

**AGENCY AGREEMENT**

**THIS AGREEMENT** dated July 29, 2021, is made

**BETWEEN**

**WESTERN COPPER AND GOLD CORPORATION**, a corporation amalgamated under the laws of the Province of British Columbia and has its head office located at 1200 - 1166 Alberni Street, Vancouver, BC V6E 3Z3

(the “**Issuer**”);

**AND**

**RBC DOMINION SECURITIES INC.**, having an office located at 21<sup>st</sup> Floor, 666 Burrard Street, Vancouver, BC V6C 2X8

(“**RBC**”);

**AND**

**CORMARK SECURITIES INC.**, having an office located at Suite 1800, 200 Bay Street, Toronto, ON M5J 2J2

(“**Cormark**” and, together with RBC, the “**Lead Agents**”);

**AND**

**H.C. WAINWRIGHT & CO., LLC.**, having an office located at 3<sup>rd</sup> Floor, 430 Park Avenue, New York, NY 10022

(“**HCW**”);

**AND**

**ROTH CANADA, ULC**, having an office located at 130 King Street West, Suite 1909, Toronto, ON M5X 1E3

(together with the Lead Agents and HCW, the “**Agents**”);

**WHEREAS:**

The Issuer wishes to privately place with purchasers common shares in the capital of the Issuer (each, a “**Common Share**”) which shall qualify as “flow-through shares” as defined in subsection 66(15) of the Tax Act (as defined below) (the “**FT Shares**”), at a price of CAD\$3.00 per FT Share, to raise aggregate gross proceeds of up to CAD\$8,010,000 (the “**Private Placement**”); and

The Issuer wishes to appoint the Agents as agents to place such number of FT Shares on a best-efforts agency basis and the Agents are willing to accept such appointment on the terms and conditions of this Agreement.

**THE PARTIES** to this Agreement therefore agree:

## 1. DEFINITIONS

### 1.1 In this Agreement and the Recitals hereto:

- (a) “**Agents**” has the meaning ascribed to that term in the recitals of this Agreement;
- (b) “**Agents’ Fee**” has the meaning ascribed to that term in Section 4.1 of this Agreement;
- (c) “**Applicable Laws**” means, in relation to any person or persons, the Applicable Securities Legislation and all other statutes, regulations, rules, orders, by-laws, codes, ordinances, decrees, the terms and conditions of any grant of approval, permission, authority or licence, or any judgment, order, decision, ruling, award, policy or guidance document, of any Governmental Authority that are applicable to such person or persons or its or their business, undertaking, property or securities and emanate from a Governmental Authority, having jurisdiction over the person or persons or its or their business, undertaking, property or securities;
- (d) “**Applicable Securities Legislation**” means the securities acts in the Selling Jurisdictions, together with all the regulations and rules made and promulgated thereunder and all administrative policy statements, instruments, blanket orders and rulings, notices and administrative directions issued by the Commissions;
- (e) “**Casino Project**” means the Issuer’s copper-gold project located in the Yukon, Canada and consisting of a total of 1,136 full and partial quartz claims and 55 placer claims;
- (f) “**CDS**” means the CDS Clearing and Depository Services Inc.;
- (g) “**CEE**” means expenses of the type described within paragraph (f) of the definition of “Canadian exploration expense” in subsection 66.1(6) of the Tax Act or which would be included in paragraph (h) of that definition if the reference therein to “paragraphs (a) to (d) and (f) to (g.4)” were read as “paragraph (f)”, excluding amounts which are prescribed to constitute “Canadian exploration and development overhead expense” under the Tax Act, the cost of any expenditure described in paragraph 66(12.6)(b.1) of the Tax Act or any expenses for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition of the term “expense” in subsection 66(15) of the Tax Act;
- (h) “**Closing**” means the closing of the sale and purchase of the FT Shares under the Private Placement;
- (i) “**Closing Date**” means July 29, 2021 or such other date or dates as may be mutually agreeable to the Issuer and the Lead Agents;
- (j) “**Commissions**” means the securities commission or equivalent regulatory authority in the Selling Jurisdictions;

- (k) “**Common Shares**” has the meaning ascribed to that term in the recitals of this Agreement;
- (l) “**Corporate Records**” has the meaning ascribed to that term in section 12.2(f);
- (m) “**CRA**” means the Canada Revenue Agency;
- (n) “**Directed Selling Efforts**” means “directed selling efforts” as that term is defined in Regulation S;
- (o) “**Disclosure Record**” means the Issuer’s annual reports, financial statements, information circulars, material change reports, technical reports, press releases and any and all other documents filed by the Issuer on the System for Electronic Document Analysis and Retrieval;
- (p) “**Distribution Compliance Period**” has the meaning ascribed to that term in 12.4(u);
- (q) “**Engagement Letter**” means the engagement letter between the Issuer and the Lead Agents dated July 6, 2021;
- (r) “**Entity**” has the meaning ascribed to that term in section 12.2(bb);
- (s) “**Environmental Laws**” has the meaning ascribed to that term in section 12.2(v);
- (t) “**Environmental Permits**” has the meaning ascribed to that term in section 12.2(w);
- (u) “**Evaluation Date**” has the meaning ascribed to that term in section 12.2(s);
- (v) “**Exchange**” means the Toronto Stock Exchange;
- (w) “**Exchange Policies**” means the rules and policies of the Exchange;
- (x) “**Exemptions**” means the exemptions from the prospectus delivery requirements of the Applicable Securities Legislation;
- (y) “**Expenditure Period**” means the period commencing on the date of acceptance of the Subscription Agreements and ending on the earlier of:
  - (i) the date on which the Flow-Through Funds have been fully expended in accordance with the terms of the Subscription Agreements and this Agreement; and
  - (ii) the Termination Date;
- (z) “**Financial Statements**” has the meaning ascribed to that term in section 12.2(q);

- (aa) **“Flow-Through Funds”** means the aggregate amount paid by the Purchasers for the issuance of the FT Shares, being CAD\$3.00 per FT Share;
- (bb) **“Flow-Through Mining Expenditure”** means a “flow-through mining expenditure” as defined in subsection 127(9) of the Tax Act;
- (cc) **“Follow-On Transactions”** means those transactions whereby the Purchaser is acquiring FT Shares with the intention of donating all or a portion of such shares to a “qualified donee” as defined in the Tax Act as part of a charitable donation arrangement promoted by a third party which is a “tax shelter” for purposes of the Tax Act, or immediately selling FT Shares to a third party;
- (dd) **“FT Shares”** has the meaning ascribed to that term in the recitals of this Agreement;
- (ee) **“General Solicitation”** and **“General Advertising”** mean **“general solicitation”** and **“general advertising”**, respectively, as used in Rule 502(c) under the U.S. Securities Act, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or the internet, or broadcast over radio, or television or the internet or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;
- (ff) **“Governmental Authority”** means and includes, without limitation, any national, federal, provincial, state or municipal government 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;
- (gg) **“Hazardous Substances”** has the meaning ascribed to that term in section 12.2(v);
- (hh) **“IFRS”** has the meaning ascribed to that term in section 12.2(q);
- (ii) **“Intellectual Property”** has the meaning ascribed to that term in section 12.2(hh);
- (jj) **“IT Systems and Data”** has the meaning ascribed to that term in section 12.2(ii);
- (kk) **“Lead Agents”** has the meaning ascribed to that term in the recitals of this Agreement;
- (ll) **“Material Adverse Effect”** means any change, fact, event, circumstance or state of being which could reasonably be expected to have a material and adverse effect (actual or anticipated, whether financial or otherwise) on the business, affairs, operations, properties, permits, assets, liabilities (contingent or otherwise), capital, results of operations or condition (financial or otherwise) of the Issuer or that can reasonably be expected to be materially adverse to the completion of the transactions contemplated by this Agreement;

- (mm) “**Material Change**” has the meaning defined in the Applicable Securities Legislation;
- (nn) “**Material Fact**” has the meaning defined in the Applicable Securities Legislation;
- (oo) “**Member**” has the meaning ascribed to that term in section 12.2(bb);
- (pp) “**Money Laundering Laws**” has the meaning ascribed to that term in section 12.2(aa);
- (qq) “**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*;
- (rr) “**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*;
- (ss) “**NI 52-109**” means National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings*;
- (tt) “**NYSE American**” means the NYSE American LLC;
- (uu) “**PEA Press Release**” has the meaning ascribed to that term in section 12.2(o);
- (vv) “**Permit**” has the meaning ascribed to that term in section 12.2(n);
- (ww) “**Prescribed Forms**” means the forms prescribed from time to time under subsection 66(12.7) of the Tax Act and under the relevant provisions of any applicable provincial tax statute filed or to be filed by the Issuer with CRA or the provincial equivalent and delivered to the Purchasers within the prescribed times renouncing to the Purchasers the Resource Expenses incurred pursuant to the Subscription Agreements and all parts or copies of such forms required by the CRA and the provincial equivalent;
- (xx) “**Private Placement**” has the meaning ascribed to that term in the recitals of this Agreement;
- (yy) “**Prohibited Relationship**” means a relationship defined in subsection 66(12.671) of the Tax Act;
- (zz) “**Purchasers**” means the purchasers of FT Shares pursuant to the Private Placement;
- (aaa) “**Qualified Institutional Buyer**” means a “qualified institutional buyer” as that term is defined in Rule 144A under U.S. Securities Act;
- (bbb) “**Regulation S**” means Regulation S adopted by the SEC under the U.S. Securities Act;
- (ccc) “**Regulatory Authorities**” means the Commissions and the Exchange;

