

SUBSCRIPTION FOR FLOW-THROUGH SHARES

TO: (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;
 - (e) it will not claim as CEE or CDE under the Act or under any provincial income tax legislation any amount in respect of Expenditures incurred by it which would result in an impairment, in whole or in part, in the Issuer’s ability to make the renunciations provided for herein;
 - (f) it will not make any renunciation other than pursuant hereto which would result in the Issuer being incapable of making any renunciation provided for herein or in any renunciation made pursuant hereto being rendered ineffective in whole or in part; and
 - (g) the Issuer, and any corporation associated with the Issuer for the purposes of subparagraph 66(12.602)(2)(ii) of the Act (referred to herein as “Associated Corporations”) have not and will not enter into any Flow-Through share agreements which will, in aggregate (including this Agreement), require the Issuer together with any Associated Corporations to, in any given calendar year, incur CDE for the purpose of renunciation pursuant to subsection 66(12.601) of the Act in excess of the limit prescribed in paragraph 66(12.602)(c) of the Act (currently \$2,000,000.00).
8. The Issuer will, before _____, take all necessary steps to renounce in favour of the Subscriber, to the maximum extent possible and with an effective date of not later than _____ in accordance with subsections 66(12.601), 66(12.6) and 66(12.66) of the Act, the amount of Expenditures incurred by it on or before the Cut-off Date. Where a portion of the Expenditures are incurred by the Issuer after _____ but within the maximum period allowed in paragraph IV hereof, the Issuer will take all necessary steps to renounce in favour of the Subscriber the amount of such Expenditures incurred by it effective no later than December 31 of the year in which such Expenditures are incurred. The amount of Expenditures renounced to the Subscriber shall not in any case exceed, or be less than, the total Subscription Amount. The Issuer will forward to the Subscriber the information required for completing the Subscriber’s income tax return relating to the Subscriber’s _____ taxation year no later than _____ and in the case of Expenditures incurred after the Cut-off Date, will forward such information no later than March 31 of the year following the year containing the effective date on which the Expenditures are renounced.