

UNDERWRITING AGREEMENT

September 14, 2020

First Majestic Silver Corp.
925 West Georgia Street, Suite 1800
Vancouver, BC, Canada
V6C 3L2

Attention: Keith Neumeyer, President and Chief Executive Officer

Dear Sirs:

Based upon and subject to the terms and conditions set out in this agreement (the “**Underwriting Agreement**”) Cormark Securities Inc. (the “**Underwriter**”) offers to purchase from First Majestic Silver Corp. (the “**Company**”), and the Company hereby agrees to issue and sell to the Underwriter, on the Closing Date, 5,000,000 Common Shares (as hereinafter defined) (the “**Offered Shares**”), at a price of \$15.60 per Offered Share (the “**Issue Price**”), for aggregate gross proceeds to the Company of \$78,000,000.

The Company has advised that: (i) it is current in the filing of all materials required to be filed under Canadian Securities Laws (as hereinafter defined) of each of the provinces of Canada, other than Québec (the “**Qualifying Jurisdictions**”); (ii) it has filed the Base Shelf Prospectus (as hereinafter defined) in each of the Qualifying Jurisdictions and the BCSC (as hereinafter defined), as principal regulator, has issued a decision document in respect thereof under NP 11-202 (as hereinafter defined) on behalf of itself and the other Securities Commissions (as hereinafter defined); and (iii) it is qualified to file the Prospectus Supplement (as hereinafter defined) in each of the Qualifying Jurisdictions as a supplement to the Base Shelf Prospectus in accordance with the requirements of NI 44-101 and NI 44-102 (as such terms are hereinafter defined).

The Offered Shares shall be distributed in one or more of the Qualifying Jurisdictions by the Underwriter pursuant to the Prospectus (as hereinafter defined). The Offered Shares will not be offered or sold in any jurisdiction outside of the Qualifying Jurisdictions, including for certainty, in the United States or to or for the account or benefit of, U.S. persons, as such terms are defined in Regulation S under the U.S. Securities Act (as hereinafter defined). For certainty, the parties hereto agree that all offers and sales of the Offered Shares shall be made in accordance with Rule 903 of Regulation S under the U.S. Securities Act, including, without limitation, Rule 903(b)(2) thereof. The Underwriter hereby agrees that all offers and sales of the Offered Shares prior to the expiration of the “distribution compliance period” specified in Rule 903(b)(2) of said Regulation S, shall be made only in accordance with the provisions of Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act; pursuant to registration of the Offered Shares under the U.S. Securities Act; or pursuant to an available exemption from the registration requirements of the U.S. Securities Act .

Subject to Section 11, in consideration of the Underwriter’ services to be rendered in connection with the Offering, the Company shall pay to the Underwriter the Underwriting Fee (as hereinafter defined).

The following are the terms and conditions of the agreement between the Company and the Underwriter:

TERMS AND CONDITIONS

Section 1 Definitions and Interpretation

(1) In this Underwriting Agreement:

“**Act**” means the *Business Corporations Act* (British Columbia);

“**affiliate**”, “**associate**”, “**material fact**”, “**material change**”, and “**misrepresentation**” shall have the respective meanings ascribed thereto in the *Securities Act* (British Columbia);

“**AIF**” means the annual information form of the Company for the year ended December 31, 2019, dated March 30, 2020;

“**Base Shelf Prospectus**” means the final short form base shelf prospectus of the Company dated November 5, 2018, including all of the Documents Incorporated by Reference;

“**BCSC**” means the British Columbia Securities Commission, as principal regulator of the Company under the Passport System;

“**Business Day**” means any day other than a Saturday, Sunday or statutory or civic holiday in Vancouver, British Columbia or Toronto, Ontario;

“**Canadian Securities Laws**” means, collectively, all applicable securities laws of each of the Qualifying Jurisdictions and the respective rules and regulations under such laws, together with applicable published instruments, notices and orders of the securities regulatory authorities in the Qualifying Jurisdictions;

“**Closing**” means the completion of the issue and sale by the Company and the purchase by the Underwriter on the Closing Date of the Offered Shares as contemplated by this Underwriting Agreement;

“**Closing Date**” means September 17, 2020, or any earlier or later date as may be agreed to by the Company and the Underwriter, each acting reasonably;

“**Common Shares**” means common shares in the capital of the Company;

“**Company’s Auditors**” means Deloitte LLP, or such firm of chartered accountants as the Company may from time to time appoint as auditors of the Company;

“**COVID-19 Outbreak**” has the meaning ascribed thereto in Section 7(1)(ddd).

“**Debt Instrument**” means any note, loan, bond, debenture, indenture, promissory note, credit facility, or other instrument evidencing material indebtedness (demand or otherwise) for borrowed money or other liability, and any amendments thereto, to which the Company or its Material Subsidiaries are a party or to which their property or assets are otherwise bound, including, but not limited to, the Note Indenture (and any securities issued pursuant thereto) and the New Credit Facility;

“distribution” means distribution or distribution to the public, as the case may be, for the purposes of the Canadian Securities Laws;

“Documents Incorporated by Reference” means, in respect of any of the Offering Documents, the documents specified as being incorporated therein by reference or which are deemed to be incorporated therein by reference pursuant to Canadian Securities Laws;

“Environmental Laws” has the meaning ascribed thereto in Section 7(1)(xx)(i);

“Environmental Permits” has the meaning ascribed thereto in Section 7(1)(xx)(ii);

“Exchanges” means, collectively, the TSX, the NYSE, and the Frankfurt Stock Exchange;

“Governmental Authority” means and includes, without limitation, any national, federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing, and any governmental department, commission, board, bureau, agency or instrumentality, including the Securities Commissions and the Exchanges;

“IFRS” means International Financial Reporting Standards which are issued by the International Accounting Standards Board, as adopted in Canada;

“including” means including without limitation;

“Indemnified Parties” has the meaning ascribed thereto in Section 14(1);

“Indemnitor” has the meaning ascribed thereto in Section 14(1);

“marketing materials” and **“standard term sheet”** shall have their respective meanings ascribed thereto in NI 41-101;

“Material Adverse Effect” means any event, change, fact, or state of being that would reasonably be expected to have a significant and adverse effect on the business, affairs, capital, operation, properties, permits, assets, liabilities (absolute, accrued, contingent or otherwise) or condition (financial or otherwise) of the Company and its subsidiaries considered on a consolidated basis;

“Material Agreement” means any Debt Instrument, contract, commitment, agreement (written or oral), instrument, lease, license, or other document (written or oral), to which the Company or the Material Subsidiaries are a party and which is material to the Company and its subsidiaries on a consolidated basis, including, but not limited to the Sales Agreement;

“Material Permits” means all material permits, certificates, licences, approvals, consents, registrations and other authorizations of the Company and the Material Subsidiaries;

“Material Properties” means, collectively: (i) San Dimas Silver/Gold Mine located in Durango State, Mexico; (ii) Santa Elena Silver/Gold Mine located in Sonora State, Mexico; and (iii) La Encantada Silver Mine located in Coahuila State, Mexico, each as described in the AIF;

“**Material Subsidiaries**” means the subsidiaries of the Company set out in Schedule “A” (which schedule includes the Company’s direct or indirect percentage ownership interest therein) ;

“**New Credit Facility**” means the senior secured revolving term credit facility entered into on May 10, 2018 among the Company and Scotiabank, Bank of Montreal and Investec Bank PLC.;

“**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*;

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

“**NI 44-101**” means National Instrument 44-101 – *Short Form Prospectus Distributions*;

“**NI 44-102**” means National Instrument 44-102 – *Shelf Distributions*;

“**Note Indenture**” means the indenture entered into on January 29, 2018 between the Company and Computershare Trust Company, N.A..

“**NP 11-202**” means National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;

“**NYSE**” means the New York Stock Exchange;

“**OFAC**” has the meaning ascribed thereto in Section 7(1)(ooo);

“**Offered Shares**” has the meaning ascribed thereto in the first paragraph of this Underwriting Agreement;

“**Offering**” means the distribution of the Offered Shares pursuant to the Prospectus;

“**Offering Documents**” means, collectively, the Base Shelf Prospectus, the Prospectus Supplement, any Prospectus Amendment, and any Supplementary Material,

“**Passport System**” means the system and procedures for prospectus filing and review under Multilateral Instrument 11-102 – *Passport System* adopted by the Securities Commissions (other than the Ontario Securities Commission) and NP 11-202;

“**person**” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, joint venture association, trust, body corporate, Governmental Authority or other legal entity;

“**Personnel**” has the meaning ascribed thereto in Section 14(1);

“**Properties**” means, collectively: (i) the Material Properties; (ii) San Martín Silver Mine located in Jalisco State, Mexico; (iii) La Parrilla Silver Mine located in Durango State, Mexico; (iv) Del Toro Silver Mine located in Zacatecas State, Mexico; and (v) La Guitarra Silver Mine located in Mexico State, Mexico; each as described in the AIF;

“**Prospectus**” means, collectively, the Base Shelf Prospectus, as supplemented by the Prospectus Supplement and any Prospectus Amendment, in each case including all of the Documents Incorporated by Reference;

“**Prospectus Amendment**” means any amendment to the Base Shelf Prospectus or the Prospectus Supplement required to be prepared and filed by the Company pursuant to Canadian Securities Laws;

“**Prospectus Supplement**” means the prospectus supplement, to be dated on or about September 14, 2020, to the Base Shelf Prospectus;

“**Public Disclosure Documents**” means, collectively, all of the documents which have been filed on SEDAR by or on behalf of the Company during the three-year period prior to the Closing Date with the relevant Securities Commissions pursuant to the requirements of Canadian Securities Laws;

“**Purchasers**” means, collectively, each of the purchasers of Offered Shares pursuant to the Offering, including, if applicable, the Underwriter;

“**Qualifying Jurisdictions**” has the meaning ascribed thereto in the second paragraph of this Underwriting Agreement;

“**Reporting Jurisdictions**” means each of the provinces of Canada;

“**Sales Agreement**” means, the equity distribution agreements entered into by the Company on June 9, 2020;

“**Securities Commissions**” means the applicable securities commission or similar regulatory authority in each of the Qualifying Jurisdictions;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;

“**Standard Listing Conditions**” has the meaning ascribed thereto in Section 3(3)(c);

“**subsidiary**” means a subsidiary for purposes of the *Securities Act* (British Columbia);

“**Supplementary Material**” means, collectively, any Prospectus Amendment, any amendment to any of the other Offering Documents or any amendment or supplemental prospectus or ancillary materials that may be filed by or on behalf of the Company under Canadian Securities Laws relating to the distribution of the Offered Shares;

“**Time of Closing**” means 8:00 a.m. (Toronto time) on the Closing Date, or any other time on the Closing Date, as may be mutually agreed to by Company and the Underwriter;

“**Transfer Agent**” means Computershare Trust Company of Canada, acting in such capacity;

“**TSX**” means the Toronto Stock Exchange;

“**Underwriter**” has the meaning ascribed thereto in the first paragraph of this Underwriting Agreement;

“**Underwriting Fee**” has the meaning ascribed thereto in Section 11;

“**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

“**U.S. person**” means a “U.S. person” as that term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act; and

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended.