- (ddd) “**Resource Expense**” means an expense which is a CEE, which qualifies as a Flow-Through Mining Expenditure which is incurred on or after the Closing Date and on or before the Termination Date, which may be renounced by the Issuer pursuant to subsection 66(12.6) in conjunction with subsection 66(12.66) of the Tax Act with an effective date not later than December 31, 2021 and in respect of which, but for the renunciation, the Issuer would be entitled to a deduction in computing income for the purposes of the Tax Act;
- (eee) “**Rio Tinto Subscription Right**” means the anti-dilution subscription right pursuant to the Investor Rights Agreement entered into between the Issuer and Rio Tinto Canada Inc. dated May 28, 2021;
- (fff) “**Sanction**” has the meaning ascribed to that term in section 12.2(bb)(A);
- (ggg) “**SEC**” means the United States Securities and Exchange Commission;
- (hhh) “**Selling Firm**” has the meaning ascribed to that term in section 12.4(n);
- (iii) “**Selling Jurisdictions**” means each of the Provinces and Territories of Canada in which the Purchasers are resident;
- (jjj) “**Subscription Agreements**” means the subscription and renunciation agreements to be entered into between the Issuer and Purchasers pursuant to the Private Placement in the forms consented to by the Issuer and the Agents and executed by the Purchasers, as may be amended from time to time;
- (kkk) “**Subsidiaries**” means Casino Mining Corp. and Ravenwolf Resource Group Ltd.;
- (lll) “**Tax Act**” means the *Income Tax Act* (Canada), as amended, re-enacted or replaced from time to time and the regulations made thereunder;
- (mmm) “**Technical Report**” means the technical report prepared for the Issuer entitled “Casino Project - Form 43-101F1 Technical Report Mineral Resource Statement Yukon, Canada” with an issue date of October 26, 2020;
- (nnn) “**Termination Date**” means December 31, 2022;
- (ooo) “**to the knowledge**” or a similar expression means, unless otherwise expressly stated, a statement as to the best knowledge of each of the senior officers of the Issuer about the facts or circumstances to which such phrase is related, after having made reasonable inquiries and investigations in connection with such facts and circumstances;
- (ppp) “**Transfer Agent**” means Computershare Investor Services Inc.;
- (qqq) “**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

- (rrr) “**U.S. Affiliate**” has the meaning ascribed to that term in section 12.4(k);
- (sss) “**U.S. Exchange Act**” means the United States Securities Exchange Act of 1934, as amended;
- (ttt) “**U.S. Person**” means a “U.S. Person” as that term is defined in Regulation S;
- (uuu) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended; and
- (vvv) “**U.S. Securities Laws**” means all applicable securities laws in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act (as defined herein), including, in each case, the rules and regulations promulgated thereunder, and any applicable state securities laws.

## 2. **APPOINTMENT OF AGENTS**

2.1 The Issuer appoints the Agents as its exclusive agents and the Agents accept the appointment and agree to act as the agents of the Issuer to offer for sale up to such number of FT Shares as would raise aggregate gross proceeds of up to CAD\$8,010,000 on a best-efforts agency basis at a price of CAD\$3.00 per FT Share, by way of private placement under the Exemptions and without underwriter liability or obligation. The Agents shall be entitled to appoint duly registered sub-agents to assist them in connection with the Private Placement, provided that in no event shall the Issuer be responsible for any Agents’ Fee in excess of that specified in Section 4 hereof.

## 3. **THE SECURITIES**

3.1 The Issuer will duly and validly issue the FT Shares pursuant to the terms of the Subscription Agreements.

3.2 The material attributes and characteristics of the FT Shares shall be substantially as described herein and in the Subscription Agreements.

3.3 Subject to the terms of the Subscription Agreements, the Issuer agrees to incur or be deemed to incur Resource Expenses in an amount equal to the Flow-Through Funds during the Expenditure Period in accordance with the Subscription Agreements for the FT Shares and agrees to renounce to the Purchasers thereof, with an effective date no later than December 31, 2021, pursuant to subsection 66(12.6) in conjunction with subsection 66(12.66) of the Tax Act, Resource Expenses in an amount equal to the Flow-Through Funds.

3.4 Subject to the terms of the Subscription Agreements, the Issuer shall deliver to the Purchasers, on or before March 1, 2022, the relevant Prescribed Forms, fully completed and executed, renouncing to each Purchaser, Resource Expenses in an amount equal to the Flow-Through Funds applicable to such Purchaser with an effective date of no later than December 31, 2021, such delivery constituting the authorization of the Issuer to such Purchasers to file such Prescribed Forms with the relevant taxation authorities, and the Issuer shall timely file such Prescribed Forms as it is required to file with the relevant taxation authorities.

#### 4. **AGENTS' FEE**

4.1 In consideration of the services performed by the Agents under this Agreement in respect of the Private Placement, the Issuer agrees to pay to the Agents on Closing a cash commission (the “**Agents' Fee**”) equal to 6.0% of the gross proceeds received by the Issuer for the FT Shares issued and sold by the Issuer, pursuant to the Private Placement.

#### 5. **OFFERING RESTRICTIONS**

5.1 Except as set out in Section 5.2, the Agents will only arrange for the sale of FT Shares by the Issuer to persons who represent themselves as:

- (a) being persons purchasing as principal;
- (b) being qualified to purchase the FT Shares, as applicable, under the Exemptions; and
- (c) having duly completed and executed a Subscription Agreement and being resident in a Selling Jurisdiction.

5.2 The Issuer and the Agents each acknowledge that none of the FT Shares are or will not be registered under the U.S. Securities Act or under any state securities laws in the United States and may not be offered or sold in the United States.

#### 6. **SUBSCRIPTIONS**

6.1 The Agents and/or the Issuer will obtain from each Purchaser on or before Closing duly completed and signed Subscription Agreements in the form consented to by the Issuer and the Agents and executed by the Purchaser.

#### 7. **FILINGS WITH THE REGULATORY AUTHORITIES**

7.1 The Issuer will forthwith give to the Exchange written notice of the terms of this Agreement and the proposed Private Placement and all other information required by the Exchange Policies (the “**Notice**”).

7.2 The Issuer will forthwith provide the Agents with a copy of the Notice, and, forthwith on receipt, a copy of the conditional and final letters of acceptance of the Notice from the Exchange.

7.3 The Issuer will file all required documents, pay all required filing fees and use all reasonable commercial efforts to undertake any other actions required by the Exchange Policies in order to obtain the acceptance of the Exchange to the Private Placement.

7.4 Upon Closing, the Issuer will give the Exchange immediate notice in writing of such fact.

7.5 Within 10 days of Closing, the Issuer will file with the Commissions any report required to be filed by the Applicable Securities Legislation in connection with the Private Placement, in the required form.

## 8. CLOSING

8.1 In this Section:

- (a) “**Certificates**” means the certificates representing the FT Shares to be issued on Closing in the names and denominations reasonably requested by the Purchasers and the Agents, or electronic delivery of the FT Shares as applicable; and
- (b) “**Proceeds**” means the gross proceeds of the sale of FT Shares on Closing.

8.2 Prior to the time of Closing, all Proceeds will be paid to the Issuer directly by the Purchasers unless otherwise agreed to by the Issuer, the Agents and any Purchaser.

8.3 At the time of Closing, the Issuer will (i) issue and deliver the Certificates to the Purchasers in accordance with the instructions of such Purchasers contained in their respective Subscription Agreements; and (ii) make payment of the Agents’ Fee to the Agents. The Issuer will endorse any Certificates with such legends as required by the Applicable Securities Legislation and the Exchange.

