

AMENDED AND RESTATED AGENCY AGREEMENT

(Capital Pool Company)

MEMORANDUM OF AGREEMENT initially made effective the 8th day of February, 2022, and amended and restated on this 7th day of April, 2022.

AMONG:

ST CHARLES RESOURCES INC., a corporation incorporated under the laws of the Province of Ontario (the "**Corporation**")

- and -

IA PRIVATE WEALTH INC., a corporation incorporated under the federal laws of Canada (the "**Agent**")

WHEREAS:

- A. The Corporation wishes to raise funds for the purposes described in the Prospectus (as defined herein) by offering for sale the Offered Shares (as defined herein) at the Share Price (as defined herein) (the "**Offering**");
- B. The Corporation has agreed to file the Prospectus in accordance with the Securities Legislation (as defined herein) in order to qualify the distribution of the Offered Shares, Directors' and Officers' Options and the Agent's Option in the Offering Jurisdictions (as defined herein);
- C. Pursuant to an agency agreement dated effective February 8, 2022 between the Corporation and the Agent (the "**Original Agency Agreement**"), the Corporation agreed to retain the Agent, and the Agent agreed to act as agent of the Corporation to solicit subscriptions for the Offered Shares on a best-efforts agency basis, subject to the terms and conditions therein; and
- D. Subsequent to entering into the Original Agency Agreement, the Corporation and the Agent desire to amend and restate the terms of the Original Agency Agreement, in its entirety, by entering into this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that for and in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

- 1.1 For the purposes of this Agreement and any amendments hereto the following words and phrases shall have the following meanings:
 - (a) "**Agent's Commission**" shall have the meaning set forth in subsection 2.3(c) hereof;
 - (b) "**Agent's Expenses**" shall have the meaning set forth in subsection 2.3(b) hereof;

- (c) "**Agent's Option**" shall have the meaning set forth in subsection 2.4(a) hereof;
- (d) "**Agent's Option Certificate**" shall have the meaning set forth in subsection 2.4(a) hereof;
- (e) "**Agent's Shares**" means the Common Shares issued to the Agent upon exercise of the Agent's Option;
- (f) "**Agreement**" means this agreement, the recitals, the schedules attached hereto and any amendments;
- (g) "**Business Day**" means a day other than a Saturday, Sunday or other than a day when banks in the City of Toronto are not generally open for business;
- (h) "**Closing**" means the completion of the transactions contemplated by this Agreement on the Closing Date, provided that no Closing may occur until the Total Subscription has been achieved, as herein provided;
- (i) "**Closing Date**" means the date upon which Closing occurs, which date shall be agreed to between the Corporation and the Agent and shall not be more than 90 days from the date of the issuance of a receipt for the Prospectus by the Commissions, or such other date as the parties hereto may agree and Securities Legislation may allow;
- (j) "**Commissions**" means the Alberta Securities Commission, the British Columbia Securities Commission, the Ontario Securities Commission, and the Financial and Consumer Affairs Authority of Saskatchewan;
- (k) "**Common Share**" or "**Common Shares**" means a common share or the common shares in the capital of the Corporation;
- (l) "**CPC Policy**" means Policy 2.4 of the Exchange's Corporate Finance Manual and shall include all orders, policies, rules, instruments, regulations, by-laws and procedures of the Commissions and the Exchange which govern offerings by capital pool companies, as amended from time to time;
- (m) "**Directors' and Officers' Options**" means the options to be granted to directors and officers of the Corporation entitling the holders to purchase an aggregate of between 1,236,000 Common Shares in the case of a Minimum Offering and up to 2,736,000 Common Shares in the case of a Maximum Offering, at a price of \$0.10 per share for a period of five (5) years from the date of listing on the Exchange;
- (n) "**Exchange**" means the TSX Venture Exchange Inc.;
- (o) "**Maximum Subscription**" means subscriptions for an aggregate of 20,000,000 Common Shares on or before the Closing Date as more fully described in the Prospectus;
- (p) "**Minimum Subscription**" means subscriptions for an aggregate of 5,000,000 Common Shares on or before the Closing Date as more fully described in the Prospectus;
- (q) "**Misrepresentation**" has the meaning ascribed thereto by the Securities Legislation;

- (r) **"Offered Shares"** means a minimum of 5,000,000 Common Shares up to a maximum 20,000,000 Common Shares offered for sale by the Corporation at a price of \$0.10 per Common Share for aggregate gross proceeds between \$500,000 and \$2,000,000;
- (s) **"Offering"** means the offer by the Corporation to sell a minimum of 5,000,000 Common Shares and up to a maximum of 20,000,000 Common Shares as contemplated by the Prospectus and this Agreement;
- (t) **"Offering Jurisdictions"** means the Provinces of Alberta, Ontario, British Columbia, and Saskatchewan;
- (u) **"Original Agency Agreement"** has the meaning ascribed thereto in the recitals hereof;
- (v) **"Preliminary Prospectus"** means the preliminary prospectus of the Corporation dated November 29, 2021 and any amendments thereto approved, signed and certified in accordance with the Securities Legislation, qualifying the distribution of the Offered Shares, Agent's Option and Directors' and Officers' Options, and filed with the Commissions and the Exchange;
- (w) **"Prospectus"** means the (final) prospectus of the Corporation approved, signed and certified in accordance with the Securities Legislation, qualifying the distribution of the Offered Shares, Agent's Option and Directors' and Officers' Options, and filed with the Commissions and the Exchange, dated February 8, 2022, and the amended and restated prospectus dated April 7, 2022, and any amendments thereto;
- (x) **"Qualifying Transaction"** has the meaning ascribed thereto in subsection 6.1(f) hereof;
- (y) **"Securities Legislation"** means the *Securities Act* (Alberta), the *Securities Act* (Ontario), the *Securities Act* (British Columbia), the *Securities Act* (Saskatchewan), the respective rules and regulations thereto, and the policy statements, rules, notices and blanket orders of the Commissions, the national instruments, the multilateral instruments, the national policy statements and uniform act policies applied by the Commissions, and the policies, bulletins and by-laws of the Exchange, as amended from time to time;
- (z) **"Share Price"** means \$0.10 per Offered Share;
- (aa) **"Subscriber"** or **"Subscribers"** means a person or those persons who subscribe for the Offered Shares through the Agent or such other registrants retained by the Agent as sub-agents to sell subscriptions in conjunction with the Agent;
- (bb) **"Subscription Funds"** means all funds received with respect to all Successful Subscriptions in accordance with the terms and provisions of this Agreement;
- (cc) **"Successful Subscription"** means a subscription for Offered Shares by a Subscriber which subscription has been accepted by the Corporation and the Agent;
- (dd) **"Time of Closing"** means 10:00 a.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as the Corporation and the Agent may agree upon;
- (ee) **"Total Subscription"** means all of the Successful Subscriptions for all of the Offered Shares; and

- (ff) **"Transfer Agent"** means TSX Trust Company.
- 1.2 For the purposes of this Agreement, all references to "Dollars" or "\$" shall mean Canadian funds, unless otherwise specified.
- 1.3 The headings of the Sections and Articles of this Agreement are inserted for convenience of reference only and shall not in any manner affect the construction or meaning of anything herein contained or govern the rights or liabilities of the parties hereto.
- 1.4 Words importing the singular number only shall include the plural and vice versa and words of gender shall entail all genders and words importing persons shall include companies, corporations, partnerships, syndicates, trusts and any number or aggregate of persons.

ARTICLE 2 APPOINTMENT AND REMUNERATION OF AGENT

- 2.1 Subject to the terms hereof, the Corporation hereby appoints the Agent as its sole and exclusive agent and the Agent hereby agrees to act as the sole and exclusive agent of the Corporation to assist in soliciting subscriptions for the Offered Shares pursuant to the Securities Legislation.
- 2.2 The Agent agrees to use its best efforts to sell the Offered Shares, but the Corporation understands and agrees that the Agent is acting as agent only and is under no obligation to purchase any of the Offered Shares. The Agent may retain other registrants to act as sub-agents to solicit subscriptions for the Offered Shares at no additional cost to the Corporation provided any compensation paid or payable to such sub-agents shall be solely for the account of the Agent. The Agent shall be under no liability for any failure to sell any or all of the Offered Shares or to engage sub-agents.
- 2.3 The Corporation:
- (a) shall pay to the Agent, in consideration for the services to be performed by the Agent hereunder, a non-refundable corporate finance fee of \$12,500 plus applicable taxes (the "**Agent's Fee**"), which has been paid by the Corporation to the Agent (receipt of which is hereby acknowledged by the Agent);
 - (b) shall further pay or reimburse to the Agent, in consideration for the services to be performed by it hereunder, the Agent's expenses related to the Offering including, but not limited to, the reasonable fees, charges and expenses of the Agent's counsel up to \$20,000, plus applicable taxes and disbursements (the "**Agent's Expenses**"), for which a deposit in the amount of \$10,000 has been advanced to the Agent (the "**Expense Deposit**"), receipt of which is hereby acknowledged by the Agent; and
 - (c) shall further pay to the Agent, in consideration for the services to be performed by it hereunder, a commission in the amount of ten (10%) percent of the Subscription Funds (the "**Agent's Commission**"). The Agent's Commission shall be paid at the Time of Closing by the Agent deducting such amount from the Subscription Funds.
- 2.4 Provided that the Minimum Subscription is achieved:
- (a) the Corporation will grant to the Agent and its designated sub-agents, if any, at the time of Closing an irrevocable, non-transferrable option to purchase that number of Common Shares as is equal to ten (10%) percent of the total number of Offered Shares sold hereunder

at the Share Price (the "**Agent's Option**") on the terms and conditions contained in the form of Agent's Option Certificate annexed hereto as Schedule A (the "**Agent's Option Certificate**"). The Agent's Option shall be qualified under and be distributed pursuant to the Prospectus;

- (b) the Agent shall at the Time of Closing be entitled to apply the Expense Deposit against the Agent's Expenses, and, if the Agent's Expenses exceed the Expense Deposit, to, at the Time of Closing, deduct from the Subscription Funds the amount of the shortfall, and, if the Agent's Expenses are lower than the Expense Deposit, to refund the difference to the Corporation;
- (c) the Corporation may ask for a reasonably detailed list of the Agent's Expenses as noted in Section 2.3(b) above and the Agent shall provide such list within a reasonable amount of time; and
- (d) the Agent shall at the Time of Closing become entitled to deduct the Agent's Commission from the Subscription Funds.

2.5 In the event the Minimum Subscription is not achieved and the Offering is not completed the Agent shall apply the Expense Deposit against the Agent's Expenses, plus applicable taxes and disbursements. If the Agent's Expenses, plus applicable taxes and disbursements, are less than the Expense Deposit, any amount of the Expense Deposit remaining shall be returned to the Corporation by the Agent. If the Agent's Expenses, plus applicable taxes and disbursements are more than the Expense Deposit, any amount of such shortfall shall be payable by the Corporation to the Agent.