- (2) **Headings, etc.** The division of this Underwriting Agreement into sections, subsections, paragraphs and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Underwriting Agreement. Unless something in the subject matter or context is inconsistent therewith, references herein to sections, subsections, paragraphs and other subdivisions are to sections, subsections, paragraphs and other subdivisions of this Underwriting Agreement.
- (3) **Currency.** Except as otherwise indicated, all amounts expressed herein in terms of money refer to lawful currency of Canada and all payments to be made hereunder shall be made in such currency.
- (4) **Capitalized Terms.** Capitalized terms used but not defined herein have the meanings ascribed to them in the Prospectus.
- (5) **Schedules.** The following Schedules are attached to this Underwriting Agreement and are deemed to be part of and incorporated in this Underwriting Agreement:

Schedule
“A”

Title
Material Subsidiaries

Section 2 Prospectus Covenants

- (1) As soon as practicable after the execution of this Underwriting Agreement, and in any event no later than 10:45 p.m. (Toronto time) on September 14, 2020, the Company will prepare and file the Prospectus Supplement, including copies of any Documents Incorporated by Reference, with the Securities Commissions, and will have taken all other steps and proceedings that may be necessary in order to qualify the Offered Shares for distribution in each of the Qualifying Jurisdictions by the Underwriter and other persons who are registered in a category permitting them to distribute the Offered Shares under the Canadian Securities Laws and who comply with the Canadian Securities Laws.
- (2) Until the earlier of the date on which (i) the distribution of the Offered Shares is completed; or (ii) the Underwriter has exercised its termination rights pursuant to Section 12, the Company will promptly take, or cause to be taken, all additional steps and proceedings that may from time to time be required under Canadian Securities Laws to continue to qualify the distribution of the Offered Shares, or, in the event that the Offered Shares have, for any reason, ceased so to qualify, to so qualify again the distribution of the Offered Shares in the Qualifying Jurisdictions.
- (3) The Company and the Underwriter covenant and agree not to provide any potential investor of Offered Shares with any marketing materials or a standard term sheet in connection with the Offering.

Section 3 **Delivery of Offering Documents**

- (1) The Company will deliver without charge to the Underwriter, as soon as practicable, but in any event on the next Business Day after the filing of the Prospectus Supplement for deliveries to be made within Toronto, Ontario and on the second Business Day following filing of the Prospectus Supplement for deliveries to be made outside of Toronto, Ontario, and thereafter from time to time as requested by the Underwriter, as many commercial copies of the applicable Offering Documents as the Underwriter may reasonably request for the purposes contemplated hereunder and permitted by Canadian Securities Laws, and each such delivery of the Offering Documents will have constituted and shall constitute the consent of the Company to the use of such documents by the Underwriter in connection with the distribution of the Offered Shares, subject to the Underwriter complying with the provisions of Canadian Securities Laws and the provisions of this Underwriting Agreement.
- (2) Each delivery of the Offering Documents to the Underwriter by the Company in accordance with this Underwriting Agreement will constitute the representation and warranty of the Company to the Underwriter that (except for information and statements relating solely to the Underwriter and furnished by it specifically for use in the Offering Documents), at the respective date of such document:
 - (a) the information and statements contained in each of the Offering Documents (including, for greater certainty, the Documents Incorporated by Reference, except to the extent such Documents Incorporated by Reference have been updated or superseded by information and statements contained in the Offering Documents or a subsequent Document Incorporated by Reference): (i) are true and correct in all material respects and contain no misrepresentation; and (ii) constitute full, true and plain disclosure of all material facts relating to the Offered Shares and the Company; and
 - (b) the Prospectus complies as to form in all material respects with Canadian Securities Laws.
- (3) The Company will also deliver to the Underwriter, prior to the filing of the Prospectus Supplement, as applicable, unless otherwise indicated:
 - (a) a copy of the Prospectus Supplement in the form required by Canadian Securities Laws;
 - (b) a copy of any other document filed with, or delivered to, the Securities Commissions by the Company under Canadian Securities Laws in connection with the Offering, including any Supplementary Material and any Document Incorporated by Reference in the Prospectus not previously filed on SEDAR;
 - (c) evidence satisfactory to the Underwriter of the conditional approval of the listing and posting for trading on the TSX of the Offered Shares, subject only to the satisfaction by the Company of customary post-closing conditions imposed by the TSX in similar circumstances (the “**Standard Listing Conditions**”); and
 - (d) a “long-form” comfort letter dated the date of the Prospectus Supplement, in form and substance satisfactory to the Underwriter, acting reasonably, addressed to the Underwriter and the directors of the Company, from the Company’s Auditors, and based on a review completed not more than two Business Days prior to the date of the letter, with respect to financial and accounting information relating to the Company included and incorporated

by reference in the Prospectus, which letter shall be in addition to the auditors' report contained in the Prospectus and any auditors' consent letter addressed to the Securities Commissions and filed with or delivered to the Securities Commissions under Canadian Securities Laws.

- (4) The Company shall deliver to the Underwriter, contemporaneously with, or prior to, any filing of any Supplementary Material, comfort letters and other documents substantially similar to those referred to in Section 3(3), with respect to such Supplementary Material.

Section 4 Notifications of Material Changes During the Distribution of the Offered Shares

- (1) The Company will promptly notify the Underwriter during the period prior to the completion of the distribution of the Offered Shares of the full particulars of:
 - (a) any material change (actual, threatened or contemplated) in the business, affairs, operations, assets, liabilities (contingent or otherwise), financial condition or capital of the Company and its subsidiaries, taken as a whole;
 - (b) any material fact that has arisen or has been discovered and would have been required to have been stated in any of the Offering Documents had that fact arisen or been discovered on, or prior to, the date of the Offering Documents, as the case may be; and
 - (c) any change in any material fact or any misstatement of any material fact contained in any of the Offering Documents, or the existence of any new material fact, in each case which is of a nature as to render any of the Offering Documents misleading or untrue in any material respect or would result in a misrepresentation therein;
 - (d) any breach of any covenant of this Underwriting Agreement by the Company, or upon it becoming aware that any representation or warranty of the Company contained in this Underwriting Agreement is or has become untrue or inaccurate in any material respect; or
 - (e) any notice or other material correspondence received by the Company from any regulatory or governmental body and any requests from such bodies for information or a hearing relating to the Company, the Offering, the issue and sale of the Offered Shares;

and the Company shall promptly, and in any event within any applicable time limitation, comply with all applicable filings and other requirements under the Canadian Securities Laws as a result of such fact or change, including, for greater certainty, filing any Supplementary Material which may be necessary under Canadian Securities Laws to qualify the distribution of Offered Shares in the Qualifying Jurisdictions; provided that the Company shall not file any Supplementary Material or other document without first providing the Underwriter with a copy of such Supplementary Material or other document and consulting with the Underwriter and its counsel with respect to the form and content thereof.

- (2) In addition to the provisions of Section 4(1), the Company will, in good faith, discuss with the Underwriter any change, event, development or fact, contemplated, anticipated, threatened, or proposed in Section 4(1) that is of such a nature that there may be reasonable doubt as to whether notice should be given to the Underwriter under Section 4(1) and will consult with the Underwriter with respect to the form and content of any Supplementary Material proposed to be filed by the Company, it being understood and agreed that no such Supplementary Material will be filed with any Securities Commission until the Underwriter and its legal counsel have been

given a reasonable opportunity to review and comment on, and, if required under Canadian Securities Laws, approve such material.

Section 5 Due Diligence

Prior to the Time of Closing and, if applicable, prior to the filing of any Supplementary Material, the Underwriter and its legal counsel will be provided with timely access to all information required to permit them to conduct a full due diligence investigation of the Company and the Material Subsidiaries and their business operations, properties, assets, affairs and financial condition. In particular, the Underwriter shall be permitted to conduct all due diligence that it may require in order to fulfil its obligations under Canadian Securities Laws and, in that regard, the Company will make available to the Underwriter and its legal counsel, on a timely basis, all corporate and operating records, material contracts, financial information, budgets, key officers, and other relevant information necessary in order to complete the due diligence investigation of the Company and the Material Subsidiaries and their business, properties, assets, affairs and financial condition for this purpose, and without limiting the scope of the due diligence inquiries the Underwriter may conduct, to participate and cause its counsel, the Company's Auditors and the Company's technical consultants to participate in one or more due diligence sessions to be held prior to the filing of the Prospectus Supplement and the Time of Closing. It shall be a condition precedent to the Underwriter's execution of any certificate in any Offering Document that the Underwriter be satisfied, acting reasonably, as to the form and content of the document based on its due diligence review. The Underwriter shall not unreasonably withhold or delay the execution of such Offering Document required to be executed by the Underwriter and filed in compliance with Canadian Securities Laws for the purposes of the Offering.

