

RESEARCH CAPITAL CORPORATION

Suite 1920, 1075 West Georgia Street
Vancouver, British Columbia V6E 3C9

May 13, 2021

Tactical Resources Corp.
2288 – 1177 W. Hastings St.
Vancouver, BC V6E 2K3

Attention: Mr. Ranjeet Sundher, Chief Executive Officer

Dear Sirs:

We understand that Tactical Resources Corp. (the “**Corporation**”) proposes to issue for sale by way of brokered private placement of up to 6,000,000 special warrants (each a “**Special Warrant**”) of the Corporation at a price of \$1.00 per Special Warrant (the “**Subscription Price**”) to raise gross proceeds of up to \$6,000,000 (the “**Offering**”), and such additional Special Warrants as the Corporation and the Agent (as defined below) may agree upon in writing. Each Special Warrant will be exercisable, for no additional consideration at the option of the holder into one unit (a “**Unit**”) of the Corporation, with each Unit consisting of one common share of the Corporation (a “**Common Share**”) and one half of one (1/2) Common Share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will be exercisable to acquire one Common Share (a “**Warrant Share**”) at an exercise price of \$2.50 per Warrant Share for 24 months from the date the Common Shares become listed on the Canadian Securities Exchange (the “**Listing Date**”). If the Common Shares trade on the Canadian Securities Exchange or any equivalent exchange at a volume weighted average price equal to \$3.75 or greater for 10 consecutive trading days, the Corporation will have the right to accelerate the expiry of the Warrants by giving notice, via a news release issued within five (5) business days of the last day of such 10 consecutive trading day calculation period, of its exercise of such right and thereafter the Warrants will, without further notice or act by Corporation, automatically expire and be of no further force and effect at 4:00 p.m. (Vancouver time) on the date that is 30 calendar days after the issuance of said news release. The minimum gross proceeds of \$3,000,000 includes the offering of Special Warrants through the offering memorandum (the “**OM Offering**”) of the Corporation dated May 6, 2021 (including any amendments, schedules and attachments thereto and any documents required to be filed under applicable securities laws as a result of the OM Offering, the “**Offering Memorandum**”) and to accredited investors. The Offering shall be sold to purchasers (the “**Purchasers**”) resident in British Columbia, Alberta, Ontario and Manitoba, and such additional jurisdictions as the Corporation and the Agent may agree upon in writing (the “**Offering Jurisdictions**”).

The Corporation has granted the Agent an option (the “**Over-Allotment Option**”), exercisable up to 48 hours prior to the Time of Closing (as defined in section 7.1 hereof), to arrange for the purchase up to an additional number of Special Warrants equal to 15% of the Special Warrants sold pursuant to the Offering at the Subscription Price. The Agent shall be under no obligation whatsoever to exercise the Over-Allotment Option in whole or in part.

As soon as reasonably practicable after the Closing (as defined in section 7.1 hereof), the Corporation will use its reasonable commercial efforts to prepare and file with each of the securities regulatory authorities in the Offering Jurisdictions and obtain a receipt for, a preliminary prospectus and a final prospectus (the “**Final Prospectus**”), qualifying the distribution of the Units underlying the Special Warrants, in compliance with applicable securities law, within 120 days from the Closing. All unexercised Special Warrants will automatically be exercised for Units on the date (the “**Qualification Date**”) that is the earlier of (i) four (4) months and a day following the Closing, and (ii) as soon as reasonably practicable, but in any event no later than the third (3rd) business day, after a receipt is issued for a Final Prospectus.

The Special Warrants shall be created and issued pursuant to a special warrant indenture (the “**Special Warrant Indenture**”) to be entered into on the Closing Date between the Corporation and Odyssey Trust Company, in its capacity as special warrant agent thereunder (the “**Special Warrant Agent**”). The specific attributes of the Special Warrants will be set forth in the Special Warrant Indenture.

Subject to the terms and conditions set forth below, the Corporation hereby appoints Research Capital Corporation (the “**Agent**”) to act as the Corporation’s sole and exclusive agent in accordance with section 1 hereof.

All references to dollars or \$ herein are to lawful currency of Canada, unless otherwise indicated.

In this Agreement “business day” means any day except Saturday, Sunday or a statutory holiday in Vancouver, British Columbia.

In this Agreement, the terms “material change”, “material fact”, “misrepresentation” and “distribution” have the meanings ascribed thereto in the applicable securities legislation of the Offering Jurisdictions.

1. Offering

1.1 The Agent will act as agent of the Corporation and use its best efforts to arrange for Purchasers of the Special Warrants in the Offering Jurisdictions in accordance with the terms of this Agreement. The Agent is under no obligation to purchase any of the Special Warrants although the Agent may subscribe for and purchase the Special Warrants if it so desires.

1.2 The Agent may, in its sole discretion, offer selling group participation in the normal course of the brokerage business to other licensed dealers (collectively, the “**Selling Group**”).

1.3 The sale of the Special Warrants will be effected in a manner so as to be exempt from the prospectus requirements of applicable Securities Acts of the Offering Jurisdictions pursuant to National Instrument 45-106 “Prospectus Exemptions” of the Canadian Securities Administrators (“**NI 45-106**”).

1.4 In consideration of the services performed by the Agent under this Agreement, which services shall be as follows:

- (a) preparing a “term sheet” highlighting the principal terms of the Offering if applicable;
- (b) assisting the Corporation in preparing and delivering investor presentations if applicable;
- (c) marketing the Offering to prospective investors, on a best efforts basis subject to the terms of this Agreement;
- (d) assisting the Corporation in closing the Offering;
- (e) acting as the Corporation’s agent to solicit offers to purchase the Special Warrants;
- (f) advising the Corporation with respect to the Offering; and
- (g) co-ordinating and reviewing the private placement documentation and assisting in the preparation of the form of subscription agreement, including any form, questionnaire, and undertaking incorporated therein or appended thereto (collectively, the “**Subscription Agreement**”) to be entered into between the Corporation and each of the Purchasers in connection with the Offering,

the Corporation agrees to pay to the Agent at the Time of Closing the following:

- (h) a cash commission (the “**Agent’s Commission**”) equal to (i) 2.0% of up to \$2,000,000 of the gross proceeds received by the Corporation from the sale of the Special Warrants to the Purchasers identified by the Corporation (the “**President’s List**”) and (ii) 7.0% of the remaining gross proceeds received by the Corporation from the sale of the Special Warrants to the Purchasers, including the gross proceeds received pursuant to the exercise of the Over-Allotment Option, where any such exercise occurs;
- (i) a work fee (the “**Agent’s Fee**”) of \$40,000 plus GST, of which \$20,000 has been paid to the Agent as a non-refundable deposit; and
- (j) compensation options (the “**Agent’s Compensation Options**”) to purchase common shares of the Corporation (the “**ACO Shares**”) at a price of \$1.25 per ACO Share at any time up to 24 months following the Closing in an amount equal to (i) 2.0% of the number of the Special Warrants equal to gross proceeds of up to \$2,000,000 sold in connection with the Offering to the President’s List and (ii) 7.0% of the number of the remaining Special Warrants sold in connection with the Offering, including the amount subscribed for pursuant to the exercise of the Over-Allotment Option, where any such exercise occurs.