2.6 The Corporation hereby grants to the Agent the exclusive right and opportunity:

- (a) to act as lead agent and sole book runner (in respect of a best efforts offering) or underwriter (in respect of an underwritten or bought deal offering), as the case may be, with respect to any offering of equity or debt of the Corporation by private placement or public offering, on competitive terms; and
- (b) the right to act (i) as the exclusive Sponsor for the Corporation's Qualifying Transaction (as the terms "Sponsor" and "Qualifying Transaction" are defined in the Exchange's Corporate Finance Manual Policy 1.1 and the CPC Policy, respectively); or, (ii) as the exclusive advisor or agent with respect to a transaction undertaken pursuant to Section 3.4(a)(ii)(B) of the Exchange's Corporate Finance Manual Policy 2.2 in connection with a Qualifying Transaction in which the Corporation would seek to obtain an exemption from the Exchange's sponsorship requirements.

provided that:

- (c) in the event that the Corporation intends to proceed with any such issuance or has received a proposal for any such issuance, the Corporation shall provide to the Agent notice of the proposed terms thereof (including the fees and/or commissions payable to that agent) (the "**Notice**") and the Agent shall have an opportunity to respond to the Corporation within five (5) Business Days of receiving the Notice that it is desirous of acting as agent or sponsor, or participating as the case may be, in such offering on behalf of the Corporation on the terms and conditions contained therein. Failure to respond within five (5) Business Days shall deem the Agent to have declined its option under this Agreement;

- (d) the Notice shall contain the terms and conditions pursuant to which the broker or dealer has proposed to act as the Corporation's Sponsor for a Qualifying Transaction and/or the Corporation's agent or underwriter, including the consideration to be received by such broker or dealer for its services and the consideration to be received by the Corporation for its securities and shall include copies of the engagement letter, if any, provided by the broker or dealer and any other information that the Agent may reasonably request; and
- (e) if the Agent declines, in writing, or fails to exercise such right, the Corporation may proceed with such offering through another agent or underwriter, provided an engagement agreement or letter of intent with such agent or underwriter is entered into within thirty (30) days thereafter.

The right of first refusal granted by this Section 2.6 will not terminate if the Agent declines or fails to exercise such right, and will only terminate on the date that is the earlier of: (i) 24 months following the Closing Date, and (ii) the closing of the Corporation's Qualifying Transaction.

- 2.7 Notwithstanding Section 2.6, the Agent acknowledges and agrees that if the Corporation issues any securities to which the provisions of Section 2.6 apply, but it does not retain or utilize a registered dealer as agent therefore, the Agent shall not be entitled to the right of first refusal herein described unless any of the subscribers to the issuance of such securities is a subscriber or beneficial purchaser of any of the Offered Shares.

ARTICLE 3 SUBSCRIPTIONS

- 3.1 The Corporation will:
- (a) at such time as Successful Subscriptions for the Minimum Subscription have been received; or
 - (b) at 5:00 p.m. (Toronto time) on the day that is ninety (90) days from the date of the issuance or deemed issuance of the receipt for the Prospectus by the Commissions, or such other date as the parties hereto may agree and Securities Legislation may allow;

whichever shall first occur, close the subscription books and thereafter shall not receive any further subscriptions for the Offered Shares.

- 3.2 Subscribers may subscribe for Offered Shares by delivering to the Agent, or any sub-agent retained pursuant to Section 2.2 hereof, on or prior to the Closing Date:
- (a) payment for the aggregate subscription price in respect of the Offered Shares being subscribed for, in a manner acceptable to the Agent; and
 - (b) such documents, certificates and forms as, in the opinion of the Agent, may be required.

ARTICLE 4 THE SUBSCRIPTION FUNDS

- 4.1 The Agent will hold until delivered to the Corporation, the Subscription Funds in trust for the Subscribers pursuant to the terms of this Agreement, and Subscription Funds shall be dealt with by the Agent as provided in Article 4 and Article 5 hereof.

ARTICLE 5
RELEASE OF SUBSCRIPTION FUNDS

- 5.1 The Agent shall not at any time deliver any Subscription Funds received by it to the Corporation until the Minimum Subscription has been achieved and it has received at Closing a written direction from the Corporation requesting the delivery of Subscription Funds to the Corporation or as directed.
- 5.2 Upon receiving the direction referred to in Section 5.1 hereof, subject to Section 5.4 hereof, the Agent shall forthwith deliver to the Corporation or as directed in Section 5.1 hereof, all Subscription Funds resulting from Successful Subscriptions held by it pursuant to this Agreement, less the amounts to be deducted pursuant to Section 2.4 hereof.
- 5.3 If subscriptions for the Minimum Offering have not been received or if the Agent has not received the direction referred to in Section 5.1 hereof at or prior to the Time of Closing, the Agent shall promptly thereafter return to each Subscriber without interest or deduction the Subscription Funds held for the Subscriber by the Agent, unless such Subscriber has otherwise instructed the Agent.
- 5.4 If the funds of any Subscriber delivered to the Agent are for any reason rejected (in whole or in part) by the Corporation and the Agent, such rejected funds shall be returned to such Subscriber without interest or deduction in the manner provided in Section 5.3 hereof.

ARTICLE 6
OBLIGATIONS OF THE AGENT

- 6.1 The Agent shall:
- (a) use its best efforts to obtain subscriptions for all of the Offered Shares, such that, and without limiting the generality of the foregoing:
 - (i) at least 500,000 of the Common Shares (or such lesser number as is acceptable to the Exchange) outstanding on the Closing Date, including the Offered Shares, will be in the Public Float (as "**Public Float**" is defined in the Exchange's Corporate Finance Manual Policy 1.1);
 - (ii) 20% or more of the outstanding Common Shares (or such lesser amount as is acceptable to the Exchange) on the Closing Date, including the Offered Shares, will be owned directly or indirectly by Public Shareholders (as "**Public Shareholders**" is defined in the Exchange's Corporate Finance Manual Policy 1.1), excluding the Agent's Option and any other Common Shares reserved for issuance at a future date;
 - (iii) to obtain subscriptions for the Offered Shares from at least 150 Subscribers (or such lesser number as is acceptable to the Exchange), each of such Subscribers:
 - (1) purchasing at least 1,000 Offered Shares free of Resale Restrictions (as "**Resale Restrictions**" is defined in the Exchange's Corporate Finance Manual Policy 1.1);

- (2) not being a Non-Arm's Length Party to the Corporation (as "**Non Arm's Length Party**" is defined in the Exchange's Corporate Finance Manual Policy 1.1); and
 - (3) not becoming an Insider (as "**Insider**" is defined in the Exchange's Corporate Finance Manual Policy 1.1) as a result of beneficially owning or controlling, directly or indirectly, greater than 10% of the Common Shares directly following completion of the Offering (other than as disclosed in the Prospectus);
- (b) with respect to 75% of the Offered Shares, no subscriber shall individually purchase, directly or indirectly, more than 2% of the Offered Shares, and, in conjunction with such Subscriber's Associates and Affiliates (as "**Associates**" and "**Affiliates**" are defined in the Exchange's Corporate Finance Manual Policy 1.1), no more than 4% of the Offered Shares;
 - (c) only solicit subscriptions for the Offered Shares from subscribers resident in the Offering Jurisdictions in compliance with Securities Legislation and the terms and conditions set out herein;
 - (d) close the subscription books and thereafter not receive any further subscriptions for the Offered Shares at the earlier of such time:
 - (i) as orders for all of the Offered Shares have been received; or
 - (ii) as prescribed by Securities Legislation;
 - (e) provide all such notices and documents as may be required by Securities Legislation in connection with the sale of the Offered Shares pursuant to the Prospectus, including without limiting the generality of the foregoing, delivering to the Exchange (or, at the option of the Agent, to the Corporation for delivery to the Exchange) as soon as reasonably possible after the Closing, a Distribution Summary Statement (Exchange Form 2E) or such other document as may be required by the Exchange, if any; and
 - (f) notwithstanding the foregoing, it is understood and agreed by the Corporation that the Agent is under no obligation pursuant to this Agreement to act as Sponsor or to provide a Sponsor Report for a Qualifying Transaction of the Corporation (as "**Sponsor**" and "**Qualifying Transaction**" are defined in the Exchange's Corporate Finance Manual Policy 1.1 and the CPC Policy respectively).

ARTICLE 7 REPRESENTATIONS AND WARRANTIES

- 7.1 The Corporation hereby represents and warrants to the Agent and acknowledges that the Agent is relying thereon, that:
- (a) the Corporation has been duly incorporated and organized and is valid and subsisting in good standing under the laws of its jurisdiction of incorporation and has all the requisite corporate power and capacity to carry on its business as now conducted and as proposed to be conducted as described in the Prospectus;

- (b) the Corporation does not own or have any interest in any asset or property of any kind whatsoever, other than cash or deposits with financial institutions, and, without limiting the generality of the foregoing, the Corporation does not have an Agreement in Principle (as "**Agreement in Principle**" is defined in the CPC Policy) and the board of directors of the Corporation has not reached a "meeting of minds" with any other parties to a proposed Qualifying Transaction on fundamental terms in respect of which no material conditions exist the satisfaction of which are beyond the reasonable control of Non Arm's Length Parties (as defined in the Exchange's Corporate Finance Manual) to the Corporation or to the Qualifying Transaction, other than receipt of shareholder approval and Exchange acceptance of any such proposed Qualifying Transaction;
- (c) the Corporation has undertaken no business since the date of its incorporation, except as permitted by the CPC Policy;
- (d) the authorized capital of the Corporation consists of the share capital as disclosed in the Prospectus, and such number of Common Shares is issued and outstanding as is disclosed in the Prospectus, and all of the issued and outstanding Common Shares have been duly authorized and issued and are fully paid and non-assessable. No person, firm or corporation has any agreement, option, or right or privilege, whether pre-emptive or contractual, capable of becoming an agreement, including convertible securities, for the purchase, subscription or issuance of any unissued Common Shares or other securities of the Corporation except as disclosed in this Agreement and in the Prospectus;
- (e) the financial statements of the Corporation contained in the Prospectus, including the notes thereto, present fairly, in all material respects, the financial position and condition of the Corporation, as at the date thereof, reflect all liabilities (absolute, accrued, contingent or otherwise) of the Corporation as at the date thereof, and have been prepared in accordance with generally accepted accounting principles applied on a consistent basis, and there has not been any material change in such position from the date of such financial statements;
- (f) the information and statements contained in the Preliminary Prospectus and the Prospectus (except any such information and statements relating solely to the Agent) constitute full, true and plain disclosure of all material facts relating to the Corporation and the Preliminary Prospectus and the Prospectus comply with the Securities Legislation, including without limitation the CPC Policy;
- (g) the Preliminary Prospectus and the Prospectus do not contain a Misrepresentation;
- (h) there is no action, proceeding or investigation (whether or not purportedly on behalf of the Corporation) pending or, to the knowledge of the Corporation and its directors or officers, threatened against or affecting the Corporation, at law or in equity or before or by any court or federal, provincial, municipal or other government department, board or agency, domestic or foreign, including without limitation the Commissions, the Exchange, or any other securities commission, stock exchange or similar regulatory authority, which in any way materially adversely affects the Corporation, or the condition (financial or otherwise) of the Corporation or which questions the validity of the issuance, as fully paid and non assessable, of the Offered Shares or any action taken or to be taken by the Corporation pursuant to or in connection with this Agreement;

