect of the undersigned's Securities and the obligations hereunder shall automatically cease to have any force or effect.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this agreement.

This agreement is irrevocable and will be binding on the undersigned and the respective successors, heirs, personal representatives, and assigns of the undersigned, provided however that the undersigned shall not assign this agreement without the prior written consent of Eight.

This agreement and the rights and obligations of the undersigned shall be governed and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

The undersigned has expressly requested that this document and any notices or other documents to be given under this document, and other documents related thereto be drawn up in the English language. La partie

aux présentes a expressément exigé que le présent document, ainsi que tout avis ou autre document à être donné en vertu de ce document ou tout document y afférent, soient rédigés en langue anglaise.

Executed this ____ day of June, 2021

Per: _____

Name: _____

SCHEDULE "B"

COMPLIANCE WITH UNITED STATES SECURITIES LAWS

This is Schedule "B" to the Agency Agreement dated June 1, 2021 (the "**Agency Agreement**") between Eight Capital and Red Cloud Securities Inc. (together, the "**Agents**") and Reyna Silver Corp. (the "**Corporation**").

As used in this Schedule "B" and Annex 1 to this Schedule "B", capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agency Agreement and the following terms shall have the meanings indicated below:

"affiliate" means an "affiliate" as that term is defined in Rule 405 under the U.S. Securities Act.

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

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

"Foreign Issuer" means "foreign issuer" as that term is defined in Regulation S, and without limiting the foregoing, but for greater clarity in this Schedule "B", 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.

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

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

"Substantial U.S. Market Interest" means "substantial U.S. market interest" as that term is defined in Rule 902(j) of Regulation S.

"U.S. Exchange Act" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations made thereunder.

"U.S. Purchaser" means a person to whom Units are offered or sold that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person.

A. Representations, Warranties and Covenants of the Agents

Each Agent (on its own behalf and on behalf of its U.S. Affiliate) acknowledges that the Securities have not been and will not be registered under the U.S. Securities Act or any U.S. 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 U.S. state securities laws. Accordingly, each Agent (on its own behalf and on behalf of its U.S. Affiliate) represents, warrants, covenants and agrees to and with the Corporation, as at the date hereof and as at the Closing Date, that:

1. Neither the Agent nor its U.S. Affiliate has offered or sold nor will either of them offer or sell any Securities except (a) in an Offshore Transaction in accordance with Rule 903 of Regulation S or (b) to, or for the account or benefit of, persons in the United States and U.S. Persons that are U.S. Accredited Investors or Qualified Institutional Buyers, as applicable, purchasing pursuant to the exemption from the registration requirements of the U.S. Securities Act afforded by Rule 506(b) of Regulation D and in compliance with similar exemptions under applicable state securities laws as provided in paragraph 2 through 16 below. Accordingly, none of the Agent, its U.S. Affiliate, their respective affiliates or any person acting on any of their behalf, has made or will make (except as permitted in paragraphs 2 through 16 below): (i) any offer to sell or any solicitation of an offer to buy, any Securities to, or for the account or benefit of, a person in the United States or a U.S. Person; (ii) any sale of Securities to any Purchaser unless, at the time the buy order was or will be originated, the Purchaser was outside the United States and not a U.S. Person, and not acting for the account or benefit of a person in the United States or a U.S. Person, or the Agent, any U.S. Affiliate, their respective affiliates or any person acting on any of their behalf reasonably believed that such Purchaser was outside the United States and not a U.S. Person and not acting for the account or benefit of a person in the United States or a U.S. Person; or (iii) any Directed Selling Efforts.
2. The Agent has not entered and will not enter into any contractual arrangement with respect to the offer and sale of the Securities, except with its U.S. Affiliate, any other Selling Firm appointed by it or with the prior written consent of the Corporation. It shall require such U.S. Affiliate and any such Selling Firm to agree in writing, for the benefit of the Corporation, to comply with, and shall use its best efforts to ensure that such U.S. Affiliate and such other Selling Firm complies with, the same provisions of this Schedule "B" as applies to the Agent as if such provisions applied to such U.S. Affiliate and such other Selling Firm.
3. All offers of Securities by the Agent 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 shall be made only through the U.S. Affiliate, which is a U.S. broker-dealer registered pursuant to Section 15(b) of the U.S. Exchange Act and under the securities laws of each state in which offers and sales were or will be made (unless exempted from the respective state's broker-dealer registration requirements) and in good standing with the Financial Industry Regulatory Authority, Inc. on the date of each such offer and sale, in compliance with all applicable U.S. federal and state broker-dealer requirements.
4. In connection with offers and sales of Securities to, or for the account or benefit of, persons in the United States and U.S. Persons, no form of General Solicitation or General Advertising has been