## 9. CONDITIONS OF CLOSING

9.1 The obligations of the Agents to complete the Closing shall be subject to the satisfaction of the following conditions, which conditions the Issuer covenants to exercise its best efforts to have fulfilled on or prior to the Closing Date and which conditions may be waived in writing in whole or in part by the Lead Agents on behalf of the Agents:

- (a) the Issuer delivering at Closing a certificate signed on behalf of the Issuer by any of the Chief Executive Officer, the Chief Financial Officer or the Corporate Secretary of the Issuer addressed to the Agents and to the Purchasers and dated the Closing Date, in form and content satisfactory to the Agents, acting reasonably, certifying for and on behalf of the Issuer, that:
  - (i) the articles of the Issuer attached to the certificate are full, true and correct copies, unamended, and in effect on the date thereof; and
  - (ii) the resolutions of the Issuer’s board of directors attached to the certificate relating to the matters in connection with the Private Placement are full, true and correct copies thereof and have not been modified or rescinded as of the date thereof,

and a certificate signed on behalf of the Issuer by any two of the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary of the Issuer addressed to the Agents and to the Purchasers and dated the Closing Date, in form and content satisfactory to the Agents, acting reasonably, certifying for and on behalf of the Issuer, that:

- (iii) the representations and warranties of the Issuer contained herein are true and correct as of the Closing Date with the same force and effect as if made

by the Issuer at the Closing, immediately prior to giving effect to the transactions contemplated herein; and

- (iv) the Issuer has complied with all the covenants and satisfied all the terms and conditions of this Agreement on its part to be complied with or satisfied at or prior to the Closing;
- (b) on Closing, the Issuer will have made and/or obtained the necessary filings, approvals, consents and acceptances to or from the Regulatory Authorities and under any agreement or document to which the Issuer is a party or by which it is bound required to be made or obtained by the Issuer in connection with the Private Placement prior to the Closing, on terms which are acceptable to the Issuer and the Agents, acting reasonably;
- (c) on Closing, the Issuer will have delivered to the Agents a favourable opinion of the Issuer's solicitors dated as of the Closing Date, in a form acceptable to the Agents as to the following legal matters:
  - (i) the Issuer is a "reporting issuer" in each of the Selling Jurisdictions;
  - (ii) the Issuer is a corporation amalgamated and existing under the laws of the Province of British Columbia and has all requisite corporate power to carry on its business as now conducted and to own, lease and operate its property and assets;
  - (iii) the authorized capital of the Issuer consists of an unlimited number of Common Shares and an unlimited number of preferred shares;
  - (iv) the Issuer has all necessary corporate power and capacity: (A) to execute and deliver this Agreement and the Subscription Agreements and to perform its obligations hereunder and thereunder; and (B) to issue and sell the FT Shares;
  - (v) all necessary corporate action has been taken by the Issuer to authorize the execution and delivery of each of this Agreement, the Subscription Agreements and the performance of the Issuer's obligations hereunder and thereunder and each of this Agreement and the Subscription Agreements have been executed and delivered by the Issuer and constitute legal, valid and binding obligations of the Issuer enforceable against it in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, liquidation, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and the qualification that the enforceability of rights of indemnity and contribution may be limited by Applicable Law;
  - (vi) the execution and delivery of this Agreement and the Subscription Agreements, the performance by the Issuer of its obligations hereunder and thereunder, and the issuance, sale and delivery of the FT Shares, do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default

under, and do not and will not conflict with the notice of articles and articles of the Issuer;

(vii) the FT Shares have been duly and validly issued as fully paid and non-assessable Common Shares;

(viii) the Transfer Agent has been duly appointed as the transfer agent and registrar for the Common Shares;

(ix) subject only to the Issuer filing with the Exchange all of the documentation referred to in the Exchange conditional approval letter dated July 20, 2021, the FT Shares have been approved for listing on the Exchange;

(x) the offering, issue, sale and delivery of the FT Shares to the Purchasers resident in the Selling Jurisdictions in accordance with the Subscription Agreements, are exempt from the prospectus requirements of applicable securities laws, and no prospectus is required, nor are any other documents required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations of any regulatory authority required to be obtained under applicable securities laws to permit the offering, issue, sale and delivery of the FT Shares to the Purchasers resident in the Selling Jurisdictions, however, the Issuer is required to, within ten days after the Closing Date, file a report on Form 45-106F1 with the securities commissions in the jurisdictions in which the trades were made, accompanied, in all cases, by the prescribed fees, if any; and

(xi) no other documents will be required to be filed, proceedings taken or approvals, permits, consents or authorizations obtained under the Applicable Securities Legislation in connection with the first trade of the FT Shares, provided that four months and a day have lapsed since the applicable Closing Date, subject to the usual qualifications imposed by applicable securities laws;

(d) on Closing, the Issuer will have delivered to the Agents a favourable title opinion for the Casino Project from the Issuer's solicitors dated as of the Closing Date, in a form acceptable to the Agents with respect to such matters as the Agents may reasonably request;

(e) on Closing, if any Common Shares are sold in the United States pursuant to this Agreement, the Agents shall have received a favourable legal opinion to be delivered by Dorsey & Whitney LLP, the Issuer's United States counsel, in form and substance reasonably satisfactory to the Agents, dated as of the Closing Date to the effect that no registration of the Common Shares is required under the U.S. Securities Act; provided, however, that in connection with the delivery of such opinion, such counsel may rely upon certificates or other information customarily delivered in connection with such opinions;

(f) the Agents shall have received a certificate of status in respect of the Issuer; and

- (g) the Agents shall have received (i) confirmation that the Issuer is not on the defaulting issuer's list (or equivalent) maintained by the Commissions in the Selling Jurisdictions; (ii) a certificate of incumbency of the Issuer; and (iii) confirmation of the Transfer Agent as to the aggregate number of issued and outstanding Common Shares.

9.2 Closing and the obligations of the Issuer and the Agents to complete the issue and sale of the FT Shares are subject to the Exchange having conditionally approved the listing of the FT Shares, subject only to compliance with the usual conditions of the Exchange.

## 10. MATERIAL CHANGES

10.1 The Issuer agrees that if, between the date of this Agreement and the Closing, a Material Change, or a change in a Material Fact occurs, the Issuer will:

- (a) as soon as practicable notify the Lead Agents in writing, setting forth the particulars of such change;
- (b) as soon as practicable, issue and file with the Regulatory Authorities a press release that is authorized by a senior officer disclosing the nature and substance of the change;
- (c) as soon as practicable file with the Commissions the report required by the applicable securities legislation and in any event no later than 10 days after the date on which the change occurs; and
- (d) provide copies of that press release, when issued, and that report, when filed, to the Agents.

## 11. RESALE RESTRICTIONS

11.1 The FT Shares will be subject to a four-month and one day hold period in Canada from Closing in accordance with Applicable Securities Legislation.

## 12. TERMINATION

12.1 The Lead Agents, on behalf of the Agents, may terminate its obligations under this Agreement by notice in writing to the Issuer at any time before the Closing if:

- (a) there shall have occurred any Material Change or change in a Material Fact or the Agents shall discover any previously undisclosed Material Fact which in the reasonable opinion of the Agents would be expected to have a Material Adverse Effect on the market price or value of the securities of the Issuer (including the Common Shares) or a material adverse change or effect on the business or affairs of the Issuer;
- (b) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, announced or threatened in relation to the Issuer or any

one of the officers or directors or principal shareholders of the Issuer where wrongdoing is alleged or any order is issued under or pursuant to any statute of Canada or any province thereof or any statute of the United States or any state thereof or any other governmental department, commission, board, bureau, agency or instrumentality including without limitation any securities regulatory authority in relation to the Issuer or any of their securities, which involves a finding of wrongdoing;

- (c) there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorism, outbreak, pandemic, disease or accident (excluding by way of COVID-19, except if and to the extent that there are any material adverse developments in Canada related thereto after the date hereof) or major financial occurrence of national or international consequence or a new or change in any law or regulation which in the opinion of the Lead Agents (or any one of them), acting reasonably, significantly and materially adversely affects or would reasonably be expected to significantly and materially adversely affect the financial markets or the business, operations or affairs of the Issuer or the market price or value of the Common Shares or the FT Shares, including without limitation any change in law, including the Tax Act and its regulations, which adversely affects the tax consequences in respect of an investment in flow-through shares;
- (d) the state of the financial markets where the Agents plan to market the FT Shares, is such that in the sole opinion of the Lead Agents (or any one of them), as the case may be, the FT Shares cannot be marketed profitably;
- (e) any order, action, proceeding or cease trading order which operates to prevent or restrict the trading of the Common Shares or any other securities of the Issuer is made or threatened by a securities regulatory authority;
- (f) the due diligence investigations performed by the Lead Agents reveal any previously undisclosed material information or fact, which, in the sole opinion of the Lead Agents, acting reasonably, is materially adverse to the Issuer or its business, or in the sole opinion of the Lead Agents, acting reasonably, would reasonably be expected to have a significant negative effect on the market price or value of the Common Shares or any other securities of the Issuer; or
- (g) the Issuer is in breach of a material term, condition or covenant of this Agreement or any representation or warranty given by the Issuer in this Agreement becomes or is false in any material respect and cannot be cured by the Issuer.

Upon the occurrence of any of the foregoing events, the Lead Agents on behalf of the Agents shall be entitled to terminate and cancel its obligations to the Issuer hereunder.

Notwithstanding the giving of any notice of termination hereunder, the expenses agreed to be paid by the Issuer shall be paid by the Issuer as herein provided and the obligations of the Issuer under Sections 13 and 14 shall survive.

In the event of a termination pursuant to and in accordance with the provisions hereof, there will be no further liability on the part of the Agents under this Agreement.