- (i) the Corporation has full corporate capacity, power and authority to execute and deliver the Prospectus and all requisite action has been taken by the Corporation to authorize the execution and delivery by it of the Prospectus;
- (j) the Corporation has full corporate capacity, power and authority to execute this Agreement, the escrow agreement referred to in the Prospectus (the "**Escrow Agreement**"), the Agent's Option Certificate, and all other material contracts (as disclosed in the Prospectus) and to perform its obligations set out herein and therein, including, without limitation, to issue the Offered Shares and the Agent's Shares, and to carry out the transactions contemplated hereby and by the Prospectus, and this Agreement, the Escrow Agreement, the Agent's Option Certificate, and all other material contracts (as disclosed in the Prospectus) will be, on the Closing Date, duly authorized, executed and delivered by the Corporation and this Agreement and the Escrow Agreement are and the Agent's Option Certificate, and all other material contracts (as disclosed in the Prospectus) will on the Closing Date be, legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their terms subject to laws relating to creditors' rights generally and except as rights to indemnity may be limited by applicable law;
- (k) the Corporation is not in default or breach of, and the execution and delivery of, and the performance of and compliance with the terms of this Agreement, the Escrow Agreement, the Agent's Option Certificate, and all other material contracts (as disclosed in the Prospectus) by the Corporation or any of the transactions contemplated hereby or thereby, do not and will not result in any breach of, or be in conflict with or constitute a default under, or do not and will not create a state of facts which, after notice or lapse of time or both, would result in a breach of or constitute a default under, any term or provision of the articles, by-laws or resolutions of the shareholders or directors of the Corporation, or any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which the Corporation is a party or by which it is bound, or any law, judgment, decree, order, statute, rule or regulation applicable to the Corporation, which default or breach might reasonably be expected to materially adversely affect the business, operations, capital or condition (financial or otherwise) of the Corporation or its properties or assets, or would impair the ability of the Corporation to consummate the transactions contemplated hereby or thereby or to duly observe and perform any of its covenants or obligations contained in this Agreement, the Escrow Agreement, the Agent's Option Certificate, and all other material contracts (as disclosed in the Prospectus);
- (l) there is no person, firm or corporation acting or purporting to act for the Corporation entitled to any brokerage or finder's fee in connection with this Agreement or any of the transactions contemplated hereunder, except as provided herein and as referred to in the Prospectus;
- (m) to the knowledge of management of the Corporation, other than the Escrow Agreement, neither the Corporation nor any of its shareholders is a party to any voting trust, securities pooling agreement or similar type of arrangement or agreement in force in respect of any of the securities of the Corporation;
- (n) to the knowledge of management of the Corporation, none of the directors or senior officers of the Corporation, any holder of more than 10% percent of its outstanding Common Shares, any Promoters of the Corporation, or any Associates or Affiliates of any of the foregoing persons or companies (as "**Promoters**", "**Associates**" or "**Affiliates**" are defined in the Securities Legislation) has had any material interest, direct or indirect, in any

material transaction within the three years prior to the date of the Preliminary Prospectus, has any material interest, direct or indirect, in any material transaction which, as the case may be, materially affects, is material to or will materially affect the Corporation, except as stated in the Prospectus, in which are fully set forth all relevant particulars required by the Securities Legislation;

- (o) this Agreement has been, and the Agent's Option Certificate will be upon completion of the Offering, duly authorized, executed and delivered on behalf of the Corporation and this Agreement is, and the Agent's Option Certificate will be upon completion of the Offering, valid and binding obligations of the Corporation enforceable in accordance with their respective terms;
- (p) upon issuance of the Offered Shares and the Common Shares issuable pursuant to the Agent's Option in accordance with the terms of this Agreement, the Offered Shares and the Common Shares issuable pursuant to the exercise of the Agent's Option shall have been duly allotted and will be outstanding as fully paid and non-assessable Common Shares;
- (q) the minute book records of the Corporation, as provided to Agent's Counsel, are true, complete and correct in all material respects and contain the minutes of all meetings and all resolutions of the directors and shareholders thereof;
- (r) the Transfer Agent, at its office in the City of Toronto, has been duly appointed transfer agent and registrar for the Common Shares of the Corporation;
- (s) the Corporation has not, directly or indirectly, declared or paid any dividends or declared or made any other distribution on any of its Common Shares or any other shares of any class since incorporation, and, subject to the rules, policies and regulations of the Exchange, and the restrictions on the declaration and payment of dividends by the Corporation as disclosed in the Prospectus, there is not, in the constating documents or by-laws of the Corporation or in any agreement, mortgage, note, debenture, indenture or other instrument or document to which the Corporation is a party, any restriction upon or impediment to the declaration or payment of dividends by the directors of the Corporation or the payment of dividends by the Corporation to the holders of its Common Shares;
- (t) the Corporation requires the signatures of two (2) authorized persons on any cheques issued by the Corporation;
- (u) an application has been made to list the outstanding Common Shares of the Corporation, including without limitation the Offered Shares, the Common Shares issuable upon exercise of the Agent's Option, and the Common Shares issuable upon exercise of the Directors' and Officers' Options on the Exchange, and conditional approval of such application will have been obtained from the Exchange prior to the Closing Date;
- (v) the net proceeds received by the Corporation from the sale of the Offered Shares and any Common Shares sold prior to the date of the Prospectus will be applied for the specific purposes more particularly set forth under "Use of Proceeds" in the Prospectus, and the Corporation has advised the Corporation's directors and officers of the requirements and restrictions on the use of the net proceeds set out in Section 8 of the CPC Policy;
- (w) the Corporation has not made and will not make any payments which are prohibited by the CPC Policy;

- (x) no approval, authorization, consent or other order of any governmental authority is required in connection with the execution, delivery or performance by the Corporation of this Agreement, the Escrow Agreement, the Agent's Option Certificate, or the Directors' and Officers' agreements, except requisite filings with the Commissions (and the issuance by the Commissions of receipts for the Prospectus) and the Exchange and final approval/acceptance of the Offering from the Exchange;
- (y) the Corporation has complied with and will comply in material respects with the requirements of all applicable corporate and securities laws, including, without limitation, the Securities Legislation and the *Business Corporations Act* (Ontario) in relation to the issue and trading of its securities and in all matters relating to the Offering;
- (z) except as disclosed in the Preliminary Prospectus and the Prospectus, no order ceasing or suspending trading in securities of the Corporation or prohibiting the sale of such securities has been issued against the Corporation or, to the best of the Corporation's knowledge, after due inquiry against any of its directors, officers and promoters; and no proceedings for this purpose have been instituted or are pending, contemplated or threatened;
- (aa) all statements, facts, data, information and materials provided from time to time by the Corporation in writing to the Agent relating to the Corporation are true and correct in all material respects and all material facts relating to the subject matter have been fully disclosed in writing to the Agent and such statements, facts, data, information and materials did not and do not contain a Misrepresentation;
- (bb) no securities commissions or other governmental authority has issued any order preventing or suspending the use of the Preliminary Prospectus or the Prospectus;
- (cc) the Corporation has provided the following policies to its directors and officers and advised them to familiarize themselves with them:
 - (i) Policy 3.1 of the Exchange's Corporate Finance Manual with respect to the nature and scope of their responsibilities and duties as directors and officers, respectively, of a public corporation listed on the Exchange, including, without limitation, the matters set out in; and
 - (ii) Policies 3.2 and 3.3 of the Exchange's Corporate Finance Manual with respect to the obligations of the Corporation to prepare, file, publish and disseminate, as applicable, such information and documentation as may be required by the Securities Legislation;
- (dd) the directors and senior officers of the Corporation have or will have been provided with a copy of the Preliminary Prospectus and the Prospectus for their review, and the directors have or will have duly approved the Preliminary Prospectus and the Prospectus and the financial statements thereto at the respective times they are filed with the Commissions and the Exchange and will have authorized their distribution by the Agent in connection with the Offering.

7.2 The Agent hereby represents and warrants to the Corporation and acknowledges that the Corporation is relying thereon, that:

- (a) the Agent has been duly incorporated and organized and is valid and subsisting in good standing under the laws of its jurisdiction of incorporation and has all the requisite corporate power and capacity to carry on its business as now conducted and as proposed to be conducted.
- (b) the Agent has full corporate capacity, power and authority to execute and deliver the Prospectus and this Agreement and all requisite action has been taken by the Agent to authorize the execution and delivery by it of the Prospectus and to fulfill its obligations hereunder;
- (c) the Agent is a member of the Exchange and is in good standing; and
- (d) the Agent has complied with and will comply in all material respects with the requirements of all applicable laws, including, without limitation, the Securities Legislation and the *Business Corporations Act* (Ontario) in relation to the distribution of the Offered Shares.

ARTICLE 8 COVENANTS OF THE CORPORATION AND CONDITIONS OF CLOSING

8.1 The Corporation covenants and agrees with the Agent and undertakes that:

- (a) prior to the Closing Date, the Corporation shall allow the Agent to conduct all due diligence which the Agent may reasonably require to confirm that the Preliminary Prospectus and Prospectus comply with the requirements of the Securities Legislation and do not contain a Misrepresentation, and to fulfil the Agent's obligations as agent;
- (b) now and at all times subsequent hereto during the distribution of the Offered Shares to the public or such longer period of time, if any, while the Prospectus continues to be current, the Corporation will ensure that the Prospectus and any amendments thereto does and will fully comply with the requirements of the Securities Legislation and the Prospectus together with any amendments thereto does and will during such period provide full, true and plain disclosure of all material facts relating to the Corporation, to the Offered Shares, and to the distribution of the Offered Shares to the public, and does not and will not during such period contain a Misrepresentation; provided that the foregoing covenants of the Corporation do not and shall not apply with respect to statements contained in the Prospectus relating solely to the Agent;
- (c) the Corporation shall promptly inform the Agent in writing during the period of the distribution of the Offered Shares to the public or such longer period of time, if any, while the Prospectus continues to be current, of full particulars of any material change (actual, anticipated or threatened):
 - (i) in any material fact contained or referred to in the Preliminary Prospectus or Prospectus, or any amendment thereto supplied by the Corporation, which is, or may be, of such a nature as to make any such fact untrue, false or misleading at the time and in light of the circumstances under which it was made;
 - (ii) in any statements, facts, data, personal information form or materials provided to the Agent with respect to the directors and officers of the Corporation or, if applicable, the Corporation's potential Qualifying Transaction (as that term is defined in the CPC Policy); or