or will be used by the Agent or its U.S. Affiliate. Neither the Agent, its U.S. Affiliate, their respective affiliates nor any persons acting on any of their behalf (including any Selling Firms) have engaged or will engage in any conduct involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in connection with the offer or sale of the Securities to, or for the account or benefit of, persons in the United States and U.S. Persons.

5. Any offer or solicitation of an offer to buy 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 a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable, with whom, in each case, such Agent, its U.S. Affiliate or the Corporation has a pre-existing relationship prior to such offer or solicitation and the Agent has and will have at the Closing a reasonable basis for believing them to be a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable.
6. The Agent, through its U.S. Affiliate, shall inform all offerees that are, or are acting for the account or benefit of, persons in the United States and U.S. Persons that the Securities have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and the Securities are being offered and sold to such persons as U.S. Accredited Investors or Qualified Institutional Buyers, as applicable, in reliance on Rule 506(b) of Regulation D and similar exemptions under applicable state securities laws.
7. Each U.S. Purchaser of Securities that is a U.S. Accredited Investor will be, prior to the sale of Securities to such persons, required to execute and return a Subscription Agreement including the Certification of U.S. Accredited Investor attached thereto as Schedule "D" – Annex 1 and each U.S. Purchaser of Securities that is a Qualified Institutional Buyer will be, prior to the sale of Securities to such persons, required to execute and return a Subscription Agreement including the Certification of U.S. QIB attached thereto as Schedule "D" – Annex 2. Prior to any offer or sale of Securities to each offeree that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person, such Agent and its U.S. Affiliate each has or 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 at the Closing each shall continue to have reasonable grounds to believe and shall continue to believe that each U.S. Purchaser of Securities is a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable.
8. All offers and sales of Securities made outside the United States to non-U.S. Persons by the Agent, its U.S. Affiliate, their respective affiliates or any persons acting on any of their behalf (including any Selling Firms) have been and will be made in Offshore Transactions in compliance with Rule 903 of Regulation S without any Directed Selling Efforts.
9. Offers to sell and solicitations of offers to buy the Units to, or for the account or benefit of, persons in the United States and U.S. Persons have been and will be made pursuant to and in accordance with the exemption from the registration requirement of the U.S. Securities Act provided by Rule 506(b) of Regulation D and similar exemptions under all applicable U.S. state securities laws.
10. None of the Agent, its U.S. Affiliate, or any person acting on any of their behalf, has taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act in connection with the offer or sale of the Securities.

11. It acknowledges that until 40 days after the closing of the Offering, an offer or sale of the Securities within the United States by any dealer (whether or not participating in this Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the U.S. Securities Act.
12. At least one Business Day prior to the Closing, the Agent and its U.S. Affiliate will provide the Corporation with a list of all U.S. Purchasers and will provide duly completed and executed Subscription Agreements (including the Certification of U.S. Accredited Investor attached thereto as Schedule "C" – Annex 1 for U.S. Purchasers that are U.S. Accredited Investors and the Certification of U.S. QIB attached thereto as Schedule "C" – Annex 2 for U.S. Purchasers that are Qualified Institutional Buyers) for each of them.
13. At the Closing, the Agent and its U.S. Affiliate will provide a certificate, substantially in the form of Annex 1 attached hereto, relating to the manner of the offer and sale of the Securities to, or for the account or benefit of, persons in the United States and U.S. Persons, or such persons will be deemed to have represented to the Corporation that they did not offer or sell any Securities to U.S. Purchasers.
14. With respect to Securities to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D, none of (i) the Agent or its U.S. Affiliate, (ii) the Agent's or such U.S. Affiliate's general partners or management members, (iii) any of the Agent's or the U.S. Affiliate's directors or executive officers or any other officers participating in the offering of the Securities, (iv) any of the Agent's or the U.S. Affiliate's general partners' or managing members' directors or executive officers or any other officers participating in the offering of the Securities or (v) any other person associated with any of the above persons, including any Selling Firm appointed by the Agent and any such persons related to such Selling Firm, that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the sale of Securities (each, an "**Agent Covered Person**" and, collectively, the "**Agent Covered Persons**"), is subject to any Disqualification Event.
15. As of the Closing Date, the Agent is not aware of any person (other than any 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 Securities to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D.
16. The Agent acknowledges that the Agent Warrants and the underlying Agent Warrant Shares have not been and will not be 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 Agent Warrants to it, the Agent represents, warrants and covenants that (i) it is acquiring the Agent Warrants 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 Agent Warrants 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. The Agent acknowledges and agrees that the Agent Warrants 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 exempt from registration under the U.S. Securities Act and the applicable securities laws of any state of the United States.