12.2 The Issuer warrants and represents to the Agents (on their own behalf and on behalf of each of the Purchasers) that:

- (a) the Issuer and each of its Subsidiaries are, and will be, duly organized, validly existing as a corporation and in good standing (where such concept is recognized) under the laws of their respective jurisdictions of organization. The Issuer and each of the Subsidiaries are, and will be, duly licensed or qualified as a foreign corporation for transaction of business and in good standing under the laws of each other jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such license or qualification, and have all corporate power and authority necessary to own or hold their respective properties and to conduct their respective businesses, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, have a Material Adverse Effect or would reasonably be expected to have a Material Adverse Effect;
- (b) the Issuer has full corporate power and authority to carry on its business as now carried on by it and to undertake the Private Placement, and this Agreement and the Subscription Agreements are or will be by the Closing, duly authorized by all necessary corporate action on the part of the Issuer and are or will constitute a legal, valid and binding agreement of the Issuer enforceable against the Issuer in accordance with its respective terms, subject to such limitations and prohibitions as may exist or may be enacted in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally;
- (c) all necessary corporate action has been taken by the Issuer to authorize the issuance, sale and delivery of the FT Shares and the FT Shares shall be validly issued as fully paid and non-assessable common shares on Closing;
- (d) the Issuer does not beneficially own, or exercise control or direction over, 10% or more of the outstanding voting shares of any entity, other than the Subsidiaries;
- (e) the Issuer owns, directly or indirectly, all of the equity interests of the Subsidiaries free and clear of any lien, charge, security interest, encumbrance, right of first refusal or other restriction, and all the equity interests of the Subsidiaries are validly issued and are fully paid, non-assessable and free of pre-emptive and similar rights;
- (f) all existing minute books of the Issuer and each of the Subsidiaries, including all existing records of all meetings and actions of the board of directors (including board committees) and securityholders of the Issuer (collectively, the “**Corporate Records**”) have been made available to the Agents and its counsel, and all such Corporate Records are complete in all material respects (provided that the minutes

of certain recent board and board committee meetings are in draft form). There are no transactions, agreements or other actions of the Issuer or any of the Subsidiaries that are required to be recorded in the Corporate Records that are not properly approved and/or recorded in the Corporate Records. All required filings have been made with the appropriate Governmental Authorities in the Province of British Columbia in a timely fashion under the *Business Corporations Act* (British Columbia), except for such filings where the failure to file would not have a Material Adverse Effect, either individually or in the aggregate;

- (g) to the knowledge of the Issuer, all documents and information delivered and provided by or on behalf of the Issuer to the Agents as a part of its due diligence in connection with the Private Placement were complete and accurate in all material respects;
- (h) the issued and outstanding Common Shares have been validly issued, are fully paid and non-assessable and are not subject to any pre-emptive rights, rights of first refusal or similar rights. As of the date hereof, the authorized capital of the Issuer consists of an unlimited number of Common Shares and an unlimited number of preferred shares, of which, immediately prior to the Closing, **[147,906,125]** Common Shares are issued and outstanding. Other than the grant of additional stock options, restricted share units and deferred share units under the Issuer's existing security-based compensation plans, or changes in the number of outstanding Common Shares due to the issuance of shares upon the exercise or conversion of securities exercisable for, or convertible into, Common Shares outstanding on the date hereof as set forth in Schedule "A" attached hereto, and other than the Rio Tinto Subscription Right, no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming such a right, agreement or option, for the issue or allotment of any unissued shares in the capital of the Issuer or any other security convertible into or exchangeable for any such shares, or to require the Issuer to purchase, redeem or otherwise acquire any of the issued and outstanding shares in its capital;
- (i) subsequent to December 31, 2020, there has not been (i) any Material Adverse Effect, (ii) any transaction which is material to the Issuer and the Subsidiaries taken as a whole, (iii) any obligation or liability, direct or contingent (including any off-balance sheet obligations), incurred by the Issuer or any Material Subsidiary, which is material to the Issuer and the Subsidiaries taken as a whole, (iv) any material change in the capital stock or outstanding long-term indebtedness of the Issuer or any of the Subsidiaries, or (v) any dividend or distribution of any kind declared, paid or made on the capital stock of the Issuer or any Material Subsidiary, other than in each case above in the ordinary course of business or as otherwise disclosed in the Disclosure Record;
- (j) except as may be restricted by Applicable Law, no Material Subsidiary is prohibited or restricted, directly or indirectly, from paying dividends to the Issuer, or from making any other distribution with respect to such Subsidiaries' equity securities or from repaying to the Issuer or any other Subsidiaries any amounts that may from

time to time become due under any loans or advances to such Subsidiaries from the Issuer or from transferring any property or assets to the Issuer or to any other Subsidiaries;

- (k) all agreements between the Issuer or any of the Subsidiaries and third parties are legal, valid and binding obligations of the Issuer or the Subsidiaries enforceable in accordance with their respective terms, except to the extent that (i) enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general equitable principles, and (ii) the indemnification provisions of certain agreements may be limited by Applicable Law or public policy considerations in respect thereof, and except for any other potentially unenforceable term that, individually or in the aggregate, would not reasonably be expected to be material to the Issuer or the Subsidiaries;
- (l) the Issuer and the Subsidiaries have good and marketable title in fee simple to all items of real property owned by them, good and valid title to all personal property referred to in the Disclosure Record as being owned by them that are material to the businesses of the Issuer or such Material Subsidiary, in each case are free and clear of all liens, encumbrances and claims, except those that do not materially interfere with the use made and proposed to be made of such property by the Issuer and any of the Subsidiaries. Any real or personal property described or referred to in the Disclosure Record as being leased by the Issuer and any of the Subsidiaries is held by them under valid, existing and enforceable leases, except those that (A) do not materially interfere with the use made or proposed to be made of such property by the Issuer or any of the Subsidiaries or (B) would not, individually or in the aggregate, have a Material Adverse Effect;
- (m) the Casino Project is the only mineral property currently material to the Issuer in which the Issuer or the Subsidiaries has an interest; the Issuer or through the Subsidiaries, hold either mineral claims, exploration permits, prospecting permits or participant interests or other conventional property or proprietary interests or rights, recognized in the jurisdiction in which the Casino Project is located, in respect of the ore bodies and minerals located on the Casino Project in which the Issuer (through the applicable Material Subsidiary) has an interest under valid, subsisting and enforceable title documents or other recognized and enforceable agreements, contracts, arrangements or understandings, sufficient to permit the Issuer (through the applicable Material Subsidiary), subject to compliance with customary permit requirements for specific work programs, to explore for the minerals relating thereto; all leases or claims and permits relating to the Casino Project in which the Issuer (through the applicable Material Subsidiary) has an interest or right have been validly located and recorded in accordance with all Applicable Laws and are valid and subsisting; the Issuer (through the applicable Material Subsidiary) has all necessary rights and interests relating to the Casino Project in which the Issuer (through the applicable Material Subsidiary) has an interest granting the Issuer (through the applicable Material Subsidiary) the right and ability to explore for minerals as are appropriate in view of the rights and interest therein of the Issuer or the applicable Material Subsidiary, with only such

exceptions as do not materially interfere with the current use made by the Issuer or the applicable Material Subsidiary of the rights or interest so held and each of the proprietary interests or rights and each of the agreements, contracts, arrangements or understandings and obligations relating thereto referred to above is currently in good standing in all respects in the name of the Issuer or the applicable Material Subsidiary; the Issuer and the Subsidiaries do not have any responsibility or obligation to pay any commission, royalty, license, fee or similar payment to any person with respect to the property rights thereof, other than mineral claim fees;

- (n) the Issuer and the Subsidiaries have identified all the material permits, certificates, and approvals (collectively, the “**Permits**”) which are or will be required for the exploration, development and eventual or actual operation of the Casino Project, which Permits include but are not limited to environmental assessment certificates, water licenses, land tenures, rezoning or zoning variances and other necessary local, provincial, state and federal approvals; and the appropriate Permits have either been received, applied for, or the processes to obtain such Permits have been or will in due course be initiated by the Issuer or the applicable Subsidiaries; and neither the Issuer nor the applicable Subsidiaries know of any issue or reason why the Permits should not be approved and obtained in the ordinary course;
  - (i) all assessments or other work required to be performed in relation to the material mineral claims of the Issuer and the applicable Material Subsidiary in order to maintain their respective interests therein, if any, have been performed to date and the Issuer and the applicable Material Subsidiary have complied in all material respects with all Applicable Laws in this regard as well as with regard to legal and contractual obligations to third parties in this regard except in respect of mineral claims that the Issuer and the applicable Material Subsidiary intend to abandon or relinquish and except for any non-compliance which would not either individually or in the aggregate have a Material Adverse Effect; all such mineral claims are in good standing in all respects as of the date of this Agreement;
  - (ii) except as otherwise disclosed in the Disclosure Record, there are no environmental audits, evaluations, assessments, studies or tests relating to the Issuer or the Subsidiaries except for annual and at will assessments by Governmental Authorities and ongoing assessments conducted by or on behalf of the Issuer and the Subsidiaries in the ordinary course;
  - (iii) the Issuer made available to the respective authors of the Technical Report for the purpose of preparing the Technical Report, as applicable, all information requested, and no such information contained any material misrepresentation as at the relevant time the relevant information was made available;
  - (iv) the Technical Report complied in all material respects with the requirements of NI 43-101 as at the date of the Technical Report and as of the date hereof

there is no new material scientific or technical information concerning the Casino Project that is not included in the Technical Report; and