- (iii) in any of the representations and warranties contained in Article 7 of this Agreement;
- (d) the Corporation shall file under the Securities Legislation, as soon as reasonably possible, and in any event within any statutory limitation therefor, such new or correcting information, amendments and other documents as the Securities Legislation may require. The Corporation shall further provide the Agent with such copies of such information, amendments or other documents as the Agent may reasonably require. The terms "material change" and "material fact" shall have the meanings ascribed thereto by the Securities Legislation;
- (e) the Corporation shall in good faith discuss with the Agent any change in circumstances which is of a nature that there is reasonable doubt as to whether notice in writing need be given to the Agent pursuant to subsection 8.1(c) hereof;
- (f) during the period of distribution to the public of the Offered Shares, or such longer period of time, if any, while the Prospectus continues to be current, the Corporation will advise the Agent promptly of any request of the Commissions or Exchange for an amendment of the Prospectus or for any additional information, of the issuance by the Commissions, Exchange or any other securities commission, stock exchange or similar regulatory authority, of any cease trading order, halt order or similar order relating to the Common Shares or Offered Shares or the use of the Prospectus, or of the institution or threat of institution of any proceedings for that purpose or of the receipt by the Corporation of any communication from the Commissions, Exchange or any other securities commission, stock exchange or similar regulatory authority relating to the Prospectus or the Offering. The Corporation will use its commercially reasonable efforts to prevent the issuance of any such cease trading order or halt order and, if issued, to obtain the withdrawal thereof as soon as possible;
- (g) the Corporation will deliver, from time to time without charge, to the Agent as many copies of the Preliminary Prospectus or the Prospectus (and in the event of an amendment thereto, of such amended Preliminary Prospectus or amended Prospectus) as the Agent may reasonably request for the purposes contemplated hereunder and by the Securities Legislation and such delivery shall constitute the consent of the Corporation to the use thereof in connection with offering the Offered Shares to the public, subject to the provisions of the Securities Legislation relating thereto;
- (h) on or before the Closing Date, the Corporation shall take or cause to be taken all steps and proceedings (including but not limited to the filing of the Prospectus and the obtaining of a receipt for the Prospectus from the Ontario Securities Commission as principle regulator under Securities Legislation), necessary in order to qualify for distribution the Offered Shares for sale to Subscribers resident in the Offering Jurisdictions through the Agent and any sub-agents retained pursuant to Section 2.2 hereof, and to qualify for distribution the Agent's Option and Directors' and Officers' Options;
- (i) the Corporation shall deliver to the Agent at the Closing, a legal opinion addressed to the Agent, from counsel of the Corporation, substantially in the form attached hereto as Schedule "B". In connection with such opinion, counsel to the Corporation may rely on the opinions of local counsel acceptable to counsel of the Agent, acting reasonably, as to the qualification for distribution of the Offered Shares or opinions may be given directly by local counsel of the Corporation with respect to those items and as to other matters

governed by the laws of jurisdictions other than the province in which counsel of the Corporation is qualified to practice and may rely, to the extent appropriate in the circumstances, as to matters of fact on certificates of officers of the Corporation and others;

- (j) the Corporation shall deliver to the Agent at the Closing a certificate signed by the Chief Executive Officer of the Corporation, or such other director or officer of the Corporation as the Agent may accept, dated as of such date addressed to the Agent to the effect that:
 - (i) the representations and warranties of the Corporation contained in this Agreement are true and correct as at the Closing Date with the same force and effect as if made at and as at the Closing Date after giving effect to the transactions contemplated hereby;
 - (ii) the Corporation has duly complied with all covenants and satisfied all the conditions herein on its part to be performed or satisfied;
 - (iii) no order suspending the sale or ceasing the trading of the Common Shares or any other securities of the Corporation has been issued and no proceedings for that purpose have been instituted or are pending or are, to the knowledge of such officer, contemplated or threatened by the Commissions, Exchange, or any other securities commission, stock exchange and similar regulatory authority; and
 - (iv) such director or officer has carefully examined the Prospectus, and since the respective dates as of which information is given in the Prospectus, except as set forth in and contemplated thereby, the Corporation has not incurred any material liabilities or obligations (absolute, accrued, contingent or otherwise), or entered into any transaction not in compliance with the CPC Policy; there has been no material change in the assets, financial position, business or results of operations of the Corporation; and, to the best of the knowledge and information of such officer and/or director, there has occurred no event and no state or fact exists that, under Securities Legislation, is required to be set forth in an amended Prospectus that has not been so set forth;
- (k) the Corporation shall take all necessary steps to complete and file with the Exchange its application for listing with all other documentation required by the Exchange, to allow for the listing and posting for trading of the Common Shares on the Exchange prior to Closing, except for those items which by necessity cannot be delivered until after the Closing Date;
- (l) the net proceeds received by the Corporation from the sale of the Offered Shares and any Common Shares sold prior to the date of the Prospectus will be applied for the specific purposes more particularly set out under "Use of Proceeds" in the Prospectus and in compliance with the provisions of the CPC Policy;
- (m) at the Time of Closing, the Corporation shall deliver to the Agent, the Agent's Option Certificate and payment of the Agent's commission, fees and expenses as provided for in Article 2 and Article 9 hereof;
- (n) at the Time of Closing, the Offered Shares shall have been made "eligible" by CDS Clearing and Depository Services Inc. ("CDS") without any restrictions and counsel to the Corporation shall have provided written confirmation from CDS of such eligibility to Agent's Counsel;

- (o) the Closing shall occur at the Time of Closing at the offices of the Corporation's counsel, or such other location as may be agreed to between the Corporation and the Agent;
- (p) subject to any exemptions from the CPC Policy granted or permitted by the Exchange, until the Corporation completes a Qualifying Transaction, the Corporation will comply in all material respects with all applicable provisions of the CPC Policy. The Corporation will use its commercially reasonable efforts to maintain its status as a reporting issuer not in default of any Securities Legislation in the Offering Jurisdictions for a period of 24 months following the date that its Common Shares are listed and posted for trading on the Exchange and will use its commercially reasonable efforts to maintain its listing on the Exchange during such 24 months and to complete a Qualifying Transaction within 24 months;
- (q) during the period commencing on the date hereof and ending on the Closing Date (unless otherwise specified), it will promptly provide to the Agent and the Agent's Counsel, for review, prior to filing or issuance of the same, any proposed public disclosure document, including without limitation, any press release (including any press release issued after the Closing Date that expressly mentions this Agreement, the Offering, or the Agent) or material change report and the Corporation will use its commercially reasonable efforts to agree with the Agent as to the form and substance of such document and an appropriate legend regarding US distribution shall be included on any press release as follows: "Not for distribution to United States newswire services or for dissemination in the United States" and "The securities herein described have not been and will not be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state, and may not be offered or sold in the United States unless an exemption from registration is available. This press release does not constitute an offer to sell or the solicitation of any offer to buy these securities in the United States"; and
- (r) it is understood that the Agent may waive, in whole or in part, non-compliance with any of the conditions or other matters contained herein or extend the time for compliance therewith without prejudice to its rights in respect of any other condition or conditions or any other subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon the Agent only if it is in writing;

ARTICLE 9 EXPENSES

- 9.1 All costs and expenses of or incidental to the transaction herein contemplated and the issue and sale of the Offered Shares hereunder, whether or not the Offering is completed, are to be assumed and paid by the Corporation, including without limiting the generality of the foregoing, the reasonable costs and expenses of the Agent, including fees and disbursements of the Agent's consultants and legal counsel in all jurisdictions, all fees and expenses of or incidental to the creation, issuance and sale and distribution of the Offered Shares, transfer agent fees, filing fees payable to the Exchange and the Commissions, the preparation and printing of the Preliminary Prospectus and the Prospectus, and all reasonable expenses of the Agent in connection with the marketing of the Offering.

ARTICLE 10
INDEMNIFICATION OF AGENT

- 10.1 The Corporation hereby covenants and agrees to protect and indemnify the Agent, its directors, officers, partners and employees and any other registrants retained by the Agent as sub-agents pursuant to Section 2.2 hereof and their respective directors, officers, partners and employees (collectively the "**Indemnified Persons**"), from and against all actual or threatened claims, actions, suits, investigations and proceedings (collectively the "**Proceedings**") and all losses, claims, damages, liabilities, costs or expenses (except loss of profits) (collectively "**Liabilities**") caused or incurred by reason of or resulting directly or indirectly from:
- (a) any Misrepresentation or alleged Misrepresentation contained in the Preliminary Prospectus or in the Prospectus, or in any supplemental, additional or ancillary material (including an amended prospectus), information, evidence, return, report, application, statement, table or document that may be filed by or on behalf of the Corporation under the Securities Legislation, or in any written or oral representation made by the Corporation to a Subscriber, except any Misrepresentation which is based upon information relating solely to the Agent and furnished to the Corporation by the Agent expressly for inclusion in the Preliminary Prospectus and the Prospectus;
 - (b) any order, inquiry or investigation related to the Offering arising out of any statement contained in the Preliminary Prospectus or Prospectus, or in any written or oral representation made by the Corporation to a Subscriber, and brought by the Commissions, the Exchange or any other securities commission, stock exchange or similar regulatory authority, except such orders, inquiries and investigations relating solely to the Indemnified Persons or any one of them;
 - (c) any breach of the representations, warranties and covenants of the Corporation contained herein;
 - (d) any prohibition or restriction of trading in the Offered Shares or the Agent's Shares, or any prohibition affecting the distribution of the Offered Shares or the Agent's Shares which may be ordered by any one or more competent authorities if such prohibition or restriction of trading is based on any Misrepresentation in the Preliminary Prospectus or Prospectus, or in any written or oral representations made by the Corporation to a Subscriber, except any Misrepresentation which is based upon information relating solely to the Agent and furnished to the Corporation by the Agent expressly for inclusion in the Preliminary Prospectus and the Prospectus;
 - (e) any Subscriber effectively rescinding its subscription for the Offered Shares pursuant to a right of rescission under which a Subscriber may rescind a contract on the grounds that the Prospectus contains a Misrepresentation, except any Misrepresentation which is based upon information relating solely to the Agent and furnished to the Corporation by the Agent expressly for inclusion in the Preliminary Prospectus and the Prospectus, or in the event a determination is made by any competent authority setting aside the sale of the Offered Shares, except any Misrepresentation which is based upon information relating solely to the Agent and furnished to the Corporation by the Agent expressly for inclusion in the Prospectus or any determination that arises out of any act or omission of the Agent; and
 - (f) the Prospectus failing to comply with the requirements of the Securities Legislation so as to permit the lawful sale of the Offered Shares or by reason of the Corporation having failed

to take or cause to be taken such steps or proceedings as were necessary to permit the lawful sale of the Offered Shares as contemplated by the Prospectus and this Agreement.