1.5 The Corporation agrees that the Agent will be permitted to appoint other registered dealers (or other dealers duly qualified in their respective jurisdictions) as its agents to assist in the Offering, which dealers shall comprise the Selling Group. The remuneration payable (including any division of the Agent’s Commission) to Selling Group members appointed by the Agent shall be determined and payable by and solely at the account of the Agent, and such remuneration shall not in any way increase the aggregate Agent’s Commission payable by the Corporation under this Agreement.

2. Representations and Warranties of the Corporation

2.1 The Corporation represents and warrants to the Agent, and to and for the benefit of the Purchasers (which shall be held by the Agent for the benefit of the Purchasers and otherwise made by the Corporation to the Purchasers as if incorporated and repeated in their entirety in each Purchaser’s Subscription Agreement), and acknowledges that the Agent and the Purchasers are relying upon such representations and warranties, as follows:

- (a) the Corporation has no subsidiaries;
- (b) the Corporation has been duly formed and is a validly existing corporation and in good standing under the laws of its incorporation, and has all requisite corporate power and authority to carry on its business as now conducted and as currently proposed to be conducted and to own, lease and operate its property and assets;
- (c) the Corporation is not a “reporting issuer” in any jurisdiction;
- (d) the Corporation has conducted and is conducting its business in compliance with all applicable laws, by-laws, ordinances, rules and regulations of each jurisdiction in which its business is carried on, and holds all licences, registrations, permits, consents or qualifications (whether governmental, regulatory or otherwise) required in order to enable its business to be carried on as now conducted or as proposed to be conducted, and:

- (i) all such licences, registrations, permits, consents and qualifications are valid, subsisting and in good standing in all material respects; and
 - (ii) the Corporation has not received any notice relating to the revocation or modification of any such licenses, registrations, permits, consents or qualifications which would, if the subject of an unfavourable decision, ruling or finding, have a material adverse affect on the business, operations, condition (financial or otherwise) or prospects of the Corporation;
- (e) there are no orders ceasing or suspending the trading of any securities of the Corporation or the Subsidiary, or prohibiting the sale of any securities by the Corporation, nor any current, pending, or to the Corporation's knowledge any contemplated or threatened, proceedings for this purpose, nor to the Corporation's knowledge any grounds therefor;
- (f) immediately prior to the Closing, the authorized capital of the Corporation will consist of an unlimited number of common shares without par value, of which 14,357,500 common shares are duly authorized, issued and outstanding as fully paid and non-assessable, and to the Corporation's knowledge all of the issued and outstanding common shares of the Corporation are free and clear of all liens, charges, encumbrances, claims, demands and other adverse interests of any nature or kind;
- (g) the Corporation is not a party to, and has not granted, any agreement, warrant, option, right or privilege, or any of the foregoing capable of becoming an agreement, warrant, option right or privilege, for the purchase, subscription or issuance of any of its securities except as contemplated herein or as disclosed in Schedule "A";
- (h) the Corporation has full corporate power and authority, and has taken all necessary corporate action, to (as applicable) create, offer, sell, issue and deliver each of, including such securities to be issued pursuant to the exercise of the Over-Allotment Option where any such exercise occurs and such securities underlying thereof where any such exercise occurs, the Special Warrants, the Common Shares, the Warrants, the Warrant Shares, the Agent's Compensation Options and the ACO Shares (the "**Offered Securities**") and, as at the Time of Closing, the Special Warrants will be duly and validly authorized and issued as fully paid and non-assessable;
- (i) the Corporation has full corporate power and authority, and has taken all necessary corporate action, to enter into, execute, deliver and perform its obligations under each of this Agreement, the Special Warrant Indenture, the Offering Memorandum (including any obligations under the applicable securities laws, including, without limitation, "NI 45-106 – Prospectus Exemptions" and "Form 45-106F2 – Offering Memorandum for Non-Qualifying Issuers", in relation to the OM Offering and the Offering Memorandum), the certificates evidencing the Special Warrants, the Warrants and the Agent's Compensation Options and the Subscription Agreements (collectively, the "**Transaction Documents**") and all material contracts to which the Corporation is or will be a party or contractually bound (the "**Material Contracts**"), and as at the Time of Closing, each of the Transaction Documents and the Material Contracts will be duly and validly authorized, executed and delivered and constitute a legal, valid and binding obligation of the Corporation enforceable in accordance with their respective terms;
- (j) the Corporation is not in default or breach of, and the execution and delivery of each of the Transaction Documents and the performance of the transactions contemplated thereby do not and will not result in a default or breach of, and do not create a state of facts

which, after notice or lapse of time or both, will result in a default or breach of, and do not and will not conflict with, any of the terms, conditions or provisions of: (i) its constating documents or resolutions; (ii) any indenture, contract, instrument, lease or other agreement (written or oral) to which the Corporation is or will be a party or contractually bound as of the Time of Closing; or (iii) to the best of the Corporation's knowledge, any laws, by-laws, ordinances, rules, regulations, policies, judgments, decrees or orders of any court, governmental authority or administrative body whatsoever having jurisdiction over it or its property or assets in any material respect;

- (k) the Corporation has disclosed to the Agent all information related to the material properties, assets, liabilities, obligations, business, operations, condition (financial or otherwise) or prospects of the Corporation (absolute, accrued, contingent or otherwise); there has not been any material adverse change in the business, operations or condition (financial or otherwise) or results of the operations of the Corporation; and there have been no material facts, transactions, events or occurrences which could materially adversely affect the business of the Corporation which have not been disclosed in writing by the Corporation to the Agent;
- (l) the Corporation owns or possesses adequate rights to use all applicable material patents, trademarks, service marks, trade names, copyrights, trade secrets, information, proprietary rights and other intellectual property necessary for the business of the Corporation now conducted and proposed to be conducted, without any conflict with or infringement of the rights of others;
- (m) the Corporation has not received any communication alleging that it has violated or, by conducting its business as proposed, would violate any of the patents, trademarks, service marks, trade names, copyrights or trade secrets or proprietary rights of any other person or entity;
- (n) neither the execution or delivery of the Transaction Agreements nor the carrying on of the business of the Corporation by the employees of the Corporation, nor the conduct of the business of the Corporation will conflict with or result in a breach of the terms, conditions, or provisions of or constitute a default under, any contract, covenant or instrument under which any of such employees is not obligated;
- (o) since its inception, the Corporation has not entered into any material transactions, or entered into any material contracts, which have not been promptly and properly authorized by its directors' or shareholders' resolution filed in its minute book and otherwise promptly and properly recorded in its financial books and records;
- (p) since its inception, none of the related parties of the Corporation have had any material interest, direct or indirect, in any prior, existing or proposed transaction which was, is or will be material to the Corporation except as promptly and properly authorized by directors' or shareholders' resolution filed in its minute book;
- (q) the Corporation is the beneficial owner of or has the right to acquire the interests in the properties and assets referred to as being owned by the Corporation, or a valid option to purchase or lease, the properties, business and assets referred to by the Corporation in the information provided to the Agent, and has good and marketable title thereto free and clear of any liens, charges, encumbrances, claims, demands and other adverse interests of any nature or kind, and all such properties and assets, or rights therein, are in good

standing in all material respects in accordance with the laws and other requirements of the jurisdiction in which they are situate;