- (v) the Issuer is in compliance, in all material respects, with the provisions of NI 43-101 and has filed all technical reports required thereby and, at the time of filing, all such reports complied, in all material respects, with the requirements of NI 43-101;
- (o) the information contained in the Issuer's press release dated June 22, 2021 announcing the results of its preliminary economic assessment (the "**PEA Press Release**") continues to be true and correct as of the date hereof and that pursuant to the timelines prescribed in NI 43-101 the Issuer will file an updated technical report for the Casino Project within 45 days from the date of the PEA Press Release, and that new technical report for the Casino Project will be compliant with NI 43-101 and will support the information contained in the PEA Press Release. The Issuer is not aware of any difference between the information in the PEA Press Release and the new technical report that is being prepared for the Casino Project;
- (p) since January 1, 2016, the Issuer has filed all documents or information required to be filed by it under Applicable Securities Legislation, U.S. Securities Laws, and the rules, regulations and policies of the Exchange and NYSE American, except where the failure to file such documents or information will not have a Material Adverse Effect, either individually or in the aggregate; all material change reports, annual information forms, financial statements, management proxy circulars and other documents filed or furnished by or on behalf of the Issuer with the Exchanges, the SEC and the Commissions, as of its date, did not contain any untrue statement of a Material Fact or omit to state a Material Fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and did not contain a misrepresentation at the time at which it was filed; the Issuer has not filed any confidential material change report or any document requesting confidential treatment with any Governmental Authority that at the date hereof remains confidential. In particular, without limiting the foregoing, the Issuer is in compliance at the date hereof with its obligations to make timely disclosure of all Material Changes relating to it and no such disclosure has been made on a confidential basis and there is no Material Change relating to the Issuer which has occurred and with respect to which the requisite material change report has not been filed, except to the extent the Private Placement constitutes a Material Change;
- (q) PricewaterhouseCoopers LLP, who have delivered their report with respect to the audited Financial Statements (as defined below) are independent public, certified public or chartered accountants as required by the U.S. Securities Act, the U.S. Exchange Act and Applicable Securities Legislation. There has not been any "reportable event" (as that term is defined in NI 51-102) with PricewaterhouseCoopers LLP or any other prior auditor of the Issuer or any of its Subsidiaries;

- (r) the consolidated financial statements of the Issuer forming apart of the Issuer's Disclosure Record, together with the related notes (the "**Financial Statements**"), present fairly, in all material respects, the consolidated financial position of the Issuer and the Subsidiaries as of the dates indicated and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows of the Issuer for the periods specified. Such Financial Statements conform in all material respects with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IFRS**"), applied on a consistent basis during the periods involved;
- (s) the Issuer and each of the Subsidiaries (other than Subsidiaries acquired not more than 365 days prior to the Evaluation Date, as defined below) maintain systems of internal accounting controls applicable under IFRS in applicable periods, or 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 IFRS 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. The Issuer's internal control over financial reporting is effective and the Issuer is not aware of any significant deficiencies or material weaknesses in its internal control over financial reporting. Since December 31, 2020, except as disclosed in any document forming part of the Disclosure Record, there has been no change in the Issuer's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Issuer's internal control over financial reporting. The Issuer has established disclosure controls and procedures (as defined in U.S. Exchange Act Rules 13a-15 and 15d-15) for the Issuer and designed such disclosure controls and procedures to ensure that material information relating to the Issuer and each of the Subsidiaries is made known to the certifying officers by others within those entities, particularly during the Issuer's fiscal year ended December 31, 2020. The Issuer's certifying officers have evaluated the effectiveness of the Issuer's controls and procedures as of a date within 120 days prior to the filing date of the Form 40-F for the fiscal year ended December 31, 2020 (such date, the "**Evaluation Date**"). The Issuer presented in its Form 40-F for the fiscal year ended December 31, 2020 the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date and the disclosure controls and procedures are effective. Since the Evaluation Date, there have been no significant changes in the Issuer's internal control over financial reporting or, to the Issuer's knowledge, in other factors that could significantly affect the Issuer's internal control over financial reporting;
- (t) neither the Issuer nor any of the Subsidiaries is (i) in violation of its notice of articles or articles or similar organizational documents; (ii) in violation or default, and no event has occurred that, with notice or lapse of time or both, would constitute such a violation or default, in the due performance or observance of any term, covenant

or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Issuer or any of the Subsidiaries is a party or by which the Issuer or any of the Subsidiaries is bound or to which any of the property or assets of the Issuer or any of the Subsidiaries are subject; or (iii) in violation of any Applicable Law, except in the case of each of clauses (ii) and (iii) above, for any such violation or default that would not, individually or in the aggregate, have a Material Adverse Effect. No other party under any material agreements, contracts, arrangements or understandings (written or oral) to which it or any of the Subsidiaries is a party is in violation or default in any respect thereunder where such violation or default would have a Material Adverse Effect;

- (u) to the Issuer's knowledge and taking into account the Issuer's projected work program, the Issuer's available working capital and the net proceeds receivable by the Issuer following the sale of the FT Shares, the Issuer has sufficient working capital for its present requirements;
- (v) each of the Issuer and the Subsidiaries is in compliance in all material respects with all applicable federal, provincial, state, municipal and local laws, statutes, ordinances, bylaws and regulations and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency (the "**Environmental Laws**") 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 substance, including any uranium or derivatives thereof (the "**Hazardous Substances**") except where such non-compliance would not have a Material Adverse Effect, either individually or in the aggregate;
- (w) each of the Issuer and the Subsidiaries has obtained all licenses, 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 businesses carried on by the Issuer and the Subsidiaries, other than those Environmental Permits that are routine in nature and anticipated to be obtained in the ordinary course, and each Environmental Permit is valid, subsisting and in good standing and to the knowledge of the Issuer neither the Issuer nor the Subsidiaries is in default or breach of any Environmental Permit which would have a Material Adverse Effect, and no proceeding is pending or, to the knowledge of the Issuer or the Subsidiaries, threatened, to revoke or limit any Environmental Permit;
- (x) neither the Issuer nor the Subsidiaries has used, except in compliance with all Environmental Laws and Environmental Permits, and other than as may be incidental to mineral resource exploration, any property or facility which it owns or leases or previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any Hazardous Substance; and

- (y) neither the Issuer nor the Subsidiaries (including, if applicable, any predecessor companies) has received any notice of, or been prosecuted for an offence alleging, non-compliance with any Environmental Law that would have a Material Adverse Effect and neither the Issuer nor the Subsidiaries (including, if applicable, any predecessor companies) has settled any allegation of non-compliance that would have a Material Adverse Effect short of prosecution. There are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Issuer or the Subsidiaries, nor has the Issuer or the Subsidiaries received notice of any of the same; and neither the Issuer nor the Subsidiaries has received any notice wherein it is alleged or stated that the Issuer or the Subsidiaries is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under any Environmental Laws. Neither the Issuer nor the Subsidiaries has received any request for information in connection with any federal, state, municipal or local inquiries as to disposal sites;
- (z) the Issuer and each of the Subsidiaries carry, or are covered by, insurance in such amounts and covering such risks as the Issuer and each of the Subsidiaries reasonably believe are adequate for the conduct of their properties and as is customary for companies engaged in similar businesses in similar industries;
- (aa) the operations of the Issuer and the Subsidiaries are and have been conducted at all times in compliance with applicable financial record keeping and reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the *Corruption of Foreign Public Officials Act* (Canada) and applicable rules and regulations thereunder, and the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar applicable rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority (collectively, the “**Money Laundering Laws**”); and no action, suit or proceeding by or before any court or Governmental Authority involving the Issuer or any of the Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Issuer, threatened;
- (bb) the Issuer represents that neither the Issuer nor any of the Subsidiaries (collectively, the “**Entity**”) nor, to the Issuer’s knowledge, any director, officer, employee, agent, affiliate or representative of the Issuer, is a government, individual, or entity (in this paragraph (bb), “**Member**”) that is, or is owned or controlled by a Member that is:
  - (A) the subject of any sanctions administered or enforced by the U.S. Department of Treasury’s Office of Foreign Assets Control, the United Nations Security Council, the European Union, Her Majesty’s Treasury, the Office of the Superintendent of Financial Institutions (Canada), or pursuant to the *Special Economic Measures Act* (Canada) or other relevant sanctions authority or Applicable Law (collectively, “**Sanctions**”), nor