Section 6 Conditions of Closing

The Underwriter's obligations under this Underwriting Agreement (including the obligation to complete the purchase of the Offered Shares or any of them) are conditional upon and subject to:

- (1) *Legal Opinions.* The Underwriter receiving at the Time of Closing favourable legal opinions addressed to the Underwriter from Bennett Jones LLP, counsel to the Company, or local counsel with respect to those matters governed by the laws of jurisdictions other than the jurisdictions in which it is qualified to practice, which counsel may rely as to matters of fact, on certificates of the officers of the Company, public and stock exchange officials and other documentation standard for legal opinions in transactions of a similar nature, in form and substance acceptable to the Underwriter, acting reasonably, with respect to the following matters:
 - (a) the Company being a "reporting issuer", or its equivalent, in each of the Qualifying Jurisdictions and not in default under Canadian Securities Laws in such Qualifying Jurisdictions;
 - (b) the Company being a corporation existing under the Act and having all requisite corporate power and capacity to carry on business, to own, lease and operate properties and assets and to enter into this Underwriting Agreement and to perform its obligations hereunder;
 - (c) the authorized share capital of the Company;
 - (d) all necessary corporate action having been taken by the Company to authorize the execution and delivery of this Underwriting Agreement and the performance of its obligations hereunder and as to this Underwriting Agreement having been duly

authorized, executed and delivered on behalf of the Company, and constituting a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as the enforcement thereof may be limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;

- (e) all necessary corporate action having been taken by the Company to authorize the execution and delivery of the Prospectus and any Supplementary Material and the filing thereof with the Securities Commissions;
 - (f) the execution and delivery of this Underwriting Agreement by the Company and the performance by the Company of its obligations hereunder (including the issuance, sale and delivery of the Offered Shares) do not and will not (as the case may be) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, whether after notice or lapse of time or both: (i) the provisions of any applicable law, statute, rule or regulation; or (ii) the articles and notice of articles of the Company;
 - (g) the Offered Shares having been duly authorized for issuance and, at the Time of Closing and upon receipt by the Company of the purchase price therefor, the Offered Shares will be validly issued as fully paid and non-assessable Common Shares;
 - (h) all necessary documents having been filed, all requisite proceedings having been taken and all approvals, permits, authorizations and consents of the appropriate regulatory authority in each of the Qualifying Jurisdictions having been obtained by the Company to qualify the distribution of the Offered Shares in each of the Qualifying Jurisdictions in compliance with the relevant provisions of applicable Canadian Securities Laws;
 - (i) subject to the qualifications and assumptions set out therein, the statements set forth in the Prospectus Supplement under the heading "Eligibility for Investment" insofar as they purport to describe the provisions of the laws referred to therein are fair and accurate summaries of the matters discussed therein;
 - (j) the Offered Shares being conditionally approved for listing on the TSX (subject to the Standard Listing Conditions); and
 - (k) the Transfer Agent having been duly appointed as the transfer agent and registrar for the Common Shares;
- (2) *Material Subsidiary Opinions.* The Underwriter shall have received at the Time of Closing favourable legal opinions addressed to the Underwriter, in form and substance satisfactory to the Underwriter, acting reasonably, dated as of the Closing Date, from local counsel to the Company, which counsel in turn may rely, as to matters of fact, on certificates of public officials (as appropriate), as to: (i) each of the Material Subsidiaries being a corporation existing under the laws of the jurisdiction in which it was incorporated, amalgamated or continued, as the case may be, and having all requisite corporate power and capacity to carry on business and to own, lease and operate its property and assets; and (ii) as to the issued and outstanding shares of such Material Subsidiaries registered, directly or indirectly, in the name of the Company or a Material Subsidiary;

- (3) *Title Opinions.* The Company shall deliver to the Underwriter at the Time of Closing favourable legal opinions addressed to the Underwriter, in form and substance satisfactory to the Underwriter, acting reasonably, dated as of the Closing Date, from local counsel to Company, which counsel in turn may rely, as to matters of fact, on certificates of public officials (as appropriate) with respect to title and mineral rights to each of the Material Properties;
- (4) *Corporate Certificate.* The Underwriter shall have received at the Time of Closing a certificate, dated as of the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Company, or such other officer(s) of the Company as the Underwriter may agree, certifying for and on behalf of the Company and not in their personal capacity, to the best of the knowledge, information and belief of the person(s) so signing, with respect to: (a) the articles and notice of articles of the Company; (b) the resolutions of the Company's board of directors relevant to the issue and sale of the Offered Shares by the Company and the authorization of this Underwriting Agreement and the transactions contemplated herein; and (c) the incumbency and signatures of the signing officers of the Company who have signed the Prospectus or other documents relating to Closing;
- (5) *Bring-Down Certificate.* The Company shall have delivered to the Underwriter, at the Time of Closing, a certificate dated the Closing Date addressed to the Underwriter and signed by the Chief Executive Officer and Chief Financial Officer of the Company, or such other officer(s) of the Company as the Underwriter may agree, certifying for and on behalf of the Company, and not in their personal capacities, after having made due inquiries, with respect to the following matters:
 - (a) the Company having complied with all of the covenants, in all material respects, and satisfied all the terms and conditions of this Underwriting Agreement on its part to be complied with and satisfied at or prior to the Time of Closing (other than to the extent any such covenants or terms or conditions have been waived by the Underwriter, as the case may be);
 - (b) that no order, ruling or determination having the effect of ceasing or suspending the trading in the Common Shares or prohibiting the sale of the Offered Shares or any other securities of the Company has been issued by any regulatory authority and is continuing in effect and no proceedings for such purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened under any relevant securities laws (including Canadian Securities Laws) or by any regulatory authority;
 - (c) subsequent to the respective dates as at which information is given in the Prospectus, there having not occurred a Material Adverse Effect or any change or development involving a prospective Material Adverse Effect, other than as disclosed in the Prospectus or any Supplementary Material, as the case may be;
 - (d) other than the Offering, no material change relating to the Company and its subsidiaries on a consolidated basis having occurred since the date hereof with respect to which the requisite material change report has not been filed, and no such disclosure having been made on a confidential basis that remains confidential; and
 - (e) the representations and warranties of the Company contained in this Underwriting Agreement and in any certificates of the Company delivered pursuant to or in connection with this Underwriting Agreement, being true and correct in all material respects (or (i) if qualified by materiality, in all respects, and (ii) if given at a specified date, in all material respects as at such date) as at the Time of Closing, with the same force and effect as if

made on and as at the Time of Closing, after giving effect to the transactions contemplated by this Underwriting Agreement;

- (6) *Certificate of Transfer Agent.* The Company having delivered to the Underwriter at the Time of Closing a certificate or letter of the Transfer Agent, certifying as to: (i) its appointment as transfer agent and registrar of the Common Shares; and (ii) the number of Common Shares issued and outstanding on the Business Day prior to the Closing Date, or such other earlier date prior to the Closing Date as is acceptable to the Underwriter, acting reasonably;
- (7) *Bring-Down Auditors Comfort Letter.* The Company having caused the Company's Auditors to deliver to the Underwriter a comfort letter, dated the Closing Date, in form and substance satisfactory to the Underwriter, acting reasonably, bringing forward to the date which is two Business Days prior to the Closing Date, the information contained in the comfort letter referred to in Section 3(3)(d);
- (8) *Certificate of Status.* The Underwriter shall have received a certificate of compliance (or the equivalent) in respect of the Company and each of the Material Subsidiaries, issued by the appropriate regulatory authority, as applicable, in each jurisdiction under which the Company and such Material Subsidiaries exist, to the extent that such certificates of compliance (or their equivalent) are available in such jurisdictions;
- (9) *No Termination.* The Underwriter not having exercised any rights of termination set forth in Section 12; and
- (10) *Other Documentation.* The Underwriter having received at the Time of Closing such further opinions, certificates and other documentation from the Company as may be contemplated herein, provided, however, that the Underwriter shall request any such opinion, certificate or document within a reasonable period prior to the Time of Closing that is sufficient for the Company to obtain and deliver such certificate or document and provided further that any such requested opinion, certificate or document is customary for financings of the nature contemplated hereby.

Section 7 Representations and Warranties of the Company

- (1) The Company represents and warrants to the Underwriter as of the date hereof, and acknowledges that the Underwriter is relying upon each of such representations and warranties in completing the Closing, that:
 - (a) *Good Standing of the Company.* The Company (i) is duly incorporated under the Act and is up-to-date in respect of all material corporate filings and is in good standing under such Act, (ii) has all requisite corporate power, authority and capacity to carry on its business as now conducted and to own, lease and operate its properties and assets as described in the Prospectus; and (iii) has all requisite corporate power and authority to enter into this Underwriting Agreement and to perform its obligations hereunder;
 - (b) *Good Standing of the Material Subsidiaries.* The Material Subsidiaries are the only subsidiaries of the Company which are material to the Company and Schedule "A" is true and accurate in all respects. Each of the Material Subsidiaries: (i) has been duly incorporated or otherwise organized in its respective jurisdiction of incorporation or organization (as applicable) and is in good standing under the laws of such jurisdiction, and (ii) has all requisite corporate or other power and capacity to carry on its business as

now conducted and to own, lease and operate its properties and assets as described in the Prospectus;

- (c) *Ownership of the Material Subsidiaries.* The Company is the direct or indirect legal, registered and beneficial owner of the issued and outstanding shares or other equity interests of each of the Material Subsidiaries as set out in Schedule “A”, free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims and demands whatsoever, except as disclosed in the Prospectus. All of such shares or equity interests in the capital of the Material Subsidiaries have been duly authorized and validly issued and are outstanding as fully paid and non-assessable shares or equity interests and, except as disclosed in the Prospectus or in the Public Disclosure Documents, no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from the Company or any subsidiary of the Company of any interest in any of such shares or equity interests for the issue or allotment of any unissued shares or other equity interests in the capital of the Material Subsidiaries or any other security convertible into or exchangeable for any such shares or equity interests;
- (d) *No Proceedings for Dissolution.* No proceedings have been taken or instituted or, to the knowledge of the Company, are pending for the dissolution or liquidation of the Company or any of the Material Subsidiaries;
- (e) *Compliance with Laws.* The Company and each of the Material Subsidiaries is conducting its business in compliance with all applicable laws, rules and regulations of each jurisdiction in which its respective business is carried on, and the Company has not received a notice of non-compliance, or knows of, or has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits, except where any failure to so comply or any non-compliance would not reasonably be expected to have a Material Adverse Effect, and the Company and each of the Material Subsidiaries is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable it to carry on its business as now conducted and its property and assets to be owned, leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing, except where the failure of such licences, registrations or qualifications to be valid, subsisting or in good standing would not reasonably be expected to have a Material Adverse Effect;
- (f) *Valid and Binding Documents.* The execution and delivery of this Underwriting Agreement and the performance of the transactions contemplated hereunder have been duly authorized by all necessary corporate action of the Company and this Underwriting Agreement has been duly executed and delivered by the Company and constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;
- (g) *Validly Issued Securities.* (i) The Offered Shares have been duly authorized for issuance and, upon issuance thereof in accordance with this Underwriting Agreement, the Offered Shares will be validly issued as fully paid and non-assessable Common Shares, and all

statements made in the Prospectus describing the Offered Shares (including their attributes) are accurate in all material respects; and (ii) the Offered Shares have not and will not have been issued or granted in violation of any pre-emptive rights or contractual rights to purchase securities issued by the Company;