- (r) all information and documents, including, without limitation, the material contracts of the Corporation, prepared by the Corporation and provided to the Agent and the Agent's counsel (collectively, the "**Disclosure Record**"), is in all material respects accurate and omits no facts, the omission of which makes the Disclosure Record, or any particulars therein, misleading or incorrect in all material respects;
- (s) there has not been any material adverse change with respect to the Corporation's mining property(ies) except as disclosed in the Disclosure Record;
- (t) the Corporation is not party to any material contracts other than as disclosed in the Disclosure Record;
- (u) the Corporation's properties and business are and have been operated in compliance with, in all material respects, all applicable laws governing environmental matters, hazardous materials, workplace safety and like legislation, and there are no facts known to the Corporation after due inquiry which could give rise to any violation of or non-compliance with such laws;
- (v) no person has taken, or to the Corporation's knowledge, contemplated or threatened, any action which would in any way prevent, limit, restrict or cause interference with any current or proposed business of the Corporation in any material respect;
- (w) there are no current, pending, or to the Corporation's knowledge, any contemplated or threatened, actions, suits, inquiries or proceedings to which the Corporation is a party or to which the property or assets of the Corporation are subject, that would, if the subject of an unfavourable decision, ruling or finding, have a material adverse effect on the business, operations, condition (financial or otherwise) or prospects of the Corporation;
- (x) the Corporation has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its common shares or other securities of any class, or, directly or indirectly, redeemed, repurchased or otherwise acquired any of its common shares or other securities, or agreed to do any of the foregoing;
- (y) there is not, in the constating documents of the Corporation, nor in any indenture, contract, instrument, lease or other agreement (written or oral) to which the Corporation is a party or contractually bound, any restriction upon or impediment to the declaration and payment of dividends by the directors of the Corporation;
- (z) in respect of the Offering:
 - (i) the Corporation's representations and warranties in the Transaction Documents and any other written or oral representations made by the Corporation in connection with the Offering will be accurate in all material respects at the Time of Closing and will omit no fact, the omission of which will make any such representation or warranty misleading or incorrect;
 - (ii) the Corporation has and at the Time of Closing will have taken all steps as may be necessary to comply with the requirements of applicable corporate and securities laws of the Offering Jurisdictions and such other jurisdictions in which

the Offering is made, assuming that such Offering is conducted in accordance with the terms hereof and the Transaction Documents;

- (iii) the Corporation is and at the Time of Closing will be entitled to avail itself of the applicable prospectus and registration exemptions under the applicable securities laws of the Offering Jurisdictions in respect of the distribution of the Offered Securities; and
- (iv) other than the Agent and its agents, there is no person, firm or corporation acting or purporting to act at the request of the Corporation, who is entitled to any brokerage or finder's fee in connection with the transactions contemplated herein, and in the event that any person, firm or corporation (other than a member of the Selling Group) acting or purporting to act for the Corporation establishes a claim for any fee or other compensation from the Agent, the Corporation covenants to indemnify and hold harmless the Agent with respect thereto and with respect to all costs reasonably incurred in defence thereof;
- (aa) in respect of the Offering Memorandum and the OM Offering, the Corporation has complied with all applicable securities laws including, without limitation, "NI 45-106 – *Prospectus Exemptions*" and "Form 45-106F2 – *Offering Memorandum for Non-Qualifying Issuers*";
- (bb) if delivered to one or more of the Purchasers, the delivery to such Purchasers of the Offering Memorandum shall constitute a representation and warranty by the Corporation that all information and statements contained in the Offering Memorandum are true and correct in all material respects at the time of delivery thereof, that the Offering Memorandum contain no misrepresentation, and that no material fact or information has been omitted therefrom which is necessary to make the statements or information contained therein not misleading in light of the circumstances under which they were made;
- (cc) the Corporation is not aware of, nor has the Corporation received any notice from anyone including without limitation the applicable governmental authorities and other third parties, in relation to, any event, condition, fact, or circumstance which may have a material adverse effect on the Offering, the Transaction Documents and the transaction(s) contemplated thereunder;
- (dd) Odyssey Trust Company has been duly appointed as the Special Warrant Agent for the Special Warrants;
- (ee) Odyssey Trust Company has been duly appointed as the transfer agent and registrar for all of the outstanding Common Shares;
- (ff) the consolidated audited financial statements of the Corporation as at and for the years ended July 31, 2020, July 31, 2019 and the period from incorporation on June 25, 2018 to July 31, 2018 (collectively, the "**Financial Statements**") present fairly, in all material respects, the financial position of the Corporation as at the dates set out therein and the results of its operations and the changes in its financial position for the periods then ended, in accordance with the International Financial Reporting Standards consistently applied;

- (gg) the Corporation maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with applicable laws and to maintain asset accountability; (iii) access to financial assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences;
- (hh) the auditors of the Corporation who audited the Financial Statements and delivered their report with respect thereto, were at the relevant time independent chartered professional accountants;
- (ii) the minute book of the Corporation, as provided to the Agent and its counsel, is true and complete in all material respects and contains the minutes of all meetings and all resolutions of the directors and shareholders thereof;
- (jj) all filings made by the Corporation under which it has received or is entitled to government loans or incentives have been made in accordance with, in all material respects, applicable legislation and contain no misrepresentations of a material fact or omit to state any material fact which could cause any amount previously paid to the Corporation or previously accrued on the accounts thereof to be recovered or disallowed;
- (kk) the Corporation holds an option (the "**SAM Option**") to acquire up to 60% of the SAM Property (as defined in the Offering Memorandum), which is recognized in the jurisdiction in which the SAM Property is located, in respect of the mineral, metals or ore bodies located on the SAM Property, and:
 - (i) the SAM Option is held under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Corporation to explore for and develop the minerals, metals or ore bodies;
 - (ii) the SAM Option has been validly located and recorded in accordance with all applicable laws and are valid and subsisting; and
 - (iii) each of the proprietary interests or rights in the SAM Property and each of the agreements, instruments and other documents relating thereto referred to above and in the Disclosure Record is currently in good standing in the name of the Corporation;
- (ll) the Corporation, holds an option (the "**Lac Ducharme Option**") to acquire up to 100% of the Lac Ducharme Property (as defined in the Offering Memorandum) which is recognized in the jurisdiction in which the Lac Ducharme Property is located, in respect of the mineral, metals or ore bodies located on the Lac Ducharme Property, and:
 - (i) the Lac Ducharme Option is held under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Corporation to explore for and develop the minerals, metals or ore bodies;