- (B) located, organized or resident in a country or territory that is the subject of Sanctions (including, without limitation, Burma/Myanmar, Cuba, Iran, Libya, North Korea, Russia, Sudan, Syria, Ukraine and Zimbabwe);
  - (ii) the Issuer represents and covenants that it will not, directly or indirectly, use the proceeds of the Private Placement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Member:
    - (A) to fund or facilitate any activities or business of or with any Member or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or
    - (B) in any other manner that will result in a violation of Sanctions by any Member (including any Member participating in the Private Placement, whether as underwriter, advisor, investor or otherwise);
  - (iii) the Issuer represents and covenants that for the past five years, it has not knowingly engaged in, is not now knowingly engaged in, and will not engage in, any dealings or transactions with any Member, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions;
- (cc) neither the execution of this Agreement or the Subscription Agreements, nor the issuance, offering or sale of the FT Shares, nor the consummation of any of the transactions contemplated herein and therein, nor the compliance by the Issuer with the terms and provisions hereof and thereof will conflict with, or will result in a breach of, any of the terms and provisions of, or has constituted or will constitute a default under, or has resulted in or will result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Issuer or any of the Subsidiaries pursuant to the terms of any agreements, contracts, arrangements or understandings (written or oral) to which the Issuer or any of the Subsidiaries may be bound or to which any of the property or assets of the Issuer or the Subsidiaries are subject, except such conflicts, breaches or defaults as may have been waived; nor will such action result (x) in any violation of the provisions of the organizational or governing documents of the Issuer or any of the Subsidiaries, or (y) in any violation of the provisions of any statute or any order, rule or regulation applicable to the Issuer, the Subsidiaries or of any Governmental Authority having jurisdiction over the Issuer or the Subsidiaries;
- (dd) there are no legal, governmental or regulatory actions, suits or proceedings pending, nor, to the Issuer's knowledge, any legal, governmental or regulatory audits or investigations, to which the Issuer or a Material Subsidiary is a party or to which any property of the Issuer or any of the Subsidiaries is the subject; to the Issuer's knowledge, no such actions, suits or proceedings are threatened or contemplated by any Governmental Authority or threatened by others;

- (ee) no labor disturbance by or dispute with employees of the Issuer or any of the Subsidiaries exists or, to the knowledge of the Issuer, is threatened;
- (ff) there are no disputes between the Issuer or any of the Subsidiaries and any local, aboriginal or indigenous group outstanding, or to the Issuer's knowledge, threatened or imminent with respect to any of the Issuer's or any Material Subsidiary's properties or exploration and development activities;
- (gg) there are no material agreements, contracts, arrangements or understandings (written or oral) with any persons relating to the acquisition or proposed acquisition by the Issuer or its Subsidiaries of any material interest in any business (or part of a business) or corporation, nor are there any other specific contracts or agreements (written or oral) in respect of any such matters in contemplation;
- (hh) the Issuer and the Subsidiaries own, possess, license or have other rights to use all foreign and domestic patents, patent applications, trade and service marks, trade and service mark registrations, trade names, copyrights, licenses, inventions, trade secrets, technology, Internet domain names, know-how and other intellectual property (collectively, the "**Intellectual Property**"), necessary for the conduct of their respective businesses as now conducted except to the extent that the failure to own, possess, license or otherwise hold adequate rights to use such Intellectual Property would not, individually or in the aggregate, have a Material Adverse Effect. (i) There are no rights of third parties to any such Intellectual Property owned by the Issuer and the Subsidiaries; (ii) to the Issuer's knowledge, there is no infringement by third parties of any such Intellectual Property; (iii) there is no pending or, to the Issuer's knowledge, threatened action, suit, proceeding or claim by others challenging the Issuer's and the Subsidiaries' rights in or to any such Intellectual Property, and the Issuer is unaware of any facts which could form a reasonable basis for any such action, suit, proceeding or claim; (iv) there is no pending or, to the Issuer's knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any such Intellectual Property; (v) there is no pending or, to the Issuer's knowledge, threatened action, suit, proceeding or claim by others that the Issuer and the Subsidiaries infringe or otherwise violate any patent, trademark, copyright, trade secret or other proprietary rights of others; (vi) to the Issuer's knowledge, there is no third-party U.S. patent or published U.S. patent application which contains claims for which an Interference Proceeding (as defined in 35 U.S.C. § 135) has been commenced against any patent or patent application, as being owned by or licensed to the Issuer; and (vii) the Issuer and the Subsidiaries have complied with the terms of each agreement pursuant to which Intellectual Property has been licensed to the Issuer or such Material Subsidiary, and all such agreements are in full force and effect, except, in the case of any of clauses (i)-(vii) above, for any such infringement by third parties or any such pending or threatened suit, action, proceeding or claim as would not, individually or in the aggregate, result in a Material Adverse Effect;
- (ii) there has been no security breach or other compromise of or relating to any of the Issuer's information technology and computer systems, networks, hardware,

software, data (including the data of their respective customers, employees, suppliers, vendors and any third party data maintained by or on behalf of them), equipment or technology (collectively, “**IT Systems and Data**”) and (i) the Issuer has not been notified of, and have no knowledge of any event or condition that would reasonably be expected to result in, any security breach or other compromise to their IT Systems and Data; (ii) the Issuer is presently in compliance with all Applicable Laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification, except as would not, in the case of this clause (ii), individually or in the aggregate, have a Material Adverse Effect; and (iii) the Issuer has implemented backup and disaster recovery technology consistent with industry standards and practices;

- (jj) there has been no failure on the part of the Issuer or any of the Issuer’s directors or officers, in their capacities as such, to comply in all material respects with any applicable provisions of NI 52-109. Each certifying officer of the Issuer (or each former certifying officer of the Issuer) has made all certifications as required to be made and filed by NI 52-109. For purposes of the preceding sentence, “certifying officer” shall have the meanings given to such term in NI 52-109;
- (kk) the audit committee of the Issuer is comprised and operates in accordance with the requirements of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, each of whom is “independent” within the meaning of such instrument;
- (ll) the form of certificates representing the FT Shares, to the extent that physical certificates are issued, will be in due and proper form and conform to the requirements of the *Business Corporations Act* (British Columbia), the articles of the Issuer and applicable requirements of the Exchange, NYSE American and CDS. The FT Shares will have been made eligible by CDS;
- (mm) the Transfer Agent has been duly appointed as registrar and transfer agent for the Common Shares;
- (nn) the Issuer is a “reporting issuer” in each of the Selling Jurisdictions and is not in default of any of the requirements of the Applicable Securities Legislation or any of the administrative policies or notices of the Regulatory Authorities. The Issuer is in compliance in all material respects with the by-laws, rules and regulations of the Exchange and NYSE American;
- (oo) no order ceasing, halting or suspending trading in securities of the Issuer nor prohibiting the sale of such securities has been issued to and is outstanding against the Issuer and, to the best of the Issuer’s knowledge, no investigations or proceedings for such purposes are pending or threatened;

- (pp) the Issuer and each of the Subsidiaries have filed all federal, state, provincial, local and foreign tax returns which have been required to be filed and paid all taxes shown thereon through the date hereof, to the extent that such taxes have become due and are not being contested in good faith, except where the failure to so file or pay would not have a Material Adverse Effect. No tax deficiency has been determined adversely to the Issuer or any of the Subsidiaries which would have, individually or in the aggregate, a Material Adverse Effect. The Issuer has no knowledge of any federal, state, provincial or other governmental tax deficiency, penalty or assessment which has been asserted or threatened in writing against it which would have a Material Adverse Effect;
- (qq) the Issuer has not relied upon the Agents or legal counsel for the Agents for any legal, tax or accounting advice in connection with the offering and sale of the FT Shares;
- (rr) the Issuer does not have any loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at “arm’s length” (as such term is used in the Tax Act);
- (ss) the Common Shares are registered pursuant to the U.S. Exchange Act and are accepted for trading on the NYSE American under the symbol “WRN” and are listed and posted for trading on the Exchange under the symbol “WRN”, and the Issuer has taken no action designed to terminate the registration of the Common Shares under the U.S. Exchange Act or delisting the Common Shares from either the NYSE American or the Exchange, nor has the Issuer received any notification that the SEC, the Commissions, the NYSE American or the Exchange is contemplating terminating such registration or listing. The Issuer has complied in all material respects with the applicable requirements of NYSE American and the Exchange for maintenance of inclusion of the Common Shares thereon. The Issuer has obtained, or will obtain by Closing, all necessary consents, approvals, authorizations or orders of, or filing, notification or registration with, the Exchange and the Commissions required for the listing and trading of the FT Shares, subject only to satisfying their standard listing and maintenance requirements. The Issuer has no reason to believe that it will not in the foreseeable future continue to be in compliance with all listing and maintenance requirements of the Exchange and NYSE American;
- (tt) neither the Issuer nor any of the Subsidiaries has incurred any liability for any finder’s fees, brokerage commissions or similar payments in connection with the transactions herein contemplated, except for the Agents’ Fee;
- (uu) the Issuer is not aware of any legislation, or proposed legislation (published by a legislative body), which it anticipates will materially and adversely affect the business, affairs, operations, assets or liabilities (contingent or otherwise) of the Issuer;

- (vv) but for the Follow-On Transactions and any agreement, arrangement, undertaking or obligation to which the Issuer is not a party, at the time of Closing, the FT Shares will be “flow-through shares” as defined in subsection 66(15) of the Tax Act and will not be “prescribed shares” within the meaning of section 6202.1 of the regulations to the Tax Act. The Issuer does not and will not have prior to the Termination Date, a Prohibited Relationship with any of the Purchasers and, if a Purchaser is a partnership, any partner or limited partner of the partnership;
- (ww) the Issuer is, and at all material times will remain, a “principal-business corporation” within the meaning of subsection 66(15) of the Tax Act and will continue to be a “principal-business corporation” until such time as all of the Resource Expenses required to be renounced under the Subscription Agreements have been incurred and validly renounced pursuant to the Tax Act;
- (xx) the Issuer has no reason to believe that it will be unable to incur, or be deemed to have incurred, on or after the Closing Date and on or before the Termination Date, or that it will be unable to renounce to the Purchasers effective on or before December 31, 2021, Resource Expenses in an aggregate amount equal to the Flow-Through Funds;
- (yy) the expenses to be renounced by the Issuer to the Purchasers:
  - (A) will qualify as Resource Expenses on the effective date of the renunciation;
  - (B) will not include any amount that has previously been renounced by the Issuer to the Purchasers or to any other person;
  - (C) would be deductible by the Issuer in computing its income, if any, for the purposes of Part I of the Tax Act, but for the renunciation to the Purchasers; and
  - (D) will not be subject to any reduction under subsection 66(12.73) of the Tax Act;
- (zz) the Issuer shall not be subject to the provisions of subsection 66(12.67) of the Tax Act in a manner which impairs its ability to renounce Resource Expenses to the Purchasers in an amount equal to the Flow-Through Funds; and
- (aaa) the Issuer is not and never has been in default of any of its legal obligations in respect of any flow-through share financing previously undertaken by the Issuer.