- 10.2 If any matter or thing contemplated by this Article 10 shall be asserted against any Indemnified Persons, the Agent shall notify the Corporation as soon as possible of the nature of such claim and the Corporation will assume the defence of any suit or proceeding brought to enforce such claim; provided however, that the defence shall be through legal counsel acceptable to the Indemnified Person and that no settlement may be made by the Corporation or the Indemnified Person without the prior written consent of the other. However, failure by the Agent to notify the Corporation will not relieve the Corporation of its obligations to indemnify the Indemnified Persons. The Indemnified Persons shall continue to have the right to employ their own counsel, in any action or proceeding relating to the claim contemplated by this Article 10 and the fees and expenses of a reasonable number of such counsel shall be paid by the Corporation to the extent that the same shall be covered by the indemnity in this Article 10 if:
- (a) the Indemnified Persons have been advised by such counsel that there may be legal defences available to them which are different from or additional to defences available to the Corporation (in which case the Corporation shall not have the right to assume the defence of such proceedings on their behalf);
 - (b) the Corporation shall not have undertaken the defence of such proceedings and employed counsel 10 days after notice of commencement of such proceedings; or
 - (c) the employment of such counsel has been authorized by the Corporation in connection with the defence of such proceeding.
- 10.3 In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in this Agreement is due in accordance with its terms but is (in whole or in part), for any reason, held by a court to be unavailable from the Corporation on policy grounds or otherwise, each of the Corporation and the Indemnified Persons shall contribute to the aggregate Liabilities (or Proceedings in respect thereof) to which they may be subject or which they may suffer or incur:
- (a) in such proportion as is appropriate to reflect the relative benefit received by the Corporation on the one hand and by the Indemnified Persons on the other hand from the Offering contemplated herein; or
 - (b) if the allocation provided by subsection 10.3(a) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in subsection 10.3(a) above, but also to reflect the relative fault of the Indemnified Persons, on the one hand, and the parties from whom indemnity is sought, on the other hand, in connection with the statement, omission, Misrepresentation or alleged Misrepresentation, order, inquiry, investigation or other matter or thing which resulted in such Liabilities, as well as any other relevant equitable considerations.

The relative benefits received by the Corporation, on the one hand, and the Indemnified Persons, on the other hand, shall be deemed to be in the same proportion that the total proceeds of the Offering contemplated herein received by the Corporation (net of fees but before deducting expenses) bear to the fees received by the Agent. In the case of liability arising out of the Prospectus (including any amendments thereto), the relative fault of the Corporation, on the one hand, and of the Indemnified Persons, on the other hand, shall be determined by reference, among other things, to whether the statement, omission, Misrepresentation or alleged Misrepresentation, order, inquiry,

investigation or other matter or thing referred to in Section 10.1 which resulted in such Liabilities relates to information supplied or which ought to have been supplied by, or steps or actions taken or done on behalf of or which ought to have been taken or done on behalf of, the Corporation or the Indemnified Persons, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission, Misrepresentation or alleged Misrepresentation, order, inquiry, investigation or other matter or thing referred to in Section 10.1.

The amount paid or payable to an Indemnified Person as a result of any Proceedings or Liabilities shall, without limitation, include any legal or other expenses reasonably incurred by the Indemnified Person in connection with investigating or defending such Proceedings or Liabilities, whether or not resulting in any formal action, suit, proceeding or claim.

The Corporation and the Agent agree that it would not be just and equitable if contributions pursuant to this Agreement were determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to in the immediately preceding paragraphs. Any liability of the Indemnified Persons under this Section 10.3 shall be limited to the amount of the fees payable to the Agent pursuant to Section 2.3 hereof. No person found liable for fraudulent misrepresentation (within the meaning of Securities Legislation) will be entitled to contribution from any person who is not found liable for such fraudulent misrepresentation.

- 10.4 The rights to indemnity and right of contribution provided in the foregoing sections shall be in addition to and not in derogation of any other right to contribution which the Indemnified Persons may have by any statute or otherwise at law or in equity. The Corporation waives all rights of contribution that it may have against any Indemnified Persons relating to any Liability or Proceeding in respect of which the Corporation has agreed to indemnify the Indemnified Persons hereunder.
- 10.5 It is the intention of the Corporation to constitute the Agent as trustee for the Indemnified Persons for the purposes of Section 10.1 to 10.4, inclusive, and the Agent shall be entitled, as trustee to enforce such covenants on behalf of any other Indemnified Persons.
- 10.6 If any Proceeding is brought in connection with the transactions contemplated by this Agreement and the Agent is required to testify in connection therewith or is required to respond to procedures designed to discover information relating thereto, it will have the right to employ its own counsel in connection therewith, and the fees and disbursements of such counsel in connection therewith and any other reasonable costs and out-of-pocket expenses incurred by them in connection therewith as well as its reasonable fees at the normal per diem rate for the Agent's directors, officers, partners, employees and agents involved in preparation for and attendance at such Proceedings or in so responding will be paid by the Corporation as they are incurred.
- 10.7 The obligations under the indemnity and right of contribution provided for herein shall apply whether or not the transactions contemplated by this Agreement are completed and shall survive the completion of the transactions contemplated under this Agreement and the termination of this Agreement.

ARTICLE 11 ADDITIONAL CONDITIONS

- 11.1 If at any time prior to the Time of Closing:

- (a) there shall have occurred any material change (as that term is defined pursuant to Securities Legislation) which, in the Agent's sole opinion, materially impairs the investment quality or marketability of the Offered Shares;
- (b) there shall develop, occur or come into effect any event of any nature whatsoever or disclosure of any such event which, in the Agent's sole opinion, acting reasonably, has had or will have a material adverse effect upon the state of financial markets, whether national or international or the business, affairs, or financial condition of the Corporation such that the Offering should be withdrawn;
- (c) any new or amended Prospectus discloses information which, in the Agent's sole opinion, results at any time prior to the Time of Closing in the Subscribers of a material amount of the Offered Shares exercising their rights under the Securities Legislation to withdraw from or rescind their purchase thereof;
- (d) an order to cease or halt trading (other than the halt instituted by the Exchange to facilitate Closing) in the Offered Shares or any other securities of the Corporation has been made by the Commissions, the Exchange or any other securities commission, stock exchange or other regulatory authority having jurisdiction over the Corporation and has not been rescinded, revoked or withdrawn;
- (e) there is any material breach or non performance of any of the covenants, representations and warranties of the Corporation contained in this Agreement that has not been rectified or remedied to the satisfaction of the Agent, acting reasonably;
- (f) any inquiry or investigation in relation to the Corporation or the Corporation's directors, officers or insiders (as "**insiders**" is defined in the Securities Legislation) is commenced or threatened by the Commissions, Exchange or any other securities commission, stock exchange or other regulatory authority having jurisdiction over the Corporation;
- (g) there is any breach or non performance by the Corporation of any provisions of any order of the Commissions or the Exchange or any other securities commission, stock exchange or other regulatory authority having jurisdiction over the Corporation;
- (h) there is any amendment to Securities Legislation which will, in the Agent's opinion, increase the costs and expenses incurred or to be incurred by the Agent in connection with the Offering, or impose any limitations or restrictions on the exercise of the Agent's Option or on the subsequent trading of the Agent's Shares acquired pursuant to the exercise of the Agent's Option; or
- (i) the Agent is not satisfied, in its sole discretion, with the results of its due diligence review contemplated in subsection 8.1(a) hereof;

the Agent shall be entitled, at its option, to terminate and cancel its obligations under this Agreement with no liability on the Agent's part, by written notice to that effect given to the Corporation not later than the Time of Closing. In the event of any such termination pursuant to the provisions of this Article 11, the Corporation's obligations under this Agreement shall be at an end save and except that the Corporation shall be liable to make payment of such of the costs and expenses provided for in Article 2 and Article 9 to be payable by the Corporation, as shall previously have been incurred by the Agent and the indemnities contained in Section 9.1 shall remain in full force and effect.

**ARTICLE 12
NOTICE**

12.1 Any notice under this Agreement shall be given in writing and either sent by electronic delivery, delivered or mailed by prepaid post to the party to receive such notice at the address indicated below, or at such other address as any party may hereafter designate by notice in writing to each of the others:

(a) to the Corporation at:

St. Charles Resources Inc.
1111 St Charles Street West
East Tower, Suite 1155
Longueuil, Quebec J4K 5G4
Attention: James Crombie
Email: jcrombie@odysseyresources.com

with a copy to:

McMillan LLP
Royal Centre, Suite 1500
1055 West Georgia Street, PO Box 11117
Vancouver, British Columbia V6E 4N7
Attention: Cory Kent
Email: cory.kent@mcmillan.ca

(b) to the Agent at:

iA Private Wealth Inc.
38 Auriga Drive, Suite 228
Ottawa, ON K2E 8A5
Attention: Greg Jackson
Email: greg.jackson@iagto.ca

with a copy to:

DS Burstall LLP
Suite 800 Dome Tower
333 – 7th Avenue S.W.
Calgary, Alberta T2P 2Z1
Attention: Dale Burstall
Email: dale@burstall.com

If such notice is sent by facsimile or is delivered electronically, it shall be deemed to have been given at the time of receipt of the facsimile or electronic delivery; if such notice is sent by mail, it shall be deemed to have been received five Business Days following the date of mailing thereof. In the event of a strike or other disruption in postal service at or prior to the time a notice is deemed to have been received, such notice shall be delivered or sent by facsimile or electronic delivery.

**ARTICLE 13
MISCELLANEOUS**

- 13.1 Time shall be of the essence of this Agreement.
- 13.2 All warranties, representations, covenants and agreements of the Corporation herein contained or contained in certificates or documents submitted pursuant to or in connection with the transactions provided for herein shall survive Closing and shall continue in full force and effect for the benefit of the Agent regardless of any investigation by or on behalf of the Agent with respect thereto.
- 13.3 This Agreement shall be construed and enforced in accordance with and the rights of the parties hereto shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable thereto. Each of the parties hereto irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Ontario.
- 13.4 This Agreement supersedes all other agreements, documents, letters, writings and oral understandings among the parties relating to the subject matter hereof, including without limitation the engagement letter between the Corporation and the Agent dated August 12, 2021, and this Agreement represents the entire agreement between the parties with respect to the subject matter hereof.
- 13.5 If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.
- 13.6 This Agreement may be executed and delivered in any number of counterparts, including by facsimile or other form of electronic communication, each of which when so executed will be deemed to be an original and all of which, when taken together, will constitute one and the same agreement. Each of the parties to this Agreement will be entitled to rely on delivery of a facsimile or electronically delivered copy of this Agreement and acceptance by each party of any such facsimile or electronically delivered copy will be legally effective to create a valid and binding agreement between the parties to this Agreement in accordance with the terms of this Agreement.
- 13.7 All the terms and provisions of this Agreement shall be binding upon and enure to the benefit of and be enforceable by the parties hereto, their respective successors and assigns, but shall not be assignable without the prior written consent of the other parties hereto.
- 13.8 The Corporation: (i) acknowledges and agrees that the Agent has certain statutory obligations as a registrant under the Securities Legislation and has fiduciary relationships with its clients; (ii) acknowledges and agrees that the Agent is not a fiduciary of the Corporation; and (iii) consents to the Agent acting hereunder while continuing to act for its clients. To the extent that the Agent's statutory obligations as a registrant under the Securities Legislation or fiduciary relationships with its clients conflicts with its obligations hereunder the Agent shall be entitled to fulfil its statutory obligations as a registrant under the Securities Legislation and its duties to its clients. Nothing in this Agreement shall be interpreted to prevent the Agent from fulfilling its statutory obligations as a registrant under the Securities Legislation or to act as a fiduciary of its clients.
- 13.9 The parties hereto have required that this Agreement, as well as any notice, document or proceeding relating hereto be written in English. Les parties aux présentes ont exigé que le présent contrat ainsi que tout autre avis, document ou procédure s'y rapportant soit rédigé en anglais.