- (ii) the Lac Ducharme Option has been validly located and recorded in accordance with all applicable laws and are valid and subsisting; and
- (iii) each of the proprietary interests or rights in the Lac Ducharme Property and each of the agreements, instruments and other documents relating thereto referred to above and in the Disclosure Record is currently in good standing in the name of the Corporation;
- (mm) the Corporation has conducted, and is conducting, its business in accordance with industry practices and in compliance in all material respects with all applicable laws, bylaws, rules, regulations and other lawful requirements of each jurisdiction in which its business is carried on and of any governmental or regulatory bodies which are applicable to the Corporation, and the Corporation is not aware of any such law, bylaw, rule, regulation or lawful requirement presently in force or proposed to be brought into force in any jurisdiction in which its business is carried on or by any governmental or regulatory body which the Corporation anticipates it will be unable to comply with without having a material adverse effect on its business;
- (nn) the business and properties of the Corporation are in compliance in all material respects with all Environmental Laws and there are no facts known after due enquiry by the Corporation which could give rise to a notice of non-compliance with or could result in a default under any Environmental Laws; and for purposes hereof, the term “Environmental Laws” means all applicable laws, rules, regulations, policies, judgments, decrees, orders or other instruments relating to environmental or occupational health and safety matters in effect as at the date hereof including, without limitation, those pertaining to reporting, licensing, permitting, remediation, clean-up and investigation in connection with any release or threatened release of a Contaminant or relating to the manufacture, processing, storage, handling, distribution, transportation, investigation and remediation and the like of a Contaminant, and for purposes hereof, the term “Contaminant” means any substance or material that is prohibited, controlled or regulated by any governmental authority including, without limitation, any contaminants, pollutants, petroleum or its derivatives, by-products or other hydrocarbons, dangerous substances or goods, asbestos, toxic or hazardous substances or materials, controlled products, wastes involving hazardous wastes and any other materials that are by their nature hazardous, either in fact or as defined in or pursuant to any Environmental Laws;
- (oo) no person has taken or, to the best of the Corporation’s knowledge, has threatened or is in contemplation of, any action which would in any way prevent, limit, restrict or cause interference with any mineral exploration and development work which the Corporation currently proposes to carry out on its properties;
- (pp) no labour dispute or problem with the employees of the Corporation or any of the Subsidiaries exists or, to the knowledge of the Corporation, is threatened or imminent, and the Corporation is not aware of any existing or imminent labour disturbance by the employees of any of its principal suppliers, customers or contractors that could have a material adverse effect (actual, anticipated, contingent, proposed or threatened, whether financial or otherwise) on the assets, properties, liabilities, obligations, business, operations, affairs, prospects, results of operations or condition (financial or otherwise), or capital or control of the Corporation, whether or not arising from transactions in the ordinary course of business;

- (qq) the Corporation has filed all tax returns and other reports required to be filed, and has paid all taxes and related charges of any kind whatsoever due and payable and otherwise established reserves on its books and records that are adequate for the payment of all such taxes and related charges of any kind whatsoever not yet due and payable;
- (rr) there are no current, pending, or to the Corporation's knowledge any contemplated or threatened, audits of the tax returns of or other reports required to be filed by the Corporation (whether federal, provincial, local or foreign), and there are no claims or grounds therefor which have been or may be asserted relating to any such tax returns and other reports, and there are no liens for taxes or related charges on the properties and assets of the Corporation; and
- (ss) none of Canada Revenue Agency, the Internal Revenue Service of the United States or any other taxation authority has asserted, or to the Corporation's knowledge contemplated or threatened to assert, any claim, assessment or liability for taxes or related charges due or to become due in connection with any review or examination of the tax returns of or other reports required to be filed by the Corporation for any taxation or reporting year.

2.2 The representations and warranties of the Corporation contained in this Agreement shall be true and correct at the Time of Closing as though they were made at the Time of Closing.

3. Representations and Warranties of the Agent

3.1 The Agent represents and warrants to the Corporation and acknowledges that the Corporation is relying upon such representations and warranties, that:

- (a) it, and each dealer appointed by it as its agent to assist in the Offering (including members of the Selling Group), will be appropriately registered under the applicable securities laws of the Offering Jurisdictions so as to permit it to lawfully fulfil its obligations hereunder;
- (b) it, and each dealer appointed by it as its agent to assist in the Offering (including members of the Selling Group), will be an "accredited investor" as defined in section 2.3 of NI 45-106 by virtue of being a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer;
- (c) the Agent has not and will not solicit offers to purchase or sell the Special Warrants so as to require the filing of a prospectus with respect thereto; and
- (d) it has good and sufficient right and authority to enter into this Agreement, and it and each dealer appointed by it as its agent to assist in the Offering (including members of the Selling Group) complete the transactions contemplated under this Agreement on the terms and conditions set forth herein.

3.2 The representations and warranties of the Agent contained in this Agreement shall be true and correct at the Time of Closing as though they were made at the Time of Closing.

4. Covenants of the Corporation

4.1 The Corporation covenants to and with the Agent that it will:

- (a) allow the Agent and its counsel to conduct all due diligence in connection with the Offering which the Agent may reasonably require;
- (b) during the period commencing on the date hereof and ending at the conclusion of the distribution of the underlying securities issuable upon the exercise or deemed exercise of the Special Warrants, promptly inform the Agent of:
 - (i) any material change (actual, proposed, anticipated, threatened or prospective, whether financial or otherwise) in or affecting any of the representations and warranties of the Corporation made in this Agreement;
 - (ii) any material change (actual, proposed, anticipated, threatened or prospective, whether financial or otherwise) in or affecting the assets, properties, liabilities, obligations, business, operations, affairs, prospects or condition (financial or otherwise), or the capital or control of the Corporation; and
 - (iii) any communication to or from any securities commission, stock exchange or similar regulatory authority or any other competent authority relating to the Corporation, its directors, officers, promoters and other insiders, or the Offering, and provide a copy thereof to the Agent;
- (c) during the period commencing on the date hereof and ending at the conclusion of the distribution of the underlying securities issuable upon the exercise or deemed exercise of the Special Warrants (or such longer period as may be specified in the respective representation, warrant, covenant or condition), do all such acts and things required to ensure that:
 - (i) all of the representations and warranties of the Corporation contained in the Transaction Documents and any agreements, instruments, certificates or other documents delivered by it pursuant thereto or supplemental thereto remain true and correct at all times;
 - (ii) all of the covenants and conditions to be satisfied and observed by the Corporation contained in the Transaction Documents, and any agreements, instruments, certificates or other documents delivered by it pursuant thereto or supplemental thereto are satisfied and observed as soon as is practicable and thereafter remain satisfied and observed at all times; and
 - (iii) all of the closing conditions contained in the Transaction Documents and any agreements, instruments, certificates or other documents delivered by it pursuant thereto or supplemental thereto are met,

and otherwise refrain from doing all such acts and things that would result in any of the foregoing representations and warranties being untrue or incorrect, the foregoing covenants and conditions being unsatisfied or unobserved or the foregoing closing conditions unmet;
- (d) during the period commencing on the date hereof and ending on the completion of the distribution of the underlying securities issuable upon the exercise or deemed exercise of the Special Warrants, the Corporation will promptly comply, to the reasonable satisfaction of the Agent and the Agent's counsel, with the applicable securities laws with

respect to any material change, change, occurrence or event of the nature referred to in subsections 4.1(b) and (c) above;