12.3 The Issuer hereby covenants to and with the Agents (for its benefit and the benefit of the Purchasers) that:

- (a) except to the extent the Issuer participates in a merger or business combination transaction which the Issuer’s board of directors determines is in the best interest of the Issuer and following which the Issuer is not a reporting issuer, the Issuer will

use its commercially reasonable best efforts to maintain its status as a reporting issuer not in default in each of the Selling Jurisdictions in which it is a reporting issuer or the equivalent for a period of 24 months from the Closing Date;

- (b) except to the extent the Issuer participates in a merger or business combination transaction which the Issuer's board of directors determines is in the best interest of the Issuer and following which the Issuer is not listed on the Exchange, the Issuer will use its commercially reasonable best efforts to maintain the listing of the Common Shares on the Exchange to the date which is 24 months following the Closing Date;
- (c) the Issuer will ensure that the FT Shares will be listed and posted for trading on the Exchange upon their issue;
- (d) the Issuer shall provide the Agents with full access to such documentation and management personnel as the Agents may require, acting reasonably, in order that the Agents may conduct a due diligence investigation of the Issuer;
- (e) in the event any person acting or purporting to act for the Issuer establishes a claim from the Agents for any brokerage or agency fee in connection with the transactions contemplated herein, the Issuer shall indemnify and hold harmless the Agents with respect thereto and with respect to all costs reasonably incurred in the defence thereof unless such claim is made by a selling agent appointed by the Agents;
- (f) the Issuer shall allow the Agents to review and comment on all press releases proposed to be issued by the Issuer in connection with the Private Placement (if required);
- (g) the Issuer shall incur, during the Expenditure Period, Resource Expenses in an amount not less than the Flow-Through Funds;
- (h) subject to the terms of the Subscription Agreements, the Issuer shall renounce Resource Expenses in an amount not less than the Flow-Through Funds in favour of the Purchasers and take all other actions necessary under the Tax Act and within the time periods required under the Tax Act in order for such renunciation to be valid and effective on or before December 31, 2021;
- (i) the Issuer shall file, pursuant to the Tax Act and any applicable provincial tax statute on a timely basis, the Prescribed Forms, required to be filed for the effective renunciation of Resource Expenses including, without limitation, the form T100 and any applicable provincial equivalent which shall be filed by the end of the month after the month in which the Closing occurs, together with a copy of the Subscription Agreements and all required supporting documents;
- (j) the Issuer shall provide to the Purchasers, as soon as possible after it has renounced Resource Expenses all information and documents that such Purchasers may reasonably require for income tax purposes;

- (k) the Issuer shall keep proper and complete books, records and accounts of all expenses incurred or deemed to be incurred by the Issuer and all transactions affecting the Purchasers and the use of the Flow-Through Funds and, upon reasonable notice, if required by such Purchasers in order to satisfy any demand or request by the CRA, if applicable, to make such books, records and accounts available for inspection and audit by or on behalf of such Purchasers or the CRA, at the sole expense of the applicable Purchasers;
- (l) the Issuer will indemnify the Purchasers against any loss or damages incurred by the Purchasers in the amount of tax payable by the Purchasers under the Tax Act and the laws of a province as a consequence of the failure of the Issuer to renounce an amount in respect of the Resource Expenses to the Purchasers pursuant to this Agreement within the time and otherwise as required by the Tax Act, or as a consequence of a reduction, pursuant to subsection 66(12.73) of the Tax Act, by the tax authorities of an amount purported to be renounced to the Purchasers in respect of the FT Shares;
- (m) the Issuer shall incur and renounce Resource Expenses pursuant to the Subscription Agreements before incurring and renouncing Resource Expenses pursuant to any other agreement which it shall enter into after the date hereof with any person with respect to the issue of “flow-through shares” as defined in subsection 66(15) of the Tax Act or securities which are exchangeable or exercisable for, or convertible into, flow-through shares, and the Issuer shall not, without the prior written consent of the Agents, acting reasonably, enter into any other agreement after the date hereof which would prevent or restrict its ability to renounce Resource Expenses to the Purchasers, in the amount of the Flow-Through Funds;
- (n) the Issuer and its directors and executive officers will not, without the prior written consent of the Agents, sell any securities of the Issuer from the date hereof and prior to the Closing, for a period of four months plus one day after the Closing Date, subject to certain limitations contained in the Engagement Letter;
- (o) if the Issuer amalgamates with any one or more companies, any shares issued to or held by the Purchasers as a replacement for the FT Shares as a result of such amalgamation will qualify, by virtue of subsection 87(4.4) of the Tax Act, as “flow-through shares” as described in subsection 66(15) of the Tax Act and in particular will not be prescribed shares as defined in section 6202.1 of the regulations to the Tax Act;
- (p) subject to the terms of the Subscription Agreements, the proceeds from the sale of the FT Shares will be used by the Issuer, directly or indirectly, to incur Resource Expenses to be renounced with an effective date of no later than December 31, 2021;
- (q) if the Issuer receives, or becomes entitled to receive, or may reasonably be expected to receive, assistance at any time that may reasonably be related to the Resource Expenses, the Issuer will incur, or be deemed to incur, additional Resource

Expenses on or before December 31, 2022, pursuant to the Subscription Agreements in an amount equal to any such assistance, which amount shall be renounced to the Purchasers pursuant to the terms of the Subscription Agreements;

- (r) the Issuer is, and on the Closing Date will be a “foreign issuer” as defined in Regulation S;
- (s) neither the Issuer nor any of its affiliates, nor any person acting on its or their behalf (other than the Agents, their affiliates and any person acting on their behalf, as to whom no representation is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Common Shares to a person in the United States or a U.S. Person (or for the account or benefit of, a person in the United States or a U.S. Person); or (B) any sale of the Shares unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States (and not acting for the account or benefit of, a person in the United States or a U.S. Person), or (ii) the Issuer and any person acting on its behalf reasonably believe that the purchaser is outside the United States (and not acting for the account or benefit of, a person in the United States or a U.S. Person);
- (t) neither the Issuer nor any of its affiliates, nor any person acting on its or their behalf (other than the Agents, their affiliates and any person acting on their behalf, as to whom no representation is made), has made or will make any Directed Selling Efforts with respect to the Common Shares, or has taken or will take any action that would cause the exclusion afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Common Shares;
- (u) none of the Issuer, any of its affiliates or any person acting on its or their behalf (other than the Agents, their affiliates and any person acting on their behalf, as to whom no representation is made) have (i) engaged or will engage in any form of General Solicitation or General Advertising with respect to offers or sales of the Common Shares in the United States, or (ii) undertaken any activity in a manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in connection with offers and sales of Common Shares to, or for the account or benefit of, persons in the United States or U.S. Persons; and
- (v) all offering materials and documents (other than press releases) used in connection with offers and sales of the Common Shares prior to the expiration of the Distribution Compliance Period (as defined below) shall include statements to the effect that the Common Shares have not been registered under the U.S. Securities Act and may not be offered or sold in the United States or to U.S. Persons (other than “distributors” (as defined below)) unless the Common Shares are registered under the U.S. Securities Act, or an exemption from the registration requirements of the U.S. Securities Act is available.