[Signature page follows]

IN WITNESS WHEREOF the parties hereto have executed this Amended and Restated Agency Agreement on the day and year first above written.

ST CHARLES RESOURCES INC.

Per: “James A. Crombie”
James A. Crombie, Chief Executive Officer

IA PRIVATE WEALTH INC.

Per: “David M. Beatty”
David M. Beatty, Managing Director, Head of
Mining and Metals, Investment Banking

SCHEDULE A

To an Agreement dated April 7, 2022 between St Charles Resources Inc. and iA
Private Wealth Inc.

NOT MORE THAN 50 PERCENT OF THE AGGREGATE NUMBER OF COMMON SHARES WHICH CAN BE ACQUIRED BY THE HOLDER MAY BE SOLD BY THE HOLDER BEFORE THE CORPORATION COMPLETES ITS QUALIFYING TRANSACTION PURSUANT TO THE POLICIES OF THE TSX VENTURE EXCHANGE.

THE AGENT'S OPTION REPRESENTED BY THIS CERTIFICATE
WILL BE VOID AND OF NO VALUE IF NOT EXERCISED
PRIOR TO 4:30 P.M. (TORONTO TIME) ON THE EXPIRY DATE

AGENT OPTION CERTIFICATE
ST CHARLES RESOURCES INC.
(Incorporated under the *Business Corporations Act* (Ontario))

AGENT OPTION
CERTIFICATE NO.

1

AGENT'S OPTION entitling the holder to acquire, subject to adjustment,
● Common Shares.

● (the "Optionholder") is entitled to acquire, for each Agent's Option represented hereby, in the manner and subject to the restrictions and adjustments set forth in the "Terms and Conditions of Agent's Option of St Charles Resources Inc." appended as a Schedule hereto and forming a part hereof, at any time and from time to time until 4:30 p.m. (Toronto time) on the Expiry Date one common share ("Common Share") in the capital of St Charles Resources Inc. as constituted on ●, 2022 on payment to the Corporation of \$0.10 per Common Share, subject to adjustment in certain events.

The Agent's Option represented by this certificate may only be exercised at the principal office of the Corporation from time to time at 180 Bay Street, Suite 4400, Toronto, Ontario M5J 2T3 (as at the date hereof), upon surrender of this certificate with the Subscription Form on the reverse side hereof (or a separate notice in substantially the same form) duly completed and executed, and payment in cash or a certified cheque or bank draft payable to or to the order of the Corporation, at par in immediately available funds, for the full purchase price of the Common Shares so subscribed for.

The Agent's Option represented by this certificate are subject to the "Terms and Conditions of Agent's Option of St Charles Resources Inc." appended as a Schedule hereto and forming a part hereof.

IN WITNESS WHEREOF the Corporation has caused this certificate to be executed by a duly authorized director or officer.

DATED for reference this ● day of ●, 2022.

ST CHARLES RESOURCES INC.

Per:

*The Agent's Option represented hereby cannot be transferred
or otherwise disposed of by the holder to any person whatsoever.*

IMPORTANT: SEE "TERMS AND CONDITIONS OF AGENT'S OPTION OF ST CHARLES RESOURCES INC." APPENDED AS A SCHEDULE HERETO

SUBSCRIPTION FORM

TO: ST CHARLES RESOURCES INC.

The undersigned holder of the within Agent's Option hereby irrevocably subscribes for _____ Common Shares (or such adjusted number of Common Shares or other securities to which such subscription entitles the undersigned in lieu thereof) in accordance with and subject to the provisions of this Agent Option Certificate at the subscription price of \$0.10 per Common Share for each one (1) Agent Option exercised hereby, and encloses herewith cash or a certified cheque or bank draft payable to or to the order of St Charles Resources Inc. for the full subscription price for the Common Shares so subscribed for.

The Common Shares subscribed for are to be issued as follows:

Name: _____

Address in full: _____

Daytime Telephone Number: _____

Note: If further nominees are intended, please attach (and initial) a schedule providing these particulars.

DATED this _____ day of _____, 20__.

Signature Guaranteed

Signature of Optionholder (to be the same as the name that appears on the face of this Agent's Option Certificate)

Name of Optionholder (please print)

Name and title of signatory (please print)

Address of Optionholder (please print)

Instructions:

1. If the Subscription Form indicates that Common Shares are to be issued to a person or persons other than the registered holder of the Agent's Option Certificate, the signature of such Optionholder on the Subscription Form must be guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange, and the Optionholder must pay any applicable transfer taxes or fees.
2. If the Subscription Form is signed by a trustee, executor, administrator, curator, guardian, attorney, officer of a corporation or any person acting in a judiciary or representative capacity, the Agent's Option Certificate must be accompanied by evidence of authority to sign satisfactory to the Corporation.

THE AGENT'S OPTION REPRESENTED HEREBY CANNOT BE TRANSFERRED OR OTHERWISE DISPOSED OF BY THE HOLDER TO ANY PERSON WHATSOEVER.

SCHEDULE TO AGENT'S OPTION CERTIFICATE

TERMS AND CONDITIONS OF AGENT'S OPTION OF ST CHARLES RESOURCES INC.

Terms and Conditions attached to the Agent's Option issued by St Charles Resources Inc. and dated the ● day of ●, 2022.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In these Terms and Conditions, unless there is something in the subject matter or context inconsistent therewith:

- (a) "**Agency Agreement**" means the agency agreement dated as of February 8, 2022 between the Corporation and iA Private Wealth Inc., as amended by the amended and restated agency agreement dated April 7, 2022 between the Corporation and iA Private Wealth Inc.;
- (b) "**Agent's Option Certificate**" means the certificates to which these Terms and Conditions are attached and of which these Terms and Conditions form a part;
- (c) "**Agent's Option**" means the option to acquire the Common Shares evidenced by the Agent's Option Certificate;
- (d) "**Business Day**" means a day other than a Saturday, Sunday or any day on which banks are not open for business in Toronto, Ontario;
- (e) "**Common Shares**" means the Common Shares in the capital of the Corporation as such shares existed on the Issue Date, subject to adjustment as provided herein;
- (f) "**Corporation**" means St Charles Resources Inc. and its successors;
- (g) "**dividends paid in the ordinary course**" means any dividends, whether in cash, in securities of the Corporation, in specie, in kind or otherwise in property or other assets, declared payable or paid on the Common Shares in any fiscal year of the Corporation to the extent that the aggregate of such cash dividends or the fair market value thereof, as bona fide determined by the directors of the Corporation, of such dividends in securities, in specie, in kind or otherwise in property or other assets declared and payable or paid from the beginning of the fiscal year of the Corporation in which such dividend is declared to the date of such declaration of such dividend, including in such calculation the dividend in question, does not exceed the retained earnings of the Corporation as at the date of declaration of such dividends;
- (h) "**Exchange**" means the TSX Venture Exchange Inc.;
- (i) "**Exercise Price**" means the price of \$0.10 per Common Share, expressed in lawful money of the Canada, subject to adjustment as provided herein;
- (j) "**Expiry Date**" means the date that is sixty (60) months from the date of the listing and posting of the Common Shares on the Exchange;

- (k) **"Expiry Time"** means 4:30 p.m. (Toronto time) on the Expiry Date;
- (l) **"Fair Value per Share"** means: (i) if the Common Shares are listed on a stock exchange, the volume weighted average trading price per Common Share for the twenty (20) trading days on the Exchange immediately preceding the date on which the value of a Common Share is assessed for the purposes hereof; and (ii) if the Common Shares are not listed on a stock exchange, the fair market value of a Common Share, as determined by the directors of the Corporation acting reasonably and in good faith, which determination shall be conclusive for all purposes of this Agent's Option Certificate;
- (m) **"herein", "hereby"** and similar expressions refer to these Terms and Conditions, as the same may be amended or modified from time to time; and the expression **"Article"**, **"Section"** and **"subsection"** followed by a number refer to the specified Article, Section or subsection of these Terms and Conditions;
- (n) **"Issue Date"** means the date that the Common Shares are listed and posted for trading on the Exchange;
- (o) **"Optionholder"** means the registered holder of the Agent's Option;
- (p) **"Person"** includes an individual, corporation, partnership, trustee or any unincorporated organization and words importing persons include individuals, corporations, partnerships, trustees and unincorporated organizations; and
- (q) **"Purchase Price"** shall mean, for any exercise of Agent's Option, the aggregate consideration payable to the Corporation by the Optionholder pursuant to Section 2.1 hereof, in an amount equal to the product of the Exercise Price applicable as at the date of exercise multiplied by the number of Agent's Option so exercised at such time.

Words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders. Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Agency Agreement.

1.2 Interpretation Not Affected by Headings

The division of these Terms and Conditions into Articles, Sections and subsections, and the insertion of headings, are for convenience of reference only and shall not affect the construction or interpretation hereof.

1.3 Applicable Law

These Terms and Conditions shall be construed in accordance with and the rights and obligations of the Optionholder and the Corporation hereunder shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to principles of conflicts of law. The Corporation and the Optionholder attorn to the exclusive jurisdiction of the courts of the Province of Ontario in respect of all matters and disputes arising hereunder.

ARTICLE 2 EXERCISE OF AGENT'S OPTION

2.1 Method of Exercise

The right to subscribe for and purchase Common Shares hereunder may be exercised, prior to the Expiry Time, by the Optionholder delivering to the Corporation at its principal office: (i) the Agent's Option Certificate with the subscription form printed on the reverse side thereof or the Agent's Option Exercise Grid (or a separate notice in substantially the same form) duly completed and executed; and (ii) cash or a certified cheque or bank draft payable to or to the order of the Corporation, in Toronto, Ontario in immediately available funds, for the full amount of the Purchase Price, in lawful money of Canada. The Agent's Option Certificate and payment shall be deemed to be delivered only upon actual receipt of same by the Corporation.

2.2 Effect of Exercise

Upon delivery and payment as set forth in Section 2.1 above, the Common Shares so subscribed for shall be issued as fully paid and non-assessable shares in the capital of the Corporation and the Optionholder will become the holder of record of the Common Shares, effective as of the date of such delivery and payment, and within three (3) Business Days thereafter the Corporation will cause certificate(s) for the Common Shares purchased to be mailed to the Optionholder, at the address set forth in the delivery instructions provided by the Optionholder in the subscription form printed on the reverse side of the Agent's Option Certificate (or a separate notice in substantially the same form), or otherwise delivered to or to the order of the Optionholder.