- (h) *Offered Shares Qualified Investments.* The Offered Shares will be, once listed on the TSX, qualified investments under the *Income Tax Act* (Canada) for trusts governed by registered retirement savings plans, registered education savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans and tax-free savings accounts, in each case, subject to the qualifications, limitations and assumptions set forth in the Prospectus Supplement under the heading “Eligibility for Investment”;
- (i) *Prospectus Eligibility.* The Company is eligible to file a short form prospectus in each of the Qualifying Jurisdictions pursuant to Canadian Securities Laws and on the date of and upon filing of the Prospectus Supplement there will be no documents required to be filed under applicable Canadian Securities Laws in connection with the Offering that will not have been filed as required;
- (j) *No Order Restricting Use of Prospectus.* To the knowledge of the Company, no securities commission, stock exchange or comparable authority has issued any order restricting, preventing or suspending the use or effectiveness of the Prospectus or any Prospectus Amendment or preventing the distribution of the Offered Shares in any Qualifying Jurisdiction or instituted proceedings for that purpose and, to the knowledge of the Company, no such proceedings are pending or contemplated;
- (k) *Filing of Prospectus.* The Prospectus, and the execution and filing of the Prospectus with the Securities Commissions, have been duly approved and authorized by all necessary action by the Company, and the Prospectus has been, in the case of the Base Shelf Prospectus, duly executed and filed, and will be, in the case of the Prospectus Supplement, filed, in each case by and on behalf of the Company;
- (l) *Prospectus Compliance.* Each of the Base Shelf Prospectus, the Prospectus Supplement and any Prospectus Amendment complies or will comply, as the case may be, in all material respects with the Canadian Securities Laws and, at the time of delivery of the Offered Shares to the Underwriter and the Purchasers, as applicable, the Prospectus will comply in all material respects with the Canadian Securities Laws;
- (m) *Forward-Looking Information.* With respect to forward-looking information contained in the Prospectus:
 - (i) the Company had a reasonable basis for the forward-looking information at the time the disclosure was made;
 - (ii) all forward-looking information is identified as such, and all such documents caution users of forward-looking information that actual results may vary from the forward-looking information, identify material risk factors that could cause actual results to differ materially from the forward-looking information, and state the material factors or assumptions used to develop the forward-looking information; and

- (iii) the future-oriented financial information or financial outlook contained therein is limited to a period for which the information can be reasonably estimated;
- (n) *Necessary Consents and Approvals.* No approval, authorization, consent or other order of, and no filing, registration or recording with, the shareholders of the Company, any Governmental Authority or other person is required of the Company in connection with its execution and delivery of this Underwriting Agreement and the performance of its obligations hereunder except: (i) as disclosed in the Prospectus, (ii) in compliance with the Canadian Securities Laws with regard to the distribution of the Offered Shares, and (iii) those which have been obtained or will be obtained by the Closing Date and provided to the Underwriter;
- (o) *Stock Exchange Listing, Filings and Fees.* The currently issued and outstanding Common Shares are listed and posted for trading on the Exchanges and the Company is currently in compliance with the rules and regulations of the Exchanges and all material filings and fees required to be made and paid by the Company pursuant to Canadian Securities Laws and general corporate law have been made and paid;
- (p) *No Cease Trade Orders or Action to Delist.* No order ceasing or suspending trading in any securities of the Company or prohibiting the sale of the Offered Shares or the trading of any of the Company's issued securities has been issued and no proceedings for such purpose are threatened or, to the best of the Company's knowledge, pending, and the Company has not taken any action which would be reasonably expected to result in the delisting or suspension of the Common Shares on or from the Exchanges;
- (q) *Dividends.* The Company has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its shares or securities of any class, or, directly or indirectly, redeemed, purchased or otherwise acquired any of the Common Shares or securities or agreed to do any of the foregoing, and there are no restrictions upon or impediment to, the declaration or payment of dividends by the Company in the constating documents of the Company or in any Material Agreements or Debt Instruments;
- (r) *No Default or Breach.* The execution and delivery of this Underwriting Agreement and the performance by the Company of its obligations hereunder, and the issuance of the Offered Shares does not and will not (as the case may be) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, whether after notice or lapse of time or both, (i) any statute, rule or regulation applicable to the Company or any of the Material Subsidiaries, including Canadian Securities Laws; (ii) the constating documents or resolutions of the Company or any of the Material Subsidiaries, that are in effect at the date hereof; (iii) the terms of any Debt Instrument or Material Agreement to which the Company or any of the Material Subsidiaries are a party or by which they are bound; or (iv) any judgment, decree or order binding the Company, any of the Material Subsidiaries or the respective property or assets of the Company or the Material Subsidiaries;
- (s) *Absence of Rights to Acquire Securities.* Except as disclosed in the Prospectus, no person now has any agreement or option or right or privilege (whether at law, pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of the Company or any of the Material Subsidiaries;

- (t) *Share Capital.* The authorized capital of the Company consists of an unlimited number of Common Shares without par value, of which, as of September 14, 2020, an aggregate of 216,119,187 Common Shares were outstanding as fully paid and non-assessable shares of the Company. Except as disclosed in the Prospectus, there are no options, warrants or other securities convertible into, or exchangeable or exercisable for, Common Shares;
- (u) *No Adverse Legislation.* The Company is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the condition (financial or otherwise), assets, liabilities (contingent or otherwise), business, affairs, operations, properties, capital or prospects of the Company and its subsidiaries on a consolidated basis;
- (v) *No Material Changes.* Since December 31, 2019, other than as disclosed in the Public Disclosure Documents: (i) there has been no material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of the Company and its subsidiaries on a consolidated basis, (ii) there has been no material change in the capital stock or long-term debt of the Company and its subsidiaries on a consolidated basis, and (iii) the Company and the Material Subsidiaries have carried on their respective businesses in the ordinary course;
- (w) *Reporting Issuer.* The Company is currently a “reporting issuer” (within the meaning of Canadian Securities Laws) in each of the Reporting Jurisdictions and the Company will, as of the Closing Date, be a reporting issuer in each of the Reporting Jurisdictions and not included in a list of defaulting reporting issuers maintained by the Securities Commissions in such jurisdictions, and in particular, without limiting the foregoing, the Company has at all relevant times complied with its obligations to make timely disclosure of all material changes relating to it, no such disclosure has been made on a confidential basis (including, but not limited to, the filing of any confidential material change report) that is still maintained on a confidential basis, and there is no material change relating to the Company which has occurred and with respect to which the requisite material change report has not been filed with the Securities Commissions;
- (x) *Continuous Disclosure Compliance.* The Company is in compliance in all material respects with its timely and continuous disclosure obligations under Canadian Securities Laws and the rules and regulations of the Exchanges, including insider reporting obligations, and, without limiting the generality of the foregoing, there has been no material change that has occurred since December 31, 2019, which has not been publicly disclosed. The information and statements in the Public Disclosure Documents were true and correct in all material respects as of the respective dates of such information and statements and at the time any such documents were filed on SEDAR and, except as may have been corrected or superseded by subsequent disclosure, do not contain any misrepresentations and no material facts have been omitted therefrom which would make such information materially misleading;
- (y) *Financial Statements.* The audited consolidated financial statements as at and for the financial years ended December 31, 2019 and 2018 and unaudited condensed interim consolidated financial statements as at and for the three and six months ended June 30, 2020 and 2019 incorporated by reference in the Prospectus: (i) have been prepared in accordance with IFRS consistently applied throughout the periods involved, and comply as to form in all material respects with applicable accounting requirements of Canadian Securities Laws, (ii) are, in all material respects, consistent with the books and records of

the Company, (iii) contain and reflect all material adjustments for the fair presentation of the results of operations and the financial condition of the business of the Company for the periods covered thereby, (iv) present fairly, in all material respects, the financial position of the Company as at the date thereof and the results of its operations and the changes in its financial position for the periods then ended, (v) contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of the Company, and (vi) do not omit to state any material fact that is required by generally accepted accounting principles or by applicable law to be stated or reflected therein or which is necessary to make the statements contained therein not misleading, respectively;

- (z) *Independent Auditors.* The Company's Auditors who audited the consolidated financial statements as at and for the financial years ended December 31, 2019 and 2018 incorporated by reference in the Prospectus and delivered their auditors' report thereon are independent public accountants as required by the Canadian Securities Laws;
- (aa) *No Reportable Events.* Since December 31, 2018, there has not been any "reportable event" (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) with the Company's Auditors;
- (bb) *Accounting Controls.* The Company and each of the Material Subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles in Canada and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Since December 31, 2019, the Company has not become aware of any material weakness in the Company's internal control over financial reporting (whether or not remediated) or change in the Company's internal control over financial reporting that has materially affected or is reasonably likely to materially affect the Company's internal control over financial reporting;
- (cc) *Accounting Policies.* There has been no change in accounting policies or practices of the Company since December 31, 2019, other than as required by IFRS.
- (dd) *Off-Balance Sheet Arrangements and Liabilities.* There are no off-balance sheet transactions, arrangements or obligations of the Company or its subsidiaries, whether direct, indirect, absolute, contingent or otherwise which are required to be disclosed and are not disclosed or reflected in the Public Disclosure Documents.
- (ee) *No Actions or Proceedings.* Except as disclosed in the Prospectus, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency, governmental instrumentality or body, domestic or foreign, now pending or, to the knowledge of the Company, threatened against or affecting the Company or any Material Subsidiary, which is required to be disclosed in the Prospectus and which is not so disclosed, or which if determined adversely, would reasonably be expected to result in a Material Adverse Effect or to materially and adversely affect the consummation of the transactions contemplated in this Underwriting Agreement or the performance by the Company of its obligations hereunder;

