

## SUBSCRIPTION FOR FLOW-THROUGH SHARES

TO: [NAME OF ISSUER] (the "Issuer")

1. The undersigned hereby irrevocably subscribes for and agrees to purchase \_\_\_\_\_ flow-through common shares (the "Flow-Through Shares") of the Issuer for an aggregate consideration of \$\_\_\_\_\_ (the "Subscription Amount"), representing a subscription price of \$\_\_\_\_\_ per Flow-Through Share.
2. The undersigned acknowledges that this subscription is subject to acceptance by the Issuer and that the agreement arising out of the acceptance of this subscription by the Issuer is subject to conditions contained in the Agreement.
3. The undersigned acknowledges that the Flow-Through Shares are part of an offering of \_\_\_\_\_ Flow-Through Shares.
4. The issuer covenants to incur expenditures (the "Expenditures") which will qualify as Canadian exploration expense ("CEE") as described in paragraphs (a) and (d) of the definition of CEE contained in subsection 66.1(6) of the *Income Tax Act (Canada)* (the "Act") or Canadian development expenses (CDE) contained in subsection 66.2(5) of the Act, during the period commencing on the day on which this Subscription Agreement has been executed by the Subscriber and the Issuer (the "Commencement Date") and ending twenty-four (24) months after the end of the month that includes the Commencement Date in an amount not less than the Subscription Amount and of such a nature that, after taking into account:
  - (a) all assistance (as defined in subsection 66(15) of the Act) that the Issuer has received, is entitled to receive, or may reasonably be expected to receive at any time, and that may reasonably be related to those expenses or to the activities to which those expenses relate;
  - (b) any of those expenses that are "Canadian exploration and development overhead expenses" as defined in the regulations to the Act;
  - (c) any other renunciation with the same or earlier effective date made or to be made by the Issuer; and
  - (d) the amount of the cumulative CEE and cumulative CDE of the Issuer at each relevant effective date,
5. The Issuer will be able to renounce to the Subscriber CEE and CDE in an amount equal to the Subscription Amount, not subject to any reduction under subsection 66(12.73) of the Act.
6. The Issuer covenants to use its best efforts to incur CEE or CDE on or before \_\_\_\_\_ (the "Cut-off Date") in an amount equal to the total Subscription Amount provided that, without in any way relieving the Issuer of the foregoing obligations, the Subscriber will have no recourse against the Issuer for a failure to incur CEE or CDE equal to the total Subscription Amount by \_\_\_\_\_.

7. The Issuer represents and warrants to the Subscriber that:
- (a) the Issuer has no reason to believe that it will not incur the Expenditures equal to the total Subscription Amount on or before the Cut-off Date;
  - (b) the Issuer is and will continue to be during the term of this Agreement and at all times which are relevant for the purpose of the Agreement, a “principal-business corporation” within the meaning of paragraph 66(15) of the Act;
  - (c) each of the Flow-Through Shares to be issued to the Subscriber pursuant to the exercise of the Flow-Through Shares issued pursuant to this Agreement is a “flow-through share” within the meaning of subsection 66(15) of the Act and is not a “prescribed share” within the meaning of Regulation 6202.1 of the Regulations to the Act;
  - (d) the issue of the Flow-Through Shares will, at the time of their delivery to the Subscriber, have been approved by all requisite corporate action and the Flow-Through Shares shall have been validly issued as fully paid and non-assessable;

**THIS IS A 5-PAGE FORM.**