2.3 Partial Exercise

The Optionholder may subscribe for and purchase a number of Common Shares that is less than the total number of Common Shares that the Optionholder is entitled to subscribe for and purchase hereunder, in which event the Corporation shall cause a certificate representing the balance of the Agent's Option not exercised by the Optionholder with a duly completed and executed Agent's Option Exercise Grid to be mailed to the Optionholder within five (5) Business Days of receipt at the address set forth in the delivery instructions provided by the Optionholder in the subscription form printed on the reverse side of the Agent's Option Certificate (or a separate notice in substantially the same form), or otherwise delivered to or to the order of the Optionholder.

2.4 Expiration

At the Expiry Time, all rights hereunder shall wholly cease and terminate and the Agent's Option shall be void and of no effect whatsoever.

2.5 Fractional Interests

The Corporation shall not be required to issue fractional Common Shares representing fractional shares on the exercise of any Agent's Option. If more than one Agent's Option shall be presented by the Optionholder for exercise at the same time, the number of full Common Shares issuable upon the exercise thereof will be computed on the basis of the aggregate number of Common Shares purchasable on exercise of the Agent's Option so presented. If any fraction of a Common Share would, except for the provisions of this Section 2.5, be issuable on the exercise of any Agent's Option, the number of Common Shares issued to the Agent shall be rounded up to the next greater whole number of Common Shares, if the fractional entitlement is equal to or greater than 0.5 and shall, without any additional compensation, be rounded down to the next lesser whole number of Common Shares if the fractional entitlement is less than 0.5.

2.6 Non-Transferable

The Agent's Option cannot be transferred or otherwise disposed of by the Optionholder to any person whatsoever.

ARTICLE 3 GENERAL

3.1 Reservation of Sufficient Common Shares

For so long as the Agent's Option remain outstanding, the Corporation shall reserve and keep available for issue upon the exercise of the Agent's Option such number of authorized but unissued Common Shares or other shares in the capital of the Corporation as will be required to satisfy in full the rights of the Optionholder pursuant to the Agent's Option to subscribe for and purchase Common Shares from the Corporation.

3.2 Additional Securities

Nothing contained herein shall be construed as preventing the Corporation from making any distribution of or otherwise issuing to any person, at any time and from time to time, additional Common Shares or securities convertible into Common Shares for such consideration and on such terms as may be approved by the board of directors of the Corporation in its sole discretion.

3.3 Lost, Stolen, Destroyed or Mutilated Agent's Option Certificates

Upon receipt of evidence satisfactory to the Corporation of the loss, theft, destruction or mutilation of any Agent's Option Certificate and, in the case of loss, theft or destruction, upon receipt of indemnity or security in an amount and form satisfactory to the Corporation acting reasonably, or, in the case of mutilation, upon surrender and cancellation of such Agent's Option Certificate, the Corporation will make and deliver, in lieu of such lost, stolen, destroyed or mutilated Agent's Option Certificate, a new Agent's Option Certificate of like tenor and representing the same number of Agent's Option. The Optionholder shall pay the reasonable charges of the Corporation in connection with any such replacement.

3.4 Optionholder Not a Shareholder

The Agent's Option represented hereby shall not constitute the Optionholder a shareholder of the Corporation, nor entitle the Optionholder to any right or interest (including, without limitation, any voting rights or rights to receive dividends or other distributions) as a shareholder of the Corporation. For greater certainty, the Agent's Option represented hereby shall not entitle the Optionholder to any voting rights whatsoever in the affairs of the Corporation.

3.5 Notice to Regulatory Authorities

The Corporation may give notice of the issuance of any Common Shares pursuant to the exercise of Agent's Option, in such detail as may be required, to any stock exchange, securities commission or similar regulatory authority in Canada having jurisdiction in respect of such issuance.

3.6 Legends

If, at the time of the exercise of the Agent's Option, the Common Shares acquired thereby are subject to trading restrictions under applicable securities legislation, the Corporation may, on the advice of counsel, endorse the certificates representing such Common Shares with a legend.

ARTICLE 4 ADJUSTMENTS

4.1 Adjustment of Subscription Rights

- (a) The Exercise Price and the number of Common Shares purchasable upon the exercise of an Agent's Option shall be subject to adjustment from time to time as set forth in this Article 4 with respect to any fact or event described herein occurring after the Issue Date but prior to the Expiry Time. The adjustments provided for in this Article 4 are cumulative. Notwithstanding anything contained in this Article 4, any adjustment made pursuant to any provision of this Article 4 shall be made without duplication of an adjustment otherwise required by and made pursuant to another provision of this Article 4 on account of the same facts or events.
- (b) After any adjustment pursuant to this Article 4, the term "Common Shares" where used in this Agent's Option Certificate shall, unless the context requires otherwise, be interpreted to mean securities or other property that, as a result of all prior adjustments pursuant to this Article 4, the Optionholder is entitled to receive upon the exercise of a Agent's Option, and the number of Common Shares indicated in any subscription made pursuant to the exercise of Agent's Option shall be interpreted to mean the number of such securities or other property which, as a result of all prior adjustments pursuant to this Section, the Optionholder is entitled to receive upon the exercise of Agent's Option entitling the holder thereof to subscribe for and purchase the number of Common Shares so indicated.

4.2 Stock Dividends, Subdivisions or Consolidations

- (c) If and whenever at any time after the Issue Date but prior to the Expiry Time, the Corporation shall: subdivide, redivide or change its outstanding Common Shares into a greater number of shares; reduce, combine or consolidate its outstanding Common Shares into a smaller number of shares; or issue Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend other than a dividend paid in the ordinary course, then the Exercise Price in effect on the effective date of such subdivision, redivision, change, reduction, combination or consolidation or on the record date for such issue of Common Shares by way of a stock dividend, as the case may be, shall be adjusted immediately after such effective date or record date, as the case may be, so that it shall equal the price determined by multiplying the Exercise Price in effect on such date by a fraction of which the numerator shall be the total number of Common Shares outstanding immediately prior to such date and the denominator shall be the total number of Common Shares outstanding immediately after such date.
- (d) Any issue of Common Shares by way of a stock dividend as contemplated in this Section 4.2 shall be deemed to have been made on the record date for the stock dividend for the purpose of calculating the number of outstanding Common Shares, or securities convertible into Common Shares, under Sections 4.2, 4.3 and 4.4.
- (e) Upon any adjustment of the Exercise Price pursuant to Section 4.2, the number of Common Shares purchasable under each Agent's Option shall contemporaneously be adjusted by multiplying the number of Common Shares theretofore purchasable on the exercise thereof by a fraction of which the numerator shall be the Exercise Price in effect immediately prior to such adjustment and the denominator shall be the Exercise Price resulting from such adjustment.

4.3 Rights Offerings

If and whenever at any time after the Issue Date but prior to the Expiry Time, the Corporation shall fix a record date for the issuance of rights, options or warrants to all or substantially all the holders of its outstanding Common Shares entitling them, for a period expiring not more than forty-five (45) days after such record date, to subscribe for or purchase Common Shares (or securities convertible into or exchangeable for Common Shares) at a price per share (or having a conversion or exchange price per share) less than 95% of the Fair Value per Share on such record date, the Exercise Price in effect on such record date shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date plus a number arrived at by dividing the aggregate price of the total number of additional Common Shares offered for subscription or purchase (or the aggregate conversion or exchange price of the convertible securities so offered) by such Fair Value per Share, and of which the denominator shall be the total number of Common Shares outstanding on such record date plus the total number of additional Common Shares offered for subscription or purchase (or into which the convertible securities so offered are convertible or exchangeable). Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such computation. To the extent that any such rights, options or warrants are not so issued or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price shall be readjusted to the Exercise Price that would then be in effect if such record date had not been fixed or to the Exercise Price that would then be in effect based upon the number and aggregate price of Common Shares (or securities convertible into or exchangeable for Common Shares) actually issued upon the exercise of such rights, options or warrants, as the case may be.

4.4 Other Distributions

The Optionholder shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Agent's Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereof, he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Agent's Option.

4.5 Reorganizations

If and whenever at any time after the Issue Date but prior to the Expiry Time, there is a reclassification of the Common Shares or a capital reorganization of the Corporation other than as described in Section 4.2 or a consolidation, amalgamation, arrangement, merger or other reorganization of the Corporation with or into any other body corporate, trust, partnership or other entity, or a sale or conveyance of the property and assets of the Corporation as an entirety or substantially as an entirety to any other body corporate, trust, partnership or other entity (any such event being hereinafter referred to as a "Reorganization"), the Optionholder shall be entitled, for each Agent's Option still held at the effective date of the Reorganization, upon the exercise of such Agent's Option after the effective time, to receive, and shall thereupon be obligated to accept in lieu of the number of Common Shares then subscribed for by him but for the same aggregate consideration payable therefor, the number of shares or other securities or property of the Corporation or of the body corporate, trust, partnership or other entity resulting from such merger, amalgamation or consolidation, or to which such sale or conveyance may be made, as the case may be, that such Optionholder would have been entitled to receive on the Reorganization if, on the record date or the effective date thereof, as the case may be, the Optionholder had been the registered holder of the number of Common Shares so subscribed for. To give effect to or to evidence the provisions of this Section 4.5, the Corporation shall or shall impose upon its successor or such purchasing body corporate, partnership, trust or other entity, as the case may be, prior to or contemporaneously with any such Reorganization, an

agreement or undertaking that provides, to the extent possible, for the application of the provisions of this Section 4.5 with respect to the rights and interests thereafter of the Optionholder to the end that the provisions set forth in this Agent's Option shall thereafter correspondingly be made applicable, as nearly as may reasonably be, with respect to any shares, other securities or property to which the Optionholder is entitled on the exercise of his purchase rights thereafter. Any agreement or undertaking entered into between the Corporation, any successor to the Corporation or such purchasing body corporate, partnership, trust or other entity shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided in this Article 4 and which shall apply to successive Reorganizations.

4.6 Exception

Notwithstanding anything contained herein, no adjustment in the number of Common Shares purchasable upon the exercise of a Agent's Option, or the Exercise Price thereof, shall be made in respect of any event or circumstance described in this Article 4 if the Optionholder is entitled to participate in such event on the same terms, mutatis mutandis, as if the Optionholder had exercised his Agent's Option on or before the effective date or record date of such event or circumstance.