- (ff) *No Voting Agreements.* To the knowledge of the Company, no agreement is in force or effect which in any manner affects the voting or control of any of the securities of the Company or the Material Subsidiaries;
- (gg) *Purchases and Sales.* Except as disclosed in the Prospectus, the Company has not approved or entered into any binding agreement in respect of: (i) the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by the Company or any Material Subsidiary whether by asset sale, transfer of shares or otherwise, or (ii) the change of control (by sale or transfer of shares or sale of all or substantially all of the property and assets of the Company or otherwise) of the Company;
- (hh) *Taxes.* All taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable by the Company or the Material Subsidiaries have been paid except where the failure to pay such taxes would not reasonably be expected to constitute a Material Adverse Effect. All tax returns, declarations, remittances and filings required to be filed by the Company and the Material Subsidiaries have been filed with all appropriate Governmental Authorities and all such returns, declarations, remittances and filings are complete and materially accurate and no material fact or facts have been omitted therefrom which would make any of them misleading except where the failure to file or any incompleteness of or inaccuracy in such documents would not reasonably be expected to constitute a Material Adverse Effect. To the best of the knowledge of the Company and the Material Subsidiaries, except as disclosed in the Prospectus, no examination of any tax return of the Company or the Material Subsidiaries is currently in progress and there are no issues or disputes outstanding with any Governmental Authority respecting any taxes that have been paid, or may be payable, by the Company, in any case, except where such examinations, issues or disputes would not reasonably be expected to constitute a Material Adverse Effect;
- (ii) *Material Agreements.* With respect to the Material Agreements:
 - (i) all of the Material Agreements are valid, subsisting, in good standing and in full force and effect, enforceable in accordance with the terms thereof;
 - (ii) the Company and the Material Subsidiaries have performed all material obligations (including payment obligations) in a timely manner under, and are in compliance with all terms, conditions and covenants contained in each Material Agreement that could have a material impact on the Company or the Material Subsidiaries; and
 - (iii) to the knowledge of the Company, no other party is in breach, violation or default of any term under any Material Agreement;
- (jj) *Debt Instruments.* With respect to the Debt Instruments:
 - (i) the Company and the Material Subsidiaries, as applicable, have performed all material obligations (including payment obligations) in a timely manner under,

and are in compliance with all material terms, conditions and covenants contained in any Debt Instruments;

- (ii) each of the Company and the Material Subsidiaries does not reasonably expect to fail to perform any material obligations (including payment obligations) under any Debt Instruments, and expects to remain in compliance with all material terms, conditions and covenants contained in each of the Debt Instruments; and
 - (iii) the entering into of this Underwriting Agreement will not trigger any event of default or similar provisions in respect of any Debt Instruments;
- (kk) *No Non-Arm's Length Indebtedness.* Neither the Company nor any of the Material Subsidiaries is party to any material Debt Instrument or has any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors, employees or independent contractors, past or present, or any person not dealing at arm's length with them;
- (ll) *Related Parties.* None of the directors or officers of the Company, any known holder of more than 10% of any class of shares of the Company, or any known associate or affiliate of any of the foregoing persons, has had any material interest, direct or indirect, in any material transaction within the previous two years or any proposed material transaction which, as the case may be, materially affected, is material to or will materially affect the Company and the Material Subsidiaries on a consolidated basis;
- (mm) *Material Properties.* The Material Properties are the only mineral properties or mineral assets which the Company considers material to the business of the Company and the Material Subsidiaries, as applicable;
- (nn) *Compliance with Mining Laws.* The Company and each Material Subsidiary has conducted and is conducting its business in compliance in all material respects with all applicable laws, rules and regulations of each jurisdiction in which it carries on business and with all laws, regulations, tariffs, rules, orders and directives material to its operation, including all applicable laws, regulations and statutes relating to mining and/or mining claims, concessions, licenses or leases, and neither the Company nor any Material Subsidiary has received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any of the mining claims, concessions, licenses, leases or other instruments conferring mineral rights in respect of the Material Properties, where such revocation or cancellation would have a Material Adverse Effect;
- (oo) *Title to Properties.* Except as disclosed in the Prospectus: (i) each of the Company or the Material Subsidiaries, as applicable, is the absolute legal and beneficial owner of, and has good and marketable title to or a valid leasehold interest in the Properties and all of its other material properties or assets as described in the Prospectus, free of all liens or encumbrances; (ii) no other material property rights are necessary for the conduct of the Company's or any Material Subsidiary's business in respect of the Properties or any Material Subsidiary, as currently conducted; neither the Company nor any Material Subsidiary knows of any material claim or the basis for any material claim that could reasonably be expected to adversely affect the right thereof to use, transfer or otherwise exploit such property rights; and (iii) neither the Company nor any Material Subsidiary has any current responsibility or obligation to pay any outstanding material commission,

royalty, licence fee or similar payment to any person with respect to the property rights thereof except pursuant to applicable legislation.

- (pp) *Mineral Rights.* The Company and any applicable Material Subsidiaries hold freehold title, leases, licences, mining claims or other conventional property, proprietary or contractual interests or rights, recognized in the jurisdiction in which the Properties are located, under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Company or any Material Subsidiary to explore or exploit (as the case may be) the minerals relating thereto. All property, leases or claims relating to the Material Properties in which the Company or any Material Subsidiary has any interest or right have been validly applied for and, if issued, to the knowledge of the Company, issued in accordance with all applicable laws and are valid and subsisting. The Company and any applicable Material Subsidiaries have all necessary surface rights, access rights and other necessary rights and interests relating to the Material Properties, granting the Company and any applicable Material Subsidiaries the right and ability to explore, exploit and mine the mineral resources and mineral reserves as are appropriate in view of the rights and interest therein of the Company or any Material Subsidiary and the current state of exploration and mining activities, with only such exceptions as do not materially interfere with the use made by the Company or any Material Subsidiary of the rights or interests so held and each of the proprietary interests or rights and each of the documents, agreements, leases, instruments and obligations relating thereto referred to above is currently in good standing in the name of the Company or any Material Subsidiary.
- (qq) *Property Agreements.* Any and all of the agreements and other documents and instruments pursuant to which the Company or any Material Subsidiary holds the Material Properties (including any interest in, or right to earn an interest therein), are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with the terms thereof (subject to customary qualifications and exceptions), neither the Company nor any Material Subsidiary is in default of any of the material provisions of any such agreements, documents or instruments nor, to the knowledge of the Company, is any such default currently being alleged, and such properties and assets are in good standing in all material respects under the applicable statutes and regulations of the jurisdictions in which they are situated, all leases, licences and claims pursuant to which the Company or any Material Subsidiary derives the interests thereof in such property and assets are in good standing and, to the knowledge of the Company, there has been no material default under any such lease, licence or claim and all taxes required to be paid with respect to such properties and assets to the date hereof have been paid. The Material Properties (or any interest therein, or right to earn an interest therein) are not subject to any right of first refusal or purchase or acquisition right which is not disclosed in the Prospectus.
- (rr) *Possession of Permits and Authorizations.* In respect of the Material Properties, the Company and the Material Subsidiaries:
- (i) have all Material Permits issued by the appropriate federal, provincial, regional, state, local or foreign regulatory agencies or bodies necessary to carry on the business of the Company and the Material Subsidiaries as it is currently conducted and all of the Material Permits issued to date are valid and in full force and effect;

- (ii) expect that any additional Material Permits that are required to carry out the Company's and the Material Subsidiaries' planned business activities will be obtained in the ordinary course, subject to the risks and uncertainties concerning potential delays as set out in the Public Disclosure Documents;
- (iii) are, and will be, in compliance with the terms and conditions of all Material Permits except where such non-compliance would not reasonably be expected to have a Material Adverse Effect; and
- (iv) have not received any notice of proceedings relating to the revocation or modification of any such Material Permits or any notice advising of the refusal to grant any Material Permit that has been applied for or is in process of being granted,

except in each case as would not reasonably be expected to have a Material Adverse Effect.

- (ss) *No Restrictions on Mining Activities.* Other than as disclosed in the Public Disclosure Documents or the current technical reports for the Properties, there are no restrictions imposed by any applicable law or by agreement which materially conflict with the proposed operation, exploration, development and/or operation of the Properties;
- (tt) *No Undisclosed Obligations.* Except as disclosed in the Prospectus, neither the Company nor any Material Subsidiary has any responsibility or obligation to pay any commission, royalty or similar payment to any person with respect to its property rights relating to the Material Properties, including mining claims, concessions, licenses and leases or other instruments conferring the mineral rights comprising the Material Properties;
- (uu) *Compliance with Mining Disclosure Requirements.* The Company is in material compliance with the provisions of NI 43-101, has filed all technical reports required thereby and there is a current technical report (within the meaning of NI 43-101) in respect of each of the Material Properties, if required thereby. The information set forth in the Public Disclosure Documents and the Prospectus relating to the estimates by the Company of the mineral reserves and mineral resources (including in respect of the Material Properties) has been reviewed and verified by the Company or independent consultants to the Company and the mineral reserve and mineral resource information has been prepared in accordance with NI 43-101, and the method of estimating the mineral reserves and mineral resources has been verified and the information upon which the estimates of mineral reserves and mineral resources were based, was, at the time of delivery thereof, complete and accurate in all material respects and there have been no material changes to such information since the date of delivery or preparation thereof;
- (vv) *Scientific and Technical Projections.* To the knowledge of the Company, the projected capital and operating costs and projected production and operating results relating to the Properties, as summarized in the Public Disclosure Documents and in the Prospectus, are reasonable by the Company in all material respects subject to the assumptions, qualifications, limitations, risks and uncertainties stated therein;
- (ww) *No Asset Impairment.* The Company has undertaken an asset analysis in respect of the Properties, including all estimates of the mineral resources and mineral reserves reported

thereon and has not found any material asset impairment and does not currently anticipate making any write downs in respect of the Properties;

(xx) *Environmental Laws.* In respect of the Properties:

- (i) there has not been a material breach of any applicable federal, provincial, state, municipal and local laws, statutes, ordinances, by-laws and regulations and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency, domestic or foreign, including laws, ordinances, regulations or orders, relating to the protection of the environment, occupational health and safety or the processing, use, treatment, storage, disposal, discharge, transport or handling of any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substances (the “**Environmental Laws**”) except for breaches which, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect;
- (ii) all material licences, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws (the “**Environmental Permits**”) necessary as at the date hereof for the operation of the business currently carried on by the Company and the Material Subsidiaries have been obtained or have been applied for and the Company expects any additional Environmental Permits that are required to carry out the planned business activities on the Material Properties to be obtained in the ordinary course and in accordance with the timing as disclosed in the Public Disclosure Documents and subject to the risks and uncertainties stated therein, and each Environmental Permit is valid, subsisting and in good standing and there are no material defaults or breaches of any Environmental Permits and no proceeding has been threatened, or to the knowledge of the Company, is pending to revoke or limit any Environmental Permit;
- (iii) there has not been any material breach of Environmental Laws and Environmental Permits, on any property or facility owned or leased or previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any hazardous substance, and no conditions exist at, on or under any property now or previously owned, operated or leased which, with the passage of time, or the giving of notice or both, would give rise to any material liability under any Environmental Laws;
- (iv) there have been no material claims, complaints, notices of, or prosecutions for an offence alleging, non-compliance with any Environmental Laws, and there have been no settlements of any allegation of non-compliance short of prosecution and there are no orders or directions relating to environmental matters including reclamation requiring any material work, repairs, construction or capital expenditures to be made or any notice of same except which, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect;
- (v) except as ordinarily or customarily required by applicable permit, no notice has been received by the Company or its Material Subsidiaries, and to the knowledge of the Company, no notice has been issued alleging or stating that any party is

potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under any law including any Environmental Laws;

- (vi) all mining related activities, exploration, reclamation, development, care and maintenance, and other actions and operations have been conducted by the Company and the Material Subsidiaries in all material respects in accordance with good mining, exploration and engineering practices and all applicable laws including material workers' compensation and health and safety and workplace laws, mining laws, regulations and policies;
 - (vii) there are no material ongoing environmental liabilities, claims, or disputes related to any mining activities on the Properties;
 - (viii) except as disclosed in the Prospectus, there are no reclamation bonds related to the Properties; and
 - (ix) there are no material ongoing environmental audits, evaluations, assessments, studies or tests being conducted except for ongoing audits, evaluations, assessments, studies or tests being conducted in the ordinary course.
- (yy) *No Native or Local Claims.* Except as disclosed in the Prospectus, there are no material claims or actions with respect to native or local rights currently threatened or, to the knowledge of the Company, after due enquiry, pending with respect to the Material Properties. The Company is not aware of any material land entitlement claims or native or local land claims having been asserted or any legal actions relating to native or community issues having been instituted with respect to the Material Properties, and no material dispute in respect of the Properties with any local or native or local group exists or, to the knowledge of the Company, is threatened or imminent with respect to the Properties or any activities thereon except which, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect;
- (zz) *Community Relationships.* Except as disclosed in the Prospectus, the Company and the Material Subsidiaries maintain good relationships with the communities and persons affected by or located on the Material Properties in all material respects, and except as disclosed in the Prospectus, there are no material complaints, issues, proceedings, or discussions, which are ongoing or anticipated which could have the effect of interfering, delaying or impairing the ability to explore, develop and operate the Material Properties, and the Company and the Material Subsidiaries do not anticipate any material issues or liabilities to arise that would adversely affect the ability to explore, develop and operate the Material Properties;
- (aaa) *No Expropriation.* No part of the Material Properties or Material Permits have been taken, revoked, condemned or expropriated by any Governmental Authority nor has any written notice or proceedings in respect thereof been given, or to the knowledge of the Company, been commenced, threatened or is pending, nor does the Company have any knowledge of the intent or proposal to give such notice or commence any such proceedings.
- (bbb) *No Work Stoppage or Interruptions.* Except as disclosed in the Prospectus, there is not currently any actions, proceedings, inquiries, disruptions, protests, blockades or initiatives by non-governmental organizations, activist groups or similar entities or

persons, that are ongoing or anticipated which could materially adversely affect the ability to explore, develop and operate the Material Properties.

- (ccc) *COVID-19*. Except disclosed in the Prospectus and except as mandated by or in conformity with the recommendations of a Governmental Authority, which government mandates have not materially affected the Company and the Material Subsidiaries, there has been no closure, suspension or disruption to, the operations or workforce productivity of the Company and the Material Subsidiaries as a result of the novel coronavirus disease outbreak (the “**COVID-19 Outbreak**”). The Company has been monitoring the COVID-19 Outbreak and the potential impact at all of its operations and has put control measures in place at each of the Properties.
- (ddd) *Employee Plans*. Each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by the Company for the benefit of any current or former director, officer, employee or consultant of the Company (the “**Employee Plans**”) has been maintained in compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans, in each case in all material respects and has been publicly disclosed to the extent required by Canadian Securities Laws.
- (eee) *Material Accruals*. All material accruals for unpaid vacation pay, premiums for employment insurance, health premiums, federal or state pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments have been reflected in the books and records of the Company or the Material Subsidiaries;
- (fff) *Labour/Employment Matters*. Except as disclosed in the Prospectus: (i) no material labour dispute, complaint, grievance or other conflict with the employees of the Company or the Material Subsidiaries currently exists or is pending, or to the knowledge of the Company is threatened or pending; and (ii) no union representation question exists respecting the employees of the Company or the Material Subsidiaries and no collective bargaining agreement is in place or currently being negotiated by the Company or the Material Subsidiaries. The Company and Material Subsidiaries are currently in material compliance with all laws and regulations respecting employment and employment practices, workers’ compensation, occupational health and safety and similar legislation, including payment in full of all amounts owing thereunder, and there are no pending claims or outstanding orders of a material nature against either of them under applicable workers’ compensation legislation, occupational health and safety or similar legislation nor has any event occurred which may give rise to any such material claim. The Company’s employment contracts with all senior employees are in good standing and in full force and effect;
- (ggg) *Insurance*. The Company and the Material Subsidiaries maintain insurance against such losses, risks and damages to their properties and assets in such amounts that are customary for the business in which they are engaged and on a basis consistent with reasonably prudent persons in comparable businesses, and all of the policies in respect of such insurance coverage are in good standing, in full force and effect in all respects and not in default. Each of the Company and the Material Subsidiaries is in compliance with the terms of such policies and instruments in all material respects and there are no

material claims by the Company or the Material Subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause. The Company has no reason to believe that it will not be able to renew such existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, and neither the Company nor any of the Material Subsidiaries has failed to promptly give any notice of any material claim thereunder;

- (hhh) *Transfer Agent.* Computershare Investor Services Inc., at its principal offices in the City of Vancouver, British Columbia, is the duly appointed registrar and transfer agent for the Common Shares;
- (iii) *Minute Books.* Other than minutes that are being prepared in the ordinary course or in connection with the transactions contemplated herein, the minute books and records of the Company and each of the Material Subsidiaries contain copies of all material proceedings (or certified copies thereof) of the shareholders, the boards of directors and all committees of the boards of directors of the Company and the Material Subsidiaries from their respective dates of incorporation. There have been no other meetings, resolutions or proceedings of the shareholders, boards of directors or any committees of the boards of directors of the Company or any of the Material Subsidiaries not reflected in such minute books and other records, other than those which have been disclosed to the Underwriter or which are not material in the context of the Company or the Material Subsidiaries;
- (ijj) *Significant Transactions.* The Company has not completed any “significant acquisition” or “significant disposition”, nor is it proposing any “probable acquisitions” (as such terms are used in NI 44-101) that would require the inclusion of any additional financial statements or *pro forma* financial statements in the Prospectus pursuant to Canadian Securities Laws, other than such statements as have been filed and are incorporated by reference in the Prospectus;
- (kkk) *Previous Acquisitions.* All previous material acquisitions, arrangements, or other similar transactions completed by the Company or any of the Material Subsidiaries of any securities, business or assets of any other entity have been fully and properly disclosed in the Public Disclosure Documents, were completed in compliance, in all material respects, with all applicable corporate and securities laws and all necessary corporate and regulatory approvals, consents, authorizations, registrations, and filings required in connection therewith were obtained and complied with in all material respects, and the Company or the Material Subsidiaries, as the case may be, conducted such due diligence procedures in connection with such previous acquisitions as are customary for transactions of such nature;
- (lll) *Entitlement to Proceeds.* Other than the Company (and the Underwriting Fee and expenses in respect of the Underwriter), there is no person that is or will be entitled to the proceeds of the Offering under the terms of any Material Agreement, or other instrument or document (written or unwritten);
- (mmm) *Anti-Bribery.* Neither the Company nor the Material Subsidiaries nor to the knowledge of the Company, any director, officer, employee, consultant, representative or agent of the foregoing, has (i) violated any anti-bribery or anti-corruption laws applicable to the Company, including but not limited to the U.S. *Foreign Corrupt Practices Act* and

Canada's *Corruption of Foreign Public Officials Act* and *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, or (ii) offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, that goes beyond what is reasonable and customary and/or of modest value: (A) to any government official, whether directly or through any other person, for the purpose of influencing any act or decision of a government official in his or her official capacity; inducing a government official to do or omit to do any act in violation of his or her lawful duties; securing any improper advantage; inducing a government official to influence or affect any act or decision of any Governmental Authority; or assisting any representative of the Company in obtaining or retaining business for or with, or directing business to, any person; or (B) to any person in a manner which would constitute or have the purpose or effect of public or commercial bribery, or the acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage. Neither the Company nor the Material Subsidiaries nor to the knowledge of the Company, any director, officer, employee, consultant, representative or agent of foregoing, has (i) conducted or initiated any review, audit, or internal investigation that concluded the Company or the Material Subsidiaries, or a subsidiary or any director, officer, employee, consultant, representative or agent of the foregoing violated such laws or committed any material wrongdoing with respect thereto, or (ii) made a voluntary, directed, or involuntary disclosure to any Governmental Authority responsible for enforcing anti-bribery or anti-corruption laws, in each case with respect to any alleged act or omission arising under or relating to non-compliance with any such laws, or received any notice, request, or citation from any person alleging non-compliance with any such laws; and

- (nnn) *OFAC Requirements.* The Company has not been, nor to the knowledge of the Company, has any director, officer, agent, employee, affiliate or person acting on behalf of the Company been or is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department ("**OFAC**"); and the Company will not directly or indirectly use any proceeds of the Offering, or lend, contribute or otherwise make available such proceeds to the Company or to any affiliated entity, joint venture partner or other person or entity, to finance any investments in, or make any payments to, any country or person targeted by any of the sanctions of the United States administered by OFAC.

Section 8 Additional Covenants of the Company

- (1) In addition to any other covenant of the Company set forth in this Underwriting Agreement, the Company covenants with the Underwriter that:
- (a) *Stock Exchange Listings.* The Company will: (i) (A) file or cause to be filed with the TSX all necessary documents and will take commercially reasonable steps to ensure that the Offered Shares have been approved (or conditionally approved) for listing and for trading on the TSX prior to the filing of the Prospectus Supplement with the Securities Commissions, subject only to satisfaction by the Company of the Standard Listing Conditions, and the Company shall thereafter use commercially reasonable efforts to fulfil the Standard Listing Conditions within the time period prescribed by the TSX and (B) take commercially reasonable steps to have the Offered Shares listed and admitted for trading on the NYSE and Frankfurt Stock Exchange by the Time of Closing; and (ii) use its commercially reasonable efforts to remain listed for trading on the TSX for a period of two years following the Closing Date, provided that the foregoing requirement is subject

to the obligations of the directors of the Company to comply with their fiduciary duties and further provided that the Company shall not be required to maintain such listing following the completion of a merger, amalgamation, arrangement, business combination or take-over bid as a result of which the Company ceases to be a “reporting issuer” (as defined under Canadian Securities Laws);

- (b) *Other Filings.* The Company will make all necessary filings, use commercially reasonable efforts to obtain all necessary regulatory consents and approvals (if any) and the Company will pay all filing fees required to be paid in connection with the transactions contemplated in this Underwriting Agreement;
- (c) *Press Releases.* Subject to compliance with applicable law, any press release of the Company to be issued during the period of distribution of the Offered Shares will be provided in advance to the Underwriter (other than in respect of non-material matters which would not reasonably be expected to affect the Offering), and the Company will use its commercially reasonable efforts to agree with the Underwriter as to the form and content thereof prior to its release, and any press release shall either (i) include the following legend: “*Not for distribution to United States newswire services or for dissemination in the United States*”, and such other disclosure as may be required by Rule 135e under the U.S. Securities Act, or (ii) comply with the requirements of Rule 135c under the U.S. Securities Act;
- (d) *Use of Proceeds.* The Company confirms its intention as of the date hereof to use the net proceeds of the Offering substantially in accordance with the description set forth under the heading “Use of Proceeds” in the Prospectus Supplement;
- (e) *Standstill Period.* The Company shall not to issue any Common Shares or securities convertible into Common Shares for a period of 90 days from the Closing Date without the prior written consent of the Underwriter, such consent not to be unreasonably withheld, except in conjunction with: (i) the grant or exercise or vesting of stock options, restricted share units, deferred share units and other similar issuances pursuant to the equity incentive plans of the Company and other stock-based compensation arrangements including, for greater certainty the sale of any Common Shares issued thereunder; (ii) the exercise or conversion of outstanding convertible securities; (iii) acquisitions; (iv) to satisfy existing contractual obligations; and (v) sales by the Company from time to time pursuant to its “at-the-market” financing facility under the Sales Agreement.

Section 9 Representations, Warranties and Covenants of the Underwriter

- (1) The Underwriter represents and warrants to the Company that:
 - (a) The Underwriter is, and will remain so until the completion of the Offering, appropriately registered under applicable Canadian Securities Laws so as to permit it to lawfully fulfill its obligations hereunder.
 - (b) the Underwriter is a valid and subsisting corporation under the laws of the jurisdiction in which it was incorporated, continued or amalgamated and has good and sufficient right and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein.

- (2) The Underwriter covenants with the Company, that:
- (a) During the period of distribution of the Offered Shares by or through the Underwriter, the Underwriter will offer and sell the Offered Shares to the public only in the Qualifying Jurisdictions. For the purposes of this Section 9(2)(a), the Underwriter shall be entitled to assume that the Offered Shares are qualified for distribution in any Qualifying Jurisdiction where the Prospectus Supplement has been filed.
 - (b) The Underwriter will comply with applicable Securities Laws in connection with the offer and sale and distribution of the Offered Shares hereunder.
 - (c) The Underwriter will use its reasonable best efforts to complete the distribution of the Offered Shares as promptly as possible after the Time of Closing. The Underwriter will notify the Company as soon as possible when, in the Underwriter's opinion, the Underwriter has ceased the distribution of the Offered Shares and, within 30 days after completion of the distribution, the Underwriter will provide the Company, in writing, with a breakdown of the number of Offered Shares distributed in each of the Qualifying Jurisdictions by the Underwriter where that breakdown is required by a Securities Commission for the purpose of calculating fees payable to, or making filings with, that Securities Commission.

Section 10 Closing

- (1) *Location of Closing.* The Closing will be completed at the offices of Bennett Jones LLP in Vancouver, British Columbia at the Time of Closing on the Closing Date, or at such other place as the Underwriter and the Company may agree.
- (2) *Securities and Proceeds.* At the Time of Closing on the Closing Date, subject to the terms and conditions contained in this Underwriting Agreement: (i) the Company shall deliver to the Underwriter the Offered Shares in electronic or certificated form as the Underwriter may direct prior to the Closing Date; and (ii) the Underwriter shall deliver to the Company the gross proceeds of the Offering less the Underwriting Fee and the expenses of the Underwriter payable in accordance with Section 15.

Section 11 Compensation of the Underwriter

The Company shall pay to the Underwriter a cash commission equal to the sum of 1.0% of the gross proceeds from all sales of Offered Shares under the Offering (the "**Underwriting Fee**"). The Underwriting Fee shall be paid to the Underwriter on the Closing Date in consideration of the services to be rendered by the Underwriter in connection with the Offering.

Section 12 Termination Rights

- (1) The Company agrees that all material terms and material conditions set out in this Underwriting Agreement shall be construed as conditions and complied with so far as they relate to acts to be performed or caused to be performed by it, that it will use commercially reasonable efforts to cause such conditions to be complied with, and that any material breach or failure by the Company to comply with any such material conditions in favour of the Underwriter that cannot be cured prior to the Time of Closing shall entitle the Underwriter to terminate its obligation to purchase the Offered Shares by written notice to that effect given to the Company prior to the Time of Closing. It is understood that the Underwriter may waive in whole or in part, or extend

the time for compliance with, any of such terms and conditions without prejudice to its rights in respect of any subsequent breach or non-compliance, provided that to be binding on the Underwriter, any such waiver or extension must be in writing.

- (2) In addition to any other remedies which may be available to the Underwriter in respect of any default, act or failure to act, or non-compliance with the terms of this Underwriting Agreement by the Company, the Underwriter shall be entitled, at its option, to terminate and cancel, without any liability on the part of the Underwriter, its obligations under this Underwriting Agreement to purchase the Offered Shares by giving written notice to the Company at any time after the date hereof and prior to the Time of Closing, if:
- (a) there shall be any material change or change in a material fact (as such terms are defined under Canadian Securities Laws), or there should be discovered any previously undisclosed material fact required to be disclosed in the Prospectus Supplement, or any amendment thereto, in each case which, in the reasonable opinion of the Underwriter, has or would reasonably be expected to have a significant adverse effect on the market price or value of the Common Shares;
 - (b) there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorism, pandemic, plague or accident) or major financial occurrence of national or international consequence including by way of COVID-19 only to the extent that there are material adverse developments related thereto after September 10, 2020, or a new or change in any law or regulation shall be enacted or take effect after September 10, 2020 which in the sole opinion of the Underwriter, significantly and adversely affects or would reasonably be expected to significantly and seriously adversely affect the financial markets or the business, operations or affairs of the Company and its subsidiaries taken as a whole or the market price or value of the securities of the Company;
 - (c) any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened in relation to the Company or any one of the officers or directors of the Company or any of its principal shareholders where a material wrongdoing is alleged or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including without limitation the TSX or securities commission which involves a finding of wrongdoing that significantly and adversely affects or would reasonably be expected to significantly and seriously adversely affect the business, operations or affairs of the Company and its subsidiaries taken as a whole or the market price or value of the securities of the Company, or any order, action or proceeding which cease trades or otherwise operates to prevent or restrict the trading of the Common Shares or any other securities of the Company is made or threatened by a securities regulatory authority;
 - (d) the Company is in breach of any material term, condition or covenant of this Underwriting Agreement that cannot be cured prior to the Closing Date or any material representation or warranty given by the Company in this Underwriting Agreement becomes or is false and cannot be cured prior to the Time of Closing;
 - (e) the Underwriter is not satisfied, in their sole discretion, with the completion of its due diligence investigations prior to filing of the Prospectus Supplement; or

- (f) the state of the financial markets in Canada is such that, in the reasonable opinion of the Underwriter, the Offered Shares cannot be marketed profitably.
- (3) The Underwriter shall use commercially reasonable efforts to give notice to the Company (in writing or by other means) of the occurrence of any of the events referred to in Section 12(2), provided that neither the giving nor the failure to give such notice shall in any way affect the entitlement of the Underwriter to exercise this right at any time prior to or at the Time of Closing.
- (4) If the obligations of the Underwriter under this Underwriting Agreement are terminated pursuant to the termination rights in this Section 12, the liability of the Company to the Underwriter shall be limited to the obligations under Section 14 and Section 15.
- (5) The right of the Underwriter to terminate its obligations under this Underwriting Agreement is in addition to any other remedies they may have in respect of any rights contemplated by the Underwriting Agreement.

Section 13 Survival of Representations and Warranties

All representations and, warranties, covenants and agreements herein contained or contained in any documents delivered pursuant to this Underwriting Agreement and in connection with the transaction of purchase and sale herein contemplated shall survive the purchase and sale of the Offered Shares and the termination of this Underwriting Agreement notwithstanding such closing or any investigation made by or on behalf of the Underwriter with respect thereto, and shall continue in full force and effect for the benefit of the Underwriter and/or the Company, as the case may be, regardless of the Closing of the Offering, any subsequent disposition of the Offered Shares and any investigation by or on behalf of the Underwriter with respect thereto, until the second anniversary of the Closing Date. Without any limitation of the foregoing, the provisions contained in this Underwriting Agreement in any way related to indemnification or contribution obligations shall survive and continue, in full force and effect, indefinitely.