12.4 Each Agent severally warrants, represents and covenants to the Issuer that:

- (a) it has been duly incorporated and organized and validly exists in good standing under the laws of its jurisdiction of incorporation and has all the requisite corporate power and capacity to carry on its business as now conducted;
- (b) it has complied with and will fully comply with the requirements of all Applicable Securities Legislation and the rules of the Exchange, in relation to the sale and distribution of the FT Shares;
- (c) either it or its sub-agent, as applicable, is and will be at the time of Closing, a broker or dealer properly registered in each of the jurisdictions in Canada in which FT Shares are sold and in respect of which it has acted as agent of the Issuer, as required by Applicable Securities Legislation;
- (d) it will offer the FT Shares in compliance with the terms and conditions of this Agreement and the Applicable Securities Legislation;
- (e) it will not make available to prospective Purchasers any document or material that would constitute an offering memorandum, a prospectus or a registration statement, as applicable, as defined under the Applicable Securities Legislation nor will it conduct its activities so as to require the filing of an offering memorandum, a prospectus or a registration statement, or that would result in the Issuer having any reporting obligation under the U.S. Exchange Act and will cause similar covenants to be contained in any agreement with any selling firms in connection with the Private Placement;
- (f) it will not advertise the proposed sale of the FT Shares in printed media of general and regular paid circulation, or broadcast over radio or television or otherwise conduct any seminar or meeting concerning the offer or sale of the FT Shares where attendees have been invited by general solicitation or general advertising;
- (g) it will not solicit subscriptions for FT Shares except in accordance with the terms and conditions of this Agreement;
- (h) it will conduct the offers and sales of the FT Shares in such a manner so as not to require registration thereof under the U.S. Securities Act or applicable state securities laws;
- (i) it will not offer or sell any FT Shares within the United States or to or for the account or benefit of a person in the United States;
- (j) it acknowledges that the Issuer has limited knowledge of the Follow-On Transactions other than that they may or may not occur and that the Issuer will have no involvement or participation in any Follow-On Transactions, other than to review each such Follow-On Transaction in order to determine whether such Follow-On Transaction is exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws; to require the delivery of any evidence reasonably required by the Issuer in order to ensure make such determination (which evidence may include, without limitation, an opinion of

counsel or representation letters from the buyer and seller in such Follow-On Transaction); to impose any legending or other requirements determined by the Issuer to be required pursuant to the U.S. Securities Act; and if the Issuer determines that such Follow-On Transaction is not required to be registered pursuant to the U.S. Securities Act or applicable state securities laws, to register any transfer of securities required as a result of such Follow-On Transaction;

- (k) it does not act, and will not purport to act, as agent or representative of the Issuer in connection with any Follow-On Transaction. Services or activities, if any, performed by the Agents in connection with any Follow-On Transaction are excluded from this Agreement. provided, however, the Agents understand and acknowledge that pursuant to Section 20 of the United States Securities Exchange Act of 1934, as amended, the Issuer has an obligation to ensure that the Follow-On Transactions are not required to be registered under the U.S. Securities Act. The consideration payable to the Agents hereunder is for the Agents' services in respect of the Private Placement only. The parties further acknowledge that the Agents are not entitled, and will not become entitled, to receive any consideration in respect of any Follow-On Transaction that might occur;
- (l) the Agents have not offered or sold, and will not offer or sell, any Common Shares except (a) in accordance with Rule 903 of Regulation S or (b) in the United States (or to or for the account or benefit of, a person in the United States or a U.S. Person) to Qualified Institutional Buyers in accordance with an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Except with respect to offers and sales to Qualified Institutional Buyers in accordance with an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws and in accordance with the provisions hereof, neither the Agents nor their United States broker-dealer affiliates (the "U.S. Affiliates") nor any persons acting on its or their behalf has engaged or will engage in (i) any offer to sell or any solicitation of an offer to buy, any Common Shares to any person in the United States or U.S. Persons (or for the account or benefit of, a person in the United States or a U.S. Person), or (ii) any sale of Common Shares to any purchaser unless, at the time the buy order was or will have been originated, the purchaser was outside the United States (and was not purchasing for the account or benefit of a person in the United States or a U.S. Person), or such Agents, U.S. Affiliate or person acting on behalf of either reasonably believed that such purchaser was outside the United States and is not a U.S. Person (and was not purchasing for the account or benefit of a person in the United States or a U.S. Person). It (or any person acting on its behalf) has not engaged in any Directed Selling Efforts with respect to the Common Shares;
- (m) all offers and sales of the Common Shares made by the Agents in the United States, or to or for the benefit of a person in the United States or a U.S. Person, will be effected by or through the U.S. Affiliate of the Agents, which is, on date hereof and on the dates of all such offers and subsequent sales, duly registered under the United States Securities Exchange Act of 1934, as amended, and applicable state securities laws in each state in which such offer or sale is made and as members in good

standing with the Financial Industry Regulatory Authority, Inc., and will be effected in accordance with all applicable U.S. federal and state securities laws (including applicable broker dealer requirements). Each such U.S. Affiliate of the Agents in the United States is a Qualified Institutional Buyer on the date hereof and at the Closing Date;

- (n) the Agents shall require its U.S. Affiliate and any additional investment dealers or brokers they appoint as its agents (each, a “**Selling Firm**”) through which it effects offers and sales to agree in writing, for the benefit of the Issuer, to comply with, and shall use its best efforts to ensure that each U.S. Affiliate and Selling Firm complies with, the provisions hereof applicable to such Agents as if such provisions applied to such U.S. Affiliate or Selling Firm;
- (o) none of the Agents, their U.S. Affiliates or any person acting on any of their behalf has engaged or will engage in any action that would cause the exemption from the registration requirements of the U.S. Securities Act provided by Sections 4(a)(1) and 4(a)(2) of the U.S. Securities Act to be unavailable for offers and sales of the Common Shares to, or for the account or benefit of, persons in the United States or to U.S. Persons or the exemption from the registration requirements of the U.S. Securities Act provided by Rule 903 of Regulation S to be unavailable for offers and sales of the Common Shares outside the United States;
- (p) offers and sales of the Common Shares by the Agents to, or for the account or benefit of, persons in the United States or to U.S. Persons by the Agents or their U.S. Affiliates have not been and will not be made (i) by any form of General Solicitation or General Advertising, or (ii) in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act;
- (q) any offer or sale of, or solicitation of an offer to buy, by the Agents of the Common Shares that has been made or will be made in the United States or to U.S. Persons (or to or for the account or benefit of a person in the United States or U.S. Persons) was or will be made only to Qualified Institutional Buyers in accordance with an exemption from the registration requirements of the U.S. Securities Act;
- (r) it has offered and will offer the Common Shares in the United States or to U.S. Persons (or to or for the account or benefit of a person in the United States or to U.S. Persons) only to offerees with respect to which it has reasonable grounds to believe was, at the time of such offer and will be on the Closing Date, a Qualified Institutional Buyer;
- (s) prior to the completion of any sale of the Common Shares to a Qualified Institutional Buyer, each such Qualified Institutional Buyer will be required to properly complete, execute and deliver a subscription agreement prepared for use in connection with offers and sales of Common Shares in the United States;
- (t) it acknowledges that until 40 days after the Closing Date, an offer or sale of the Shares within the United States by any dealer (whether or not participating in this

offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made other than in accordance with an exemption from the registration requirement of the U.S. Securities Act; and

- (u) all offers and sales of the Common Shares by the Agents, their affiliates or any Selling Firm acting on their behalf prior to the expiration of 40 days after the later of the commencement of the offering of the Common Shares and the Closing Date (the “**Distribution Compliance Period**”) will be made only in accordance with Rule 903 of Regulation S or an exemption from registration under the U.S. Securities Act. Accordingly, the Agents acknowledge that in connection with the sale of any Common Shares by any Agent or its affiliates or any Selling Firm or person acting on their behalf to a “distributor” (as such term is defined in Regulation S), to a “dealer” (as such term is defined in section 2(a)(12) of the U.S. Securities Act), or to a person receiving a selling concession, fee or other remuneration in respect of the Common Shares sold, prior to the expiration of the Distribution Compliance Period, such Agent or other person must, and shall, send a confirmation or other notice to the purchaser stating that the purchaser is subject to the same restrictions on offers and sales that apply to the Agents.

### 13. **EXPENSES OF AGENTS**

13.1 The Issuer will pay all of the reasonable expenses of the Private Placement and all the expenses reasonably incurred by the Agents and counsel to the Agents in connection with the completion of the Private Placement, to a maximum of: (i) CAD\$50,000 exclusive of taxes and disbursements in respect of Canadian counsel legal fees; and (ii) US\$25,000 exclusive of taxes and disbursements in respect of United States counsel legal fees.

13.2 The Issuer will pay the expenses referred to in the previous Subsection if the transactions contemplated by this Agreement are completed or if the transactions contemplated by this Agreement are not completed.

### 14. **INDEMNITY**

14.1 The Issuer (the “**Indemnitor**”) hereby agrees to indemnify and hold the Agents, and each of their respective affiliates and each of their respective directors, officers, employees, partners and agents, any person controlling the Agents or any of their respective affiliates, and each shareholder of the Agents (each, an “**Indemnified Party**”) harmless from and against any and all losses (other than loss of profits or other form of consequential loss), expenses, claims (including securityholder actions, whether derivative or otherwise), actions, damages and joint or several liabilities, including, without limitation, the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims, and the reasonable fees and expenses of any counsel retained by the Indemnified Party (collectively, the “**Losses**”), that may be suffered by, imposed upon or asserted against an Indemnified Party as a result of, in respect of, in connection with, or arising out of: (i) any action, suit, proceeding, investigation or claim that may be made or threatened by any person directly or indirectly relating to, caused by, resulting from, arising out of or based upon this Agreement or the Engagement Letter, or (ii) enforcing this indemnity (each, a “**Claim**”), whether any event or subject matter related to

such Claim occurred before or after the execution of this Agreement or the Engagement Letter. No Indemnified Party will have any direct or indirect liability (in contract, tort or otherwise) to the Indemnitor, or any person asserting any Claim on behalf of or