- (e) during the period commencing on the date hereof and ending on the conclusion of the distribution of the underlying securities issuable upon the exercise or deemed exercise of the Special Warrants, the Corporation will comply with all applicable securities laws, including, without limitation, “NI 45-106 – Prospectus Exemptions” and “Form 45-106F2 – Offering Memorandum for Non-Qualifying Issuers”, with respect to the OM Offering and the Offering Memorandum, including, without limitation, the requirement of the Corporation to file certain documents with any of the securities commissions or any other securities regulatory authority in any jurisdiction;
- (f) during the period commencing on the date hereof and ending on the conclusion of the distribution of the underlying securities issuable upon the exercise or deemed exercise of the Special Warrants, the Corporation will promptly inform the Agent of the full particulars of any investigation of which it becomes aware by any of the securities commissions or any other securities regulatory authority in any jurisdiction, the Exchange or any other competent authority, into the activities or conduct of any of the directors or officers of the Corporation;
- (g) duly, punctually and faithfully fulfill all legal requirements to permit the creation, offering, sale, issuance and delivery of the Offered Securities in accordance with the Transaction Documents, including without limitation, compliance with all applicable securities legislation in respect of the conduct of the Offering and the distribution of the Offered Securities;
- (h) fully comply with the requirements of applicable securities legislation in the Offering Jurisdictions in relation to the offer, sale and distribution of the Special Warrants;
- (i) duly and punctually perform all the obligations to be performed by it under the Transaction Documents;
- (j) enter into and accept, no later than the Closing Date, Subscription Agreements with each Purchaser in the form as agreed to between the Corporation and the Agent and their respective counsel, subject to the Corporation’s right acting reasonably, to reject any Subscription Agreements;
- (k) accept no later than the Closing Date each duly executed Subscription Agreement provided that the acceptance of such Subscription Agreements would not be in breach of or contrary to applicable laws nor obligate the Corporation to prepare a disclosure document other than the Offering Memorandum;
- (l) fulfill its obligations with respect to the Special Warrants as set out in the Subscription Agreements, certificates evidencing the Special Warrants and the Special Warrant Indenture;
- (m) fulfill its obligations with respect to the Warrants as set out in the Subscription Agreements and certificates evidencing the Warrants;
- (n) fulfill its obligations with respect to the Agent’s Compensation Options as set out in the Subscription Agreements and certificates evidencing the Agent’s Compensation Options;

- (o) notify the Agent immediately if any event or circumstance occurs which results in a material adverse effect on the Corporation, the Transaction Documents or the Offering;
- (p) use its best efforts to satisfy the conditions for Closing set out herein;
- (q) as soon as reasonably practicable after the Closing, use commercially reasonable efforts to prepare and file with each of the securities regulatory authorities in the Offering Jurisdictions and obtain a receipt for, a preliminary prospectus and the Final Prospectus, qualifying the distribution of the Units underlying the Special Warrants, in compliance with applicable securities law, within 120 days from the Closing;
- (r) use commercially reasonable efforts to promptly resolve all comments received or deficiencies raised by the securities regulatory authorities and file and obtain receipts for the Final Prospectus in the Offering Jurisdictions as soon as reasonably practicable after such regulatory comments and deficiencies have been resolved; and
- (s) use the gross proceeds of the Offering consistent in all material respects with its stated use of proceeds in Schedule "C" – Term Sheet of the Subscription Agreements.

5. **Covenants of the Agent**

5.1 The Agent covenants to and with the Corporation that it will (and will use commercially reasonable efforts to cause the Selling Group to):

- (a) use its best efforts to solicit subscriptions for Special Warrants in the Offering Jurisdictions;
- (b) conduct activities in connection with the Offering in compliance with all applicable securities laws in the Offering Jurisdictions, the rules of the Investment Industry Regulatory Organization of Canada and all other laws in connection with the Offering applicable to the Agent and the Selling Group members in all material respects;
- (c) obtain from each Purchaser a completed and executed Subscription Agreement and all applicable undertakings, questionnaires, and other forms required under applicable securities laws in the Offering Jurisdictions provided that those such forms have been provided to the Agent prior to the execution of the respective Subscription Agreements for completion in connection with the distribution of the Special Warrants;
- (d) not solicit subscriptions for the Special Warrants except in accordance with the terms and conditions of the Transaction Documents;
- (e) in connection with the Offering, not make any representation or warranty with respect to the Special Warrants other than as set forth in, or provide any written material other than, the Transaction Documents;
- (f) not solicit, offer, sell, trade distribute or otherwise do any act in furtherance of a trade of the Special Warrants in such manner as to require the filing of a prospectus or similar document under the laws of any jurisdiction or to subject the Corporation to any continuous disclosure or other similar reporting requirements under the laws of any jurisdiction to which it is no currently subject;

- (g) provide the Corporation all reasonably necessary information in respect of the Agent (and will use its commercially reasonable efforts to provide to the Corporation all necessary information in respect of the Purchasers and the Selling Group members) to allow the Corporation to file reports of exempt distribution of the Special Warrants in accordance with the applicable securities laws within ten days of the Closing Date; and
- (h) not conduct any general solicitation or general advertising in connection with the Offering, including advertisements, notices, articles or other communications published in any newspaper, magazine or similar media, or broadcast over radio or television or electronically, other than a tombstone advertisement announcing the completion of the Offering.

6. Conditions of Closing

6.1 The completion of the Offering and the other transactions contemplated herein is subject to the following conditions for the benefit of the Agent:

- (a) all of the representations and warranties of the Corporation contained in the Transaction Documents and any agreements, instruments, certificates or other documents delivered by it pursuant thereto or supplemental thereto being true and accurate in all material respects as of the Closing Date with the same force and effect as if made as at the Time of Closing;
- (b) all of the covenants and conditions of the Corporation to be satisfied and observed prior to and as at the Time of Closing contained in the Transaction Documents and any agreements, instruments, certificates or other documents delivered by it pursuant thereto or supplemental thereto having been satisfied and observed by the Corporation prior to and as at the Time of Closing;
- (c) the Corporation having obtained all necessary corporate, regulatory and third-party approvals and consents to the Offering on such terms as are acceptable to the Agent, acting reasonably;
- (d) the Corporation having duly, punctually and faithfully fulfilled all legal requirements to permit the creation, offering, sale, issuance and delivery of each of the Offered Securities in accordance with the Transaction Documents, and all legal requirements otherwise required in connection with the Offering;
- (e) the Corporation having all necessary corporate power and authority and having taken all necessary corporate action to authorize and enter into, execute and deliver the Transaction Documents and perform its obligations thereunder, including but not limited to the issuance of each of the Offered Securities and the Corporation having duly and validly executed and delivered the Transaction Documents;
- (f) the Agent having received at Closing a favourable legal opinion of counsel to the Corporation (or such other law firm or firms reasonably acceptable to the Agent), addressed to the Agent, the Agent's counsel and each of the Purchasers, acceptable in all reasonable respects to the Agent's counsel, as to the following matters:
 - (i) the Corporation is a corporation duly continued under the laws of British Columbia, and is, with respect to its annual report filings with the British Columbia Registrar of Companies, in good standing;

- (ii) the Corporation has all requisite corporate power and authority to conduct the business now and as proposed to be conducted, and to own, lease and operate its properties and assets;
- (iii) the Corporation is registered or otherwise qualified to carry on business and to own, lease and operate its property and assets, and is in good standing, in each jurisdiction where it carries on business or owns, leases or operates its properties and assets;
- (iv) as to the authorized share capital and the issued and outstanding share capital of the Corporation;
- (v) the Corporation has full corporate power and authority, and has taken all necessary corporate action, to create, offer, sell, issue and deliver each of the Offered Securities and the Common Shares, the Warrant Shares and the ACO Shares, including such securities issued pursuant to the exercise of the Over-Allotment Option where any such exercise occurs, have been duly and validly authorized and issued as fully paid and non-assessable shares;
- (vi) the Corporation has full corporate power and authority, and has taken all necessary corporate action, to enter into, execute, deliver and perform its obligations under each of the Transaction Documents;
- (vii) each of the Transaction Documents has been duly and validly authorized, executed and delivered by the Corporation and constitute a legal, valid and binding obligation of the Corporation enforceable in accordance with their respective terms subject to such exceptions and limitations considered appropriate by counsel for the Corporation;
- (viii) the execution and delivery of each of the Transaction Documents and the performance of the transactions contemplated thereby do not and will not result in a breach of or default under, and do not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with, any of the terms, conditions or provisions of (i) the constating documents of the Corporation or resolutions; or (ii) to the best of counsel's knowledge, any laws applicable to the Corporation;
- (ix) the offering, sale, issuance and delivery of each of the Offered Securities to the Purchasers being exempt from the prospectus and registration requirements of the securities laws of the Offering Jurisdictions;
- (x) the form of certificate representing each of the Offered Securities has been approved and adopted by the directors of the Corporation and conform with all applicable corporate legislation and requirements;
- (xi) Odyssey Trust Company has been duly appointed as the Special Warrant Agent for the Special Warrants;
- (xii) the delivery such other confirmations, certificates, instruments and other documents as the Agent or its counsel may reasonably request, including but not limited to, unless waived, an undertaking regarding the title opinion in respect of the material properties of the Corporation; and