4.7 Abandonment or Deferral

- (a) If the Corporation sets a record date as at which the holders of Common Shares are to be determined for the purposes of an event in respect of which an adjustment in the number of Common Shares purchasable upon the exercise of an Agent's Option, or the Exercise Price thereof, is required to be made under Article 4 but legally abandons the event prior to completion thereof, then no adjustment in such number of Common Shares or the Exercise Price thereof shall be required by reason of the setting of such record date.
- (b) In any case where Article 4 requires that an adjustment in the number of Common Shares purchasable upon the exercise of an Agent's Option, or the Exercise Price thereof, be made effective immediately after a record date for a specified event, the Corporation may elect to defer, until after the occurrence of the event, the issuance to the holder of any Agent's Option exercised after the record date, of the Common Shares issuable upon the exercise of the Agent's Option that are in excess of the Common Shares that the Optionholder would thereupon be entitled to receive in the absence of the specified event; provided, however, that the Corporation shall deliver to the holder an appropriate instrument evidencing the holder's right to receive such additional Common Shares if and when the event requiring such adjustment in fact occurs.

4.8 Minimum Adjustment

No adjustment in the number of Common Shares purchasable upon the exercise of an Agent's Option shall be required under this Article 4 unless the adjustment would require an increase or decrease of at least one percent (1%) in such number of Common Shares; provided, however, that any adjustments which by reason of this Section 4.8 are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations made in this regard shall be made to the nearest one-tenth of a share.

4.9 No Adjustments for Other Transactions or Events

For greater certainty, and notwithstanding anything contained herein, no adjustment to the terms of the Agent's Option shall be required under this Article 4 in the event of any one or more of the following:

- (a) the granting by the Corporation of options or other rights under any stock option plan, stock purchase plan, stock appreciation rights plan, or other deferred, share or incentive

compensation plan to officers, directors, employees or consultants of the Corporation or its affiliates;

- (b) the issue by the Corporation of any Common Shares or other securities of the Corporation for valuable consideration to any persons other than as specifically provided for in this Article 4 (including without limitation the issue of Common Shares upon the exercise or conversion of any securities of the Corporation outstanding as at the date hereof that are exercisable or convertible into Common Shares); or
- (c) the declaration or payment of any dividends on the Common Shares other than as specifically provided for in this Article 4.

4.10 Notice of Adjustment Events

- (a) For so long as any Agent's Option remain outstanding, the Corporation will give notice to the Optionholder of its intention to fix a record date or closing date, as the case may be, for any event referred to in Sections 4.2, 4.3 or 4.4 (other than a subdivision, redivision, change in number, reduction, combination or consolidation of its Common Shares) that gives rise or is reasonably expected to give rise to an adjustment pursuant to this Article 4, or its intention to take any action described in Section 4.5. The notice shall specify the particulars of such event and the record date and/or the effective date therefor; provided, however, that the Corporation shall only be required to specify in such notice the particulars that have been fixed and determined on the date on which the notice is given. The notice shall be given in each case not less than fourteen (14) days prior to the applicable record date, closing date or effective date.
- (b) The Corporation will, within a reasonable time after the occurrence of any event that requires an adjustment pursuant to this Article 4, give notice to the Optionholder specifying the nature of the event and the required adjustment; provided, however, that if the Corporation has given notice under paragraph (a) above and that notice discloses the relevant facts in respect of such event, no notice is required to be given under this paragraph (b).
- (c) Notwithstanding paragraphs (a) and (b) above, any failure or delay by the Corporation in giving the notice contemplated thereunder shall in no way impair, compromise or invalidate the effectiveness of the event or adjustment.

4.11 Determination of Adjustments

Any determinations shall be made by the auditors of the Corporation or, if the auditors of the Corporation are unable or unwilling to make the determination, by any other firm of Chartered Accountants in Toronto, Ontario that the Corporation may select and is qualified under applicable laws to audit the financial records of public companies in Canada. Adjustments required under this Article 4 shall be conclusive, and such firm shall have access to all appropriate records. Any such determination made by the auditors of the Corporation or, if applicable, the other firm of Chartered Accountants shall be binding on the Corporation and the Optionholder.

ARTICLE 5 AMENDMENTS

5.1 Amendments Generally

The terms of the Agent's Option represented by the Agent's Option Certificate may be amended, and the observance of any term thereof may be waived, only by a written instrument signed by the Corporation and the Optionholder. Any such amendment shall be subject to receipt by the Corporation of all required approvals (if any) from any stock exchange on which the Common Shares are listed and all applicable securities regulatory authorities.

ARTICLE 6 NOTICES

6.1 Notice to Corporation

Any notice to the Corporation under the provisions of this Agent's Option Certificate shall be valid and effective if personally delivered or given by telecopier or prepaid mail or email, addressed to the Corporation at St Charles Resources Inc., 180 Bay Street, Suite 4400 Toronto, Ontario M5J 2T3, Attention: Chief Executive Officer, and shall be deemed to have been effectively given on the day following the date of delivery or the date of telecopy (provided it is so received before 4:30 pm (Toronto time) on a Business Day, failing which it will be deemed to have been effectively given on the next following Business Day), or if mailed, seven (7) Business Days after actual posting of the notice. The Corporation may from time to time give the Optionholder written notice of a change of address, which new address shall thereafter, until changed by another notice, be the address of the Corporation for all purposes of this Agent's Option Certificate.

6.2 Notice to Optionholder

Any notice to the Optionholder under the provisions of this Agent's Option Certificate shall be valid and effective if personally delivered or given by telecopier or prepaid mail or via email, addressed to the Optionholder at the address appearing on this Agent's Option Certificate, and shall be deemed to have been effectively given on the day following the date of delivery or the date of telecopy (provided it is so received before 4:30 pm (Toronto time) on a Business Day, failing which it will be deemed to have been effectively given on the next following Business Day), or if mailed, seven (7) Business Days after actual posting of the notice.

ARTICLE 7 ELECTRONIC DELIVERY

7.1 Electronic Delivery

The Corporation agrees that the electronic signature of the authorized signatory of the Corporation included in the Agent's Option Certificate is intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures. Delivery of an executed copy of the Agent's Option Certificate by electronic transmission constitutes valid and effective delivery.

SCHEDULE "B"

To an Agreement dated April 7, 2022 between St. Charles Resources Inc. (the "**Corporation**") and iA Private Wealth Inc. (the "**Agent**")

1. The Corporation is a corporation incorporated under the laws of Ontario. At the date hereof, the Corporation has the corporate power and capacity to carry on its business as described in the Prospectus.
2. The authorized capital of the Corporation is an unlimited number of Common Shares of which 7,360,000 Common Shares are issued and outstanding as fully paid and non-assessable shares, prior to the issuance of the Offered Shares.
3. The Corporation has the corporate power and capacity to enter into the Agency Agreement, Escrow Agreement, Agent's Option Certificate, and all other material contracts (as disclosed in the Prospectus), and to perform its obligations set out therein, and the Agency Agreement, Escrow Agreement, Agent's Option Certificate, and all other material contracts (as disclosed in the Prospectus) have been duly authorized, executed and delivered by the Corporation, and each of the Agency Agreement, Escrow Agreement, Agent's Option Certificate, and all other material contracts (as disclosed in the Prospectus) constitutes a valid and binding obligation of the Corporation, enforceable against it in accordance with its respective terms.
4. All necessary corporate action has been taken by the Board of Directors of the Corporation to authorize the creation, issuance and sale by the Corporation of the Offered Shares in the manner contemplated by the Agency Agreement.
5. All approvals, permits, consents, orders and authorizations have been obtained and all necessary documents have been filed and all other legal requirements have been fulfilled by the Corporation under the laws of the Provinces of Alberta, Ontario, British Columbia and Saskatchewan to qualify the issuance, sale and distribution of the Offered Shares by the Prospectus to subscribers resident in the Provinces of Alberta, Ontario, British Columbia, and Saskatchewan through registrants registered under the laws of the Provinces of Alberta, Ontario, British Columbia, and Saskatchewan who have complied with such laws.
6. The first trade in, or resale of, as applicable, the Offered Shares and the Agent's Shares will not be subject to the prospectus requirements of Securities Legislation in the Provinces of Alberta, Ontario, British Columbia, and Saskatchewan (the "**Relevant Securities Laws**"), and no other documents are or will be required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations of regulatory authorities required to be obtained by the Corporation under the Relevant Securities Laws in connection with any such trade made through a registrant properly registered under Relevant Securities Laws who has complied with the requirements thereof, provided that:
 - (a) the trade is not a "control distribution" (as defined in National Instrument 45-102 - *Resale of Securities*); and
7. the Corporation is a "reporting issuer" for the purposes of National Instrument 45-102 - *Resale of Securities* at the time of the trade. The authorization, execution, delivery and fulfilment of the terms of the Agency Agreement, Agent's Option Certificate and the Escrow Agreement by the Corporation do not conflict with or result in a breach of or a default under:

- (a) any of the terms, conditions or provisions of the articles or by-laws of the Corporation;
 - (b) any agreement or indenture to which the Corporation is a party or by which it is bound and of which we are aware;
 - (c) any shareholders' or directors' resolutions of the Corporation of which we are aware; or
 - (d) any applicable laws of the Province of Ontario and the federal laws of Canada applicable therein.
8. Upon the Offered Shares being issued and subject to the receipt of the consideration therefor, such Offered Shares will have been validly issued as fully paid and non-assessable shares.
9. All necessary corporate action has been taken by the Corporation to authorize the issuance of up to 2,000,000 additional Common Shares (the "**Agent's Shares**") in the event the Agent should exercise its option pursuant to the Agent's Option Certificate, and the Agent's Shares, when issued in accordance with the terms of the Agent's Option Certificate, including the receipt of the consideration therefor, will be validly issued as fully paid and non-assessable shares.
10. Assuming that the Agent's Shares are issued in accordance with the terms and conditions of the Agent's Option Certificate, no filing, proceeding, approval, permit, consent or authorization is required to be made, taken or obtained under the laws of the Provinces of Alberta, Ontario, British Columbia, and Saskatchewan to permit the issuance to the Agent by the Corporation of the Agent's Shares upon the exercise of the Agent's Option Certificate.
11. The Exchange has conditionally granted the application for listing of the Offered Shares and has conditionally approved the listing of up to 27,360,000 issued and outstanding Common Shares (inclusive of the Offered Shares) and up to 2,736,000 Common Shares issuable upon exercise of the Directors' and Officers' stock options to be granted by the Corporation and the Agent's Shares, subject to completion of the conditions referred to in the Exchange Letter.
12. The Transfer Agent at its office in the City of Toronto has been duly appointed registrar and transfer agent of the Common Shares.
13. The form of share certificate representing the Common Shares of the Corporation has been duly approved and adopted by the Corporation and complies with the provisions of the *Business Corporations Act* (Ontario) and with the applicable published policies and by-laws of the Exchange.
14. The Corporation is a "reporting issuer" in the provinces of Alberta, British Columbia, Ontario and Saskatchewan and is not noted in default in the respective reporting issuer lists maintained by the Commissions.
15. The statements concerning tax matters under the heading "Eligibility for Investment" in the Prospectus is a fair summary of the applicable provisions of the *Income Tax Act* (Canada) regarding the eligibility for investment of the Offered Shares by trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax free savings accounts.