Section 14 Indemnity

- (1) The Company (the “**Indemnitor**”) hereby agrees to indemnify and hold the Underwriter and each of its subsidiaries and affiliates, and each of their directors, officers, employees, shareholders and agents (hereinafter referred to as the “**Personnel**” and, together with the Underwriter the “**Indemnified Parties**”) harmless from and against any and all expenses, losses (other than loss of profits), fees, claims, actions (including shareholder actions, derivative actions or otherwise), damages, obligations, or liabilities, whether joint or several, and the reasonable fees and expenses of their counsel, that may be incurred in advising with respect to and/or defending any actual or threatened claims, actions, suits, investigations or proceedings to which the Underwriter and/or its Personnel may become subject or otherwise involved in any capacity under any statute or common law, or otherwise insofar as such expenses, losses, claims, damages, liabilities or actions arise out of or are based, directly or indirectly, upon the performance of professional services rendered to the Indemnitor by the Underwriter and its Personnel hereunder, or otherwise in connection with the matters referred to in this Underwriting Agreement (including the aggregate amount paid in reasonable settlement of any such actions, suits, investigations, proceedings or claims that may be made against the Underwriter and/or its Personnel), unless such actual or threatened claim, action, suit, investigation or proceeding has been caused by or is the result of the willful misconduct, gross negligence or fraud of the Underwriter or any of its Personnel.

- (2) If for any reason the foregoing indemnification is unavailable to the Underwriter or any Personnel or insufficient to hold the Underwriter or any Personnel harmless as a result of such expense, loss, claim, damage or liability, then the Indemnitor shall contribute to the amount paid or payable by the Underwriter or any Personnel as a result of such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand and the Underwriter or any Personnel on the other hand but also the relative fault of the Indemnitor and Underwriter or any Personnel, as well as any relevant equitable considerations; provided that the Indemnitor shall in any event contribute to the amount paid or payable by the Underwriter or any Personnel as a result of such expense, loss, claim, damage or liability and any excess of such amount over the amount of the fees to be received by the Underwriter pursuant to this Underwriting Agreement.
- (3) The Indemnitor agrees that in case any legal proceeding shall be brought against the Indemnitor and/or the Underwriter or its Personnel by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or in case any such entity shall investigate the Indemnitor and/or the Underwriter, and/or any Personnel shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Indemnitor by the Underwriter, the Underwriter shall have the right to employ its own counsel in connection therewith provided the Underwriter acts reasonably in selecting such counsel, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including a reasonable amount to reimburse the Underwriter for time spent by the Underwriter or its Personnel in connection therewith) and out-of-pocket expenses incurred by the Underwriter or its Personnel in connection therewith shall be paid by the Indemnitor as they occur unless such proceeding is the result of the willful misconduct, gross negligence or fraud of the Underwriter or any of its Personnel.
- (4) Promptly after receipt of notice of the commencement of any legal proceeding against the Underwriter or its Personnel or after receipt of notice of the commencement or any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitor, the Underwriter will notify the Indemnitor in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Indemnitor, will keep the Indemnitor advised of the progress thereof and will discuss with the Indemnitor all significant actions proposed. However, the failure by the Underwriter to notify the Indemnitor will not relieve the Indemnitor of its obligations to indemnify the Underwriter and/or any Personnel (other than in respect of losses related to such failure or delay to notify the Indemnitor). The Indemnitor shall on behalf of itself and the Underwriter and/or any Personnel, as applicable, be entitled to (but not required) to assume the defence of any suit brought to enforce such legal proceeding; provided, however, that the defence shall be conducted through legal counsel acceptable to the Underwriter and/or any Personnel, as applicable, acting reasonably, that no settlement of any such legal proceeding may be made by the Indemnitor without the prior written consent of the Underwriter and/or any Personnel, acting reasonably, as applicable, and that none of the Underwriter and/or any Personnel, as applicable, shall be liable for any settlement of any such legal proceeding unless it has consented in writing to such settlement, such consent not to be unreasonably withheld.
- (5) Notwithstanding the foregoing paragraph, the Indemnified Parties shall have the right, at the Indemnitor's expense, to employ counsel of such person's choice in respect of the defence of any action, suit, proceeding, claim or investigation if: (i) the employment of such counsel has been authorized in writing by the Indemnitor; (ii) the Indemnitor has not assumed the defence and employed counsel therefor within a reasonable time after receiving notice of such action, suit,

proceeding, claim or investigation; or (iii) counsel retained by the Indemnitor or the Indemnified Party has advised the Indemnified Party in writing that there may be legal defences available to the Indemnified Party which are different from or in addition to those available to the Indemnitor (in which event and to that extent, the Indemnitor shall not have the right to assume or direct the defence on the Indemnified Party's behalf) or that there is a conflict of interest between the Company and the Indemnified Party or the subject matter of the action, suit, proceeding, claim or investigation may not fall within the indemnity set forth herein (in either of which events the Indemnitor shall not have the right to assume or direct the defence on the Underwriter' behalf), provided that the Indemnitor shall not be responsible for the fees and expenses of more than one set of counsel to the Indemnified Parties.

- (6) The indemnity and contribution obligations of the Indemnitor shall be in addition to any liability which the Indemnitor may otherwise have, shall extend upon the same terms and conditions to the Personnel of Underwriter and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Indemnitor, the Underwriter and any of the Personnel. The foregoing provisions shall survive the completion of professional services rendered under this Underwriting Agreement or any termination thereof.

Section 15 Expenses

The Company will be responsible for all reasonable and documented expenses related to the Offering, whether or not the Offering is completed, including: (i) all reasonable and documented expenses of or incidental to the creation, issue, sale or distribution of the Offered Shares and the filing of the Prospectus Supplement; and (ii) all other reasonable and documented costs and expenses incurred in connection with the preparation of documentation relating to the Offering, not including the reasonable and documented legal fees of legal counsel for the Underwriter. The Company shall also pay any HST payable on the foregoing amounts, if any. Such expenses of the Underwriter shall be payable by the Company to the Underwriter on the Closing Date.

Section 16 Advertisements

The Company and the Underwriter each agree that they will not make or publish any advertisement in any media whatsoever relating to, or otherwise publicize, the transaction provided for herein so as to result in any exemption from the prospectus and registration requirements of Canadian Securities Laws not being available or the Company being or becoming subject to any continuous disclosure or similar obligations of any jurisdictions other than Canada.

Section 17 Governing Law

This Underwriting Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Each of the parties irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia.

Section 18 Notices

All notices or other communications by the terms hereof required or permitted to be given by one party to another shall be given in writing by personal delivery or by email to such other party as follows:

- (a) to the Company at:
First Majestic Silver Corp.
925 West Georgia Street, Suite 1800

Vancouver, BC, Canada
V6C 3L2

Attention: Keith Neumeyer, President and Chief Executive Officer
Email: keith@firstmajestic.com

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

Bennett Jones LLP
2500 Park Place, 666 Burrard Street
Vancouver, BC, Canada

Attention: James Beeby
Email: beebyj@bennettjones.com

(b) to the Underwriter, at:

Cormark Securities Inc.
Royal Bank Plaza
North Tower, Suite 1800
200 Bay Street
Toronto, Ontario M5J 2J2

Attention: Darren Wallace
Email: dwallace@cormark.com

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

Cassels Brock & Blackwell LLP
Scotia Plaza, Suite 2100
40 King Street West
Toronto, Ontario M5H 3C2

Attention: Chad Accursi
Email: caccursi@cassels.com

or at such other address or email address as may be given by either of them to the other in writing from time to time and such notices or other communications shall be deemed to have been received when personally delivered or, if delivered by email, on the date of receipt (with receipt confirmed) provided notice or communication is received prior to 5:00 p.m. (recipient's time) on a Business Day or, in any other case, on the next Business Day after such notice or other communication has been delivered by email.

Section 19 Counterpart Signature

This Underwriting Agreement may be executed in one or more counterparts (including counterparts by facsimile or other electronic means), which together shall constitute an original copy hereof as of the date first noted above.

Section 20 Time of the Essence

Time shall be of the essence in this Underwriting Agreement.

Section 21 Severability

If any provision of this Underwriting Agreement is determined to be void or unenforceable, in whole or in part, such void or unenforceable provision shall not affect or impair the validity of any other provision of this Underwriting Agreement and shall be severable from this Underwriting Agreement.

Section 22 Entire Agreement

This Underwriting Agreement constitutes the entire agreement between the Underwriter and the Company relating to the subject matter hereof and supersedes all prior agreements between the Underwriter and the Company relating to the Offering, including the provisions of the engagement letter dated as of September 10, 2020 between the Company and the Underwriter.

Section 23 Market Stabilization

In connection with the distribution of the Offered Shares, the Underwriter may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market, but in each case as permitted by applicable Canadian Securities Laws. Such stabilizing transactions, if any, may be discontinued by the Underwriter at any time.

Section 24 Successors and Assigns

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

Section 25 No Fiduciary Duty

The Company hereby acknowledges that the Underwriter is acting solely as underwriter in connection with the purchase and sale of the Company's securities contemplated hereby. The Company further acknowledges that the Underwriter is acting pursuant to a contractual relationship created solely by this Underwriting Agreement entered into on an arm's length basis, and in no event do the parties intend that the Underwriter act or be responsible as a fiduciary to the Company, its management, shareholders or creditors or any other person in connection with any activity that the Underwriter may undertake or has undertaken in furtherance of such purchase and sale of the Company's securities, either before or after the date hereof. The Underwriter hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Underwriting Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Underwriter agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Underwriter to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company. The Company and the Underwriter agree that the Underwriter is acting as principal and not as an agent or fiduciary of the Company and the Underwriter has not assumed, and the Underwriter will not assume, any advisory responsibility in favour of the Company with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether the Underwriter has advised or is currently advising the Company on

other matters). The Company hereby waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Underwriter with respect to any breach or alleged breach of any fiduciary, advisory or similar duty to the Company in connection with the transactions contemplated by this Underwriting Agreement or any matters leading up to such transactions.

Section 26 Further Assurances

Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Underwriting Agreement.

Section 27 Effective Date

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

[Remainder of Page Left Blank Intentionally]

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

Yours very truly,

CORMARK SECURITIES INC.

Per: "Darren Wallace" (signed)
Name: Darren Wallace
Title: Managing Director, Investment Banking

The foregoing accurately reflects the terms of the transaction that we are to enter into and such terms are agreed to.

ACCEPTED as of this 14th day of September, 2020.

FIRST MAJESTIC SILVER CORP.

Per: “Keith Neumeyer” (signed)
Keith Neumeyer
President and Chief Executive Officer

SCHEDULE "A"
MATERIAL SUBSIDIARIES

The organizational chart below indicates the inter-corporate relationships between the Company and the Material Subsidiaries (and includes their jurisdiction of organization) as of the date of the Underwriting Agreement. Unless otherwise indicated, all such Material Subsidiaries are wholly-owned, directly or indirectly, by the Company.