- (xiii) any additional matters requested by the Agent or the Agent's counsel, acting reasonably.

In giving the opinions contemplated above, counsel to the Corporation shall be entitled to rely, where appropriate, upon such opinions of local counsel that are in form and substance satisfactory to Agent's counsel, and shall be entitled to rely, as to matters of fact, upon the representations and warranties of Purchasers in the executed Subscription Agreements, the representations and warranties of the Agent in this Agreement, certificates and documents of public officials, and one or more Officers' Certificates of the Corporation in form and substance satisfactory to Agent's counsel acting reasonably;

- (g) the Agent having received an Officers' Certificate of the Corporation dated the Closing Date, signed by the Chief Executive Officer, Chief Financial Officer and such other officers or individuals acceptable to the Agent, certifying certain matters reasonably requested by the Agent including but not limited to, as applicable:
 - (i) all of the representations and warranties of the Corporation contained in the Transaction Documents, and any agreements, instruments, certificates or other documents delivered by it pursuant thereto or supplemental thereto were true and correct at all material times and are true and correct in all material respects at the Time of Closing;
 - (ii) all of the covenants and conditions to be satisfied and observed by the Corporation contained in the Transaction Documents and any agreements, instruments, certificates or other documents delivered by it pursuant thereto or supplemental thereto were satisfied and observed at all material times and are satisfied and observed at the Time of Closing;
 - (iii) since the date hereof, there has been no actual material adverse change in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Corporation;
 - (iv) there is no current or pending, or to the best of the officers' knowledge, contemplated or threatened, action, suit, inquiry, investigation or other proceeding to which the Corporation is subject or to which the properties or assets of the Corporation are subject that would result individually or in the aggregate in any material adverse change in or have a material adverse affect on (actual, anticipated, threatened, proposed or prospective, whether financial or otherwise), the assets, properties, liabilities, obligations, business, operations, affairs, prospects, results of operations or financial condition (absolute, accrued, contingent or otherwise), or the capital or control of the Corporation, the Transaction Documents and any action taken or to be taken thereunder;
 - (v) there is no inquiry or other investigation or proceeding regarding the Corporation or its directors, officers or promoters being instituted or pending or, to the knowledge of the Corporation, contemplated or threatened, by any regulatory authority having jurisdiction;
 - (vi) there is no order:
 - (A) ceasing, halting or suspending trading in any securities of the Corporation;

- (B) ceasing, halting or suspending trading in any securities by any one or more directors, officers or promoters of the Corporation; or
 - (C) prohibiting the offer, sale, issue or delivery of the Offered Securities, that has been issued, and no proceedings for such purpose being instituted or pending or, to the knowledge of the Corporation, contemplated or threatened, by any regulatory authority having jurisdiction;
- (vii) in addition, with respect to the officers' certificate for the Closing, as of the Closing Date, other than as disclosed in the Disclosure Record, the Offering Memorandum or disclosed to the Agent and its counsel:
- (A) the Corporation has not incurred nor accrued any material liabilities or obligations (actual, anticipated, contingent, proposed or threatened, whether financial or otherwise) nor entered into any transaction not in the ordinary course of the business;
 - (B) there has been no material change (actual, anticipated, contingent, proposed or threatened, whether financial or otherwise) in or affecting the assets, liabilities, obligations, results of operations or financial position, business, operations, affairs, prospects, condition, capital or control of the Corporation; or
 - (C) to the best of its knowledge and information, no event has occurred and there exists no state of facts that is required, under the applicable securities laws or the terms of this Agreement to be disclosed as required by the applicable laws,
- (viii) each of the Offering Memorandum and the Disclosure Record does not contain a "misrepresentation" as defined in the applicable securities legislation of the Offering Jurisdictions as at the date of such filing;
- (ix) the execution and delivery of the Transaction Documents and the performance of the transactions contemplated thereby do not and will not result in a breach of, and do not create a state of facts which, after notice, or lapse of time or both, will result in a breach of, and do not and will not conflict with, any of the terms, conditions or provisions of the constating documents or articles, of the Corporation or any written trust indenture, agreement, or instrument to which the Corporation is contractually bound as at the Time of Closing;
- (x) all of the closing conditions contained in the Transaction Documents and any agreements, instruments, certificates or other documents delivered by it pursuant thereto or supplemental thereto have been met at the Time of Closing; and
- (xi) any additional matters requested by the Agent or the Agent's counsel, acting reasonably.

7. **Closing**

7.1 The completion (the "**Closing**") of the purchase and sale of the Special Warrants and the other transactions contemplated herein shall be completed at the offices of counsel to the Corporation in

Vancouver, British Columbia, on such date (the “**Closing Date**”) and at such time (the “**Time of Closing**”) as may be mutually agreed upon by the Corporation and the Agent. The Offering may be completed on multiple tranche closings dates and, for the purposes of this Agreement, the date and time of any partial closing shall be the “Closing Date” and “Time of Closing” and each such partial closing shall be considered to be a “Closing” with respect to the Special Warrants issued thereat.

7.2 At the Closing, the Agent, on behalf of the Purchasers, will deliver to the Corporation’s counsel, a bank draft, certified cheque or wire transfer payable to the Corporation in an amount representing the aggregate subscription price for the Special Warrants subscribed for hereunder less the Agent’s Commission, Agent’s Fees, and the Agent’s reasonable out-of-pocket expenses.

7.3 At the Closing, the Corporation shall deliver to the Agent:

- (a) certified copies of all directors’ resolutions of the Corporation with respect to the Offering;
- (b) copies of all regulatory and third-party approval and consents as may be requested by the Agent;
- (c) certified copies of constating documents of the Corporation;
- (d) copies of the Transaction Documents, duly executed by the Corporation and other required signatories (as applicable);
- (e) the Lock-Up Agreements (as defined herein) duly exercised in accordance with Section 14 hereof;
- (f) the certificates or confirmations of electronic deposit representing the Special Warrants subscribed for, in such amounts and registrations requested by the Agent in accordance with the Special Warrant Indenture;
- (g) the certificates or confirmations of electronic deposit representing the Agent’s Compensation Options in such amounts and registrations requested by the Agent;
- (h) the requisite legal opinions and officers’ certificates contemplated herein;
- (i) copies of approvals and other documents as may have been reasonably requested by the Agent on behalf of the Purchasers in connection with the Offering; and
- (j) such further documentation as may be contemplated herein or as may be requested by the Agent or the Agent’s counsel.