B. Representations, Warranties and Covenants of the Corporation

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

1. The Corporation is, and as of the Closing Time will be, a Foreign Issuer and reasonably believes that there is no Substantial U.S. Market Interest in any of the Securities or the Common Shares.
2. Except with respect to offers and sales in accordance with this Schedule "B" to U.S. Accredited Investors and Qualified Institutional Buyers in reliance on the exemption from registration provided by Rule 506(b) of Regulation D, neither the Corporation nor any of its affiliates, nor any person acting on any of their behalf (other than the Agents, their affiliates (including, without limitation, the U.S. Affiliates), Selling Firms and any person acting on any of their behalf, as to which no representation, warranty, covenant or agreement is made), has made or will make any offer to sell, or any solicitation of an offer to buy, any Securities to, or for the account or benefit of, a person in the United States or a U.S. Person.
3. None of the Corporation, any of its affiliates or any person acting on any of their behalf (other than the Agents, their affiliates (including, without limitation, the U.S. Affiliates), Selling Firms and any person acting on any of their behalf, as to which no representation, warranty, covenant or agreement is made) has offered or will offer to sell, or has solicited or will solicit offers to buy, 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.
4. Any offers and sales of Securities made outside the United States to non-U.S. Persons by the Corporation, any of its affiliates or any person acting on any of their behalf (other than the Agents, their affiliates (including, without limitation, the U.S. Affiliates), Selling Firms and any person acting on any of their behalf, as to which no representation, warranty, covenant or agreement is made), have been and will be made in Offshore Transactions in compliance with Rule 903 of Regulation S.
5. None of the Corporation, its affiliates, or any person acting on any of their behalf (other than the Agents, their affiliates (including, without limitation, the U.S. Affiliates), Selling Firms and any person acting on any of their behalf, as to which no representation, warranty, covenant or agreement is made), has made or will make any Directed Selling Efforts.
6. The Corporation has not sold, offered for sale or solicited any offer to buy and will not sell, offer for sale or solicit any offer to buy, during the period beginning six months prior to the start of the Offering of the Securities and ending six months after the completion of the Offering of Securities, any of its securities in the United States in a manner that would be integrated with the Offering and would cause the exemption from registration provided by Rule 506(b) of Regulation D, or the exclusion from registration provided by Rule 903 of Regulation S, to be unavailable with respect to offers and sales of the Securities pursuant to this Schedule "B".
7. None of the Corporation, its affiliates, or any person acting on its or their behalf (other than the Agents, their affiliates (including, without limitation, the U.S. Affiliates), Selling Firms and any person acting on their behalf, as to which no representation, warranty, covenant or agreement is made), has taken or will take any action that would cause the exemptions from the registration requirements of the U.S. Securities Act afforded by Rule 506(b) of Regulation D, or the exclusion

from registration provided by Rule 903 of Regulation S, to be unavailable for offers and sales of the Securities pursuant to the Agency Agreement to which this Schedule "B" is annexed.