8. Expenses

8.1 Whether or not Closing occurs, the Corporation shall pay all costs, fees and expenses of or incidental to this Agreement and the matters contemplated herein, and the performance thereof, including, but not limited to:

- (a) the cost of preparing, printing and processing the Subscription Agreements and this Agreement;

- (b) the cost of preparing, printing and filing all securities filings required in connection with the Offering; and
- (c) the Agent's reasonable out-of-pocket costs and expenses (including the fees of Agent's counsel, which legal fees shall not exceed \$50,000 plus disbursements and taxes without the prior written consent of the Corporation).

8.2 Any amounts payable to the Agent pursuant to the provisions of section 8.1 hereof shall be paid by the Corporation from time to time upon receipt an invoice therefor from the Agent.

9. Indemnities

9.1 The Corporation hereby covenants and agrees to protect, indemnify and hold harmless the Agent and its directors, officers, employees, solicitors and agents (each being individually, an "**Indemnified Party**" and, collectively, the "**Indemnified Parties**") from and against all losses, claims, costs, damages or liabilities which they may suffer or incur caused by or arising directly or indirectly by reason of:

- (a) any information or statement (except any information or statement relating solely to and supplied by the Agent) contained in the Offering Memorandum or the Disclosure Record being or being alleged to be a misrepresentation;
- (b) the omission to state in the Offering Memorandum or the Disclosure Record a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which it was made (except the omission to state a material fact relating solely to the Agent);
- (c) the Corporation not complying with any requirement of any securities legislation or regulatory requirements in connection with the Offering;
- (d) any order made or any inquiry, investigation or proceeding commenced or threatened by any regulatory authority based upon an allegation that any untrue statement or alleged omission or any misrepresentation or alleged misrepresentation in the Offering Memorandum or the Disclosure Record exists (except information and statements relating solely to the Agent) which prevents or restricts the trading in or distribution of Offered Securities;
- (e) the Corporation's failure to comply with any of its obligations hereunder including any breach of or default under any representation, warranty, covenant or agreement of the Corporation in any of the Transaction Documents; or
- (f) any untrue statements in or omissions from any public disclosure documentation supplied by the Corporation and relied upon by the Agent in the performance of its duties,

or otherwise by reason of the performance of professional services rendered by an Indemnified Party to the Corporation, always provided that this indemnity shall not apply to a particular Indemnified Party to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that (i) said particular Indemnified Party has been grossly negligent or exercised bad faith in the course of such performance, and (ii) the expenses, losses, claims, costs, damages or liabilities, as to which indemnification is claimed, were directly caused by the gross negligence or bad faith conduct referred to in (i).

9.2 If any action or claim shall be asserted against an Indemnified Party in respect of which indemnity may be sought from the Corporation pursuant to the provisions hereof, or if any potential claim contemplated by this section shall come to the knowledge of an Indemnified Party, the Indemnified Party shall promptly notify the Corporation as applicable in writing of the nature of such action or claim (provided that any failure to so notify shall not affect the Corporation's liability under this paragraph unless such delay has prejudiced the defense to such claim). The Corporation shall assume the defense thereof at its expense, provided, however that the defense shall be through legal counsel acceptable to the Indemnified Party, acting reasonably. In addition, the Indemnified Party shall also have the right to employ separate counsel in any such action and participate in the defense thereof, and the fees and expense of such counsel shall be borne by the Corporation if:

- (a) the Indemnified Party has been advised by counsel, acting reasonably, that representation of the Corporation and the Indemnified Party by the same counsel would be inappropriate due to actual or potential differing interests between them; or
- (b) the Corporation has failed within a reasonable time after receipt of such written notice to assume the defense of such action or claim.

9.3 It is understood and agreed that neither party shall effect any settlement of any such action or claim or make any admission of liability without the written consent of the other party, such consent not to be unreasonably withheld or delayed. The indemnities hereby provided for shall remain in full force and effect and shall not be limited to or affected by any other indemnity in respect of any matters specified in this section obtained by the Indemnified Party from any other person.

9.4 To the extent that any Indemnified Party is not a party to this Agreement, the Agent or the Corporation, as the case may be, shall obtain and hold the right and benefit of this section in trust for and on behalf of such Indemnified Party.

9.5 The Corporation hereby consents to personal jurisdiction and service and venue in any court in which any claim which is subject to indemnification hereunder is brought against the Agent or any Indemnified Party and to the assignment of the benefit of this section to any Indemnified Party for the purpose of enforcement.

9.6 The Agent hereby consents to personal jurisdiction and service and venue in any court in which any claim which is subject to indemnification hereunder is brought against the Corporation or any Indemnified Party and to the assignment of the benefit of this section to any Indemnified party for the purpose of enforcement.

10. Contribution

10.1 In the event that, for any reason, other than the occurrence of any of the events itemized in (a) and (b) of section 9.1, any indemnity provided for in section 9 hereof is illegal or unenforceable, the Agent and the Corporation shall contribute to the aggregate of all losses, claims, costs, damages, expenses or liabilities of the nature provided for in section 9 such that the Agent shall be responsible for that portion represented by the percentage that the Agent's Commission bears to the gross proceeds from the Offering and the Corporation shall be responsible for the balance. Notwithstanding the foregoing, a person guilty of fraudulent misrepresentation shall not be entitled to contribution from any other party. Any party entitled to contribution will, promptly after receiving notice of commencement of any claim, action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this section, notify such party or parties from whom contribution may be sought. In no case shall such party from whom contribution may be sought be liable under this section 10 unless such notice shall have been provided, but the omission to so notify such party shall not

relieve the party from whom contribution may be sought from any other obligation it may have otherwise than under this section. The right to contribution provided in this section shall be in addition to, and not in derogation of, any other right to contribution which the Agent or the Corporation may have by statute or otherwise by law.

11. Termination Rights

11.1 The Agent shall be entitled, at its option, to terminate all of its obligations under this Agreement, and the obligations of any Purchaser under the Subscription Agreement, by notice to that effect delivered to the Corporation at any time prior to the Closing in the event that:

- (a) the Agent acting reasonably is not satisfied with the results of its due diligence investigations;
- (b) the Agent determines in its sole discretion that any of the material representations or warranties made by the Corporation herein, is or has become false or misleading;
- (c) any of the Corporation is in default under, breach of or fails to comply with, any material term, condition or provision of this Agreement;
- (d) there should develop, occur or come into effect, any catastrophe of national or international consequence or any governmental act, law or regulation, inquiry or other occurrence of any nature whatsoever which, in the sole opinion of the Agent acting reasonably, seriously affects or may seriously affect the financial markets or the business of the Corporation;
- (e) there shall occur or come into effect any event, circumstance or condition which in the sole opinion of the Agent acting reasonably constitutes a material change (actual, proposed or prospective, financial or otherwise) in the properties, assets, liabilities, obligations, business, affairs, operations, condition (financial or otherwise) or prospects of the Corporation (absolute, accrued, contingent or otherwise) which would reasonably be expected to have a material adverse effect on the business of the Corporation or the market price or value of the common shares of the Corporation ;
- (f) there is an inquiry, investigation or other proceeding (whether formal or informal) by any securities regulatory authority in relation to the Corporation or any of the Corporation's directors, officers, promoters or other insiders which, in the sole opinion of the Agent acting reasonably, could reasonably be expected to have a material adverse effect on the marketability of the Special Warrants under the Offering;
- (g) any order to cease trading in the securities of the Corporation is made by a securities regulatory authority and that order is still in effect; or
- (h) in the sole opinion of the Agent acting reasonably, the Special Warrants cannot be profitably marketed or that it is not in the interest of the Purchasers to complete the purchase and sale of the Special Warrants.

11.2 If the Agent terminates this Agreement pursuant to this section 11, there shall be no further liability on the part of the Agent or the Purchasers pursuant to this Agreement or the Subscription Agreements or otherwise in respect of the Offering. Notwithstanding termination of this Agreement pursuant to this section, the provisions of sections 8, 9, and 10 shall survive such termination. The right of the Agent to terminate its obligations under this Agreement is in addition to such other remedies as it may

have or have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement.

12. Breach of Agreement

12.1 The Agent or the Corporation, as applicable, may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other terms and conditions or any other or subsequent breach or non-compliance provided, however, that any waiver or extension must be in writing and signed by the non-breaching party in order to be binding upon it.

13. Alternative Business Transaction

13.1 If the Offering is not completed as a result of the Corporation's decision to pursue an alternative business transaction on or before the date that is six (6) months from the termination of this Agreement by any party pursuant to section 11 of this Agreement, this Agreement shall terminate, and the Corporation shall pay the Agent's costs and expenses incurred to that date. An alternative business transaction includes without any limitation any equity or debt financing, merger, amalgamation, arrangement, business combination, take-over bid, insider bid, issuer bid, reorganization, joint venture, sale or exchange of, all of, or substantially all of the assets, securities or common shares of the Corporation or any similar transaction involving the Corporation with any arms' length party. For greater certainty, in the event that the Agent avails itself of the right of termination set out in Section 11 of this Agreement, the Corporation will be free to pursue other methods of financing, but will be obligated to pay the costs and expenses payable to the Agent pursuant to the provisions of Section 8 of this Agreement.

14. Share Restrictions; Lock-up Agreements

14.1 Except for the Offering, the Corporation agrees for a period, commencing from the date of the execution of this letter agreement to thirty (30) days following the Qualification Date, without the prior written consent of the Agent, not to offer, sell or issue, or negotiate or enter into any agreement to offer, to sell or issue, any securities of the Corporation or make any announcement with respect to the foregoing, excluding: (i) any issuance of securities pursuant to the exercise or conversion, as the case may be, of convertible securities of the Corporation outstanding on the date hereof; (ii) grants of rights and options under a stock option plan of the Corporation; (iii) the occurrence of a take-over bid or similar transaction involving a change of control of the Corporation; and (iv) any issuance of securities in arm's length acquisitions.

14.2 Except for any equity securities which may be issued from time to time as agreed to in employee compensation agreements, the Corporation agrees not to offer, nor to announce the offering of, nor to make any agreement to issue any additional equity or debt securities or securities convertible or exercisable into equity or debt securities of the Corporation for a period commencing on the date hereof and 120 days following Closing, without the prior written consent of the Agent, such consent not to be unreasonably withheld.

15. The Corporation undertakes to cause the directors, senior officers and insiders of the Corporation, to enter into agreements in favour of the Agent in which they will covenant and agree that they will not, for a period of 120 days following Closing, directly or indirectly, offer, sell, contract to sell, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, or publicly announce any intention to offer, sell, contract to sell, grant or sell any option to purchase, hypothecate, pledge, transfer, assign, purchase any option or contract to sell, lend, swap or enter into any agreement to transfer the economic consequences of, or otherwise dispose of or deal with, whether through the facilities of a stock exchange, by private placement or otherwise, securities of the Corporation held by them, directly or indirectly, without prior consent of the Agent, which consent will not be unreasonably withheld or delayed, provided that the Agent's consent shall not be required in connection with (i) the exercise of previously issued options or other convertible securities; (ii) transfers among a shareholder's affiliates for tax or other planning purposes; or (iii) a tender or sale by a shareholder of securities of the Corporation in or pursuant to a take-over bid or similar transaction involving a change of control of the Corporation (the "**Lock-Up Agreements**").

16. Notices

16.1 Any notice under this Agreement shall be given in writing and either delivered, faxed or emailed to the party to receive such notice at the address, fax numbers or email address indicated below:

(a) To the Corporation:

Tactical Resources Corp.
[REDACTED]

[REDACTED]

Attention: [REDACTED]

Email: [REDACTED]

With a copy to the Corporation's counsel:

Cassels, Brock & Blackwell LLP
[REDACTED]

Attention: [REDACTED]

Email: [REDACTED]

(b) To the Agent:

Research Capital Corporation
[REDACTED]

Attention: [REDACTED]

Email: [REDACTED]

With a copy to the Agent's counsel:

Vantage Law Corporation
 [REDACTED]
 [REDACTED]

Attention: [REDACTED]

Email: [REDACTED]

or such other address or fax number as such party may hereafter designate by notice in writing to the other party. If a notice is delivered, it shall be effective from the date of delivery; if such notice is faxed or emailed (with receipt confirmed), it shall be effective on the business day following the date such notice is faxed or emailed.

17. Survival

17.1 All representations, warranties, and agreements of the Corporation contained herein or contained in any document submitted pursuant to this Agreement or in connection with the purchase of the Special Warrants shall survive the purchase of the Special Warrants by the Purchasers 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 Special Warrants or otherwise, and shall continue in full force and effect unaffected by any subsequent disposition of the Special Warrants.

18. Time of the Essence

18.1 Time shall, in all respects, be of the essence hereof.

19. Entire Agreement

19.1 The provisions herein contained constitute the entire agreement between the parties hereto and supersede all previous communications, representations, understandings and agreements between the parties with respect to the subject matter hereof, whether oral or written, including without limitation, the engagement letter dated March 12, 2021.

20. Further Assurances

20.1 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.

21. Severability

21.1 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.

22. Successors and Assigns

22.1 The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Corporation and the Agent and their respective successors and permitted assigns, provided that, except as herein provided, this Agreement shall not be assignable by any party without the written consent of the others.

23. Governing Law

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

24. Headings

24.1 The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

25. Singular and Plural, etc.

25.1 Where the context so requires, words importing the singular number include plural and vice versa, words importing individuals include corporations, societies, partnerships, trusts and other artificial constructs and vice versa; words importing gender include the opposite and neuter gender; words importing a particular form of artificial construct include all other forms of artificial constructs interchangeably.

26. Counterparts

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

27. Effective Date

27.1 This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding the actual date of execution or delivery.

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

RESEARCH CAPITAL CORPORATION

Per: /s/ "Jovan Stupar"
Authorized Signatory

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

TACTICAL RESOURCES CORP.

Per: /s/ "Alnesh Mohan"
Authorized Signatory

SCHEDULE "A"

SHARES ALLOCATED AND RESERVED FOR ISSUANCE

As at the date of this Agreement, the Corporation has 23,800,000 common share purchase warrants outstanding, with (i) 9,991,970 warrants being exercisable for one common share in the capital of the Corporation at an exercise price of \$0.20 until April 16, 2023 and (ii) 13,800,000 warrants being exercisable for one common share in the capital of the Corporation at an exercise price of \$0.10 until August 3, 2022.