8. Neither the Corporation, nor any of its affiliates, nor any person acting on any of their behalf (other than the Agents, their affiliates (including, without limitation, the U.S. Affiliates), any Selling Firm and any person acting on any of behalf, as to which the Corporation makes no representation, warranty, covenant or agreement) has taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act in connection with the offer or sale of the Securities.
9. The Corporation is not, and following the application of the proceeds of the sale of the Securities will not be, registered or required to be registered as an "investment company", as such term is defined in the United States Investment Company Act of 1940, as amended, under such Act.
10. The Corporation will, within the prescribed time periods, prepare and file any forms or notices required under the U.S. Securities Act or any state securities laws in connection with the sale of the Securities.
11. None of the Corporation or 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 a failure to comply with Rule 503 of Regulation D.
12. None of the Corporation, any of its predecessors, any affiliated issuer, any director, executive officer, 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 Securities (each an **"Issuer Covered Person"** and, collectively, the **"Issuer Covered Persons"**) is subject to any Disqualification Event. The Corporation has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. As of the Closing Date, the Corporation is not aware of any person (other than any 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 Securities.

Annex 1

AGENTS' CERTIFICATE

This is Annex 1 to Schedule "B" to the Agency Agreement dated June ●, 2021 (the "**Agency Agreement**") between Eight Capital and Red Cloud Securities Inc. (together, the "**Agents**") and Reyna Silver Corp. (the "**Corporation**").

Capitalized terms used but not defined in this certificate have the meanings given to them in the Agency Agreement (including Schedule "B" thereto).

Pursuant to Section A.13 of Schedule "B" to the Agency Agreement, the undersigned Agent and its U.S. Affiliate hereby certify as follows:

1. All offers of Securities to, or for the account or benefit of, persons in the United States and U.S. Persons were made only through the U.S. Affiliate;
2. The U.S. Affiliate is a duly registered broker or dealer pursuant to Section 15(b) of the U.S. Exchange Act and under the laws of each applicable state of the United States (unless exempted from the respective state's broker-dealer registration requirements), and was and is a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc. on the date hereof and on the date of each offer and sale of Securities to, or for the account or benefit of, a person in the United States and a U.S. Person, and all offers of Securities by the undersigned for sale by the Corporation to, or for the account or benefit of, persons in the United States and U.S. Persons have been effected by the U.S. Affiliate in accordance with all U.S. federal and state broker-dealer requirements;
3. Immediately prior to our transmitting a Subscription Agreement to any offeree that was, or was acting for the account or benefit of, a person in the United States or a U.S. Person, 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 U.S. Purchaser purchasing Units that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person is a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable;
4. We obtained from each U.S. Purchaser a duly completed and executed Subscription Agreement (including, if and as applicable, the Certification of U.S. Accredited Investor attached thereto as Schedule "C" – Annex 1 for U.S. Purchasers that are U.S. Accredited Investors, and the Certification of U.S. QIB attached thereto as Schedule "C" – Annex 2 for U.S. Purchasers that are Qualified Institutional Buyers), and we have delivered copies of the same to the Corporation;
5. No form of General Solicitation or General Advertising was used by us in connection with the offer of the Units to, or for the account or benefit of, persons in the United States and U.S. Persons and no Directed Selling Efforts have been made by us;
6. Neither we nor any of our affiliates have taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act with respect to the offer or sale of the Securities;

7. None of (i) the undersigned, (ii) the undersigned's general partners or managing members, (iii) any of the undersigned's directors or executive officers or any other officers participating in the offering of the Securities, (iv) any of the undersigned's general partners' or managing members' directors, executive officers or other officers participating in the offering of the Securities or (v) any other person associated with any of the above persons, including any Selling Firm and any such persons related to such Selling Firm, that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the sale of Securities (each an "Agent Covered Person"), is subject to any Disqualification Event;
8. The undersigned represents that it is not aware of any person (other than any 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 Securities to, or for the account or benefit of, persons in the United States or U.S. Persons; and
9. All offers of the Units in the United States have been conducted by us in accordance with the terms of the Agency Agreement, including Schedule "B" thereto.

Dated this _____ day of June, 2021.

[AGENT]

[U.S. AFFILIATE]

Authorized Signing Officer

Authorized Signing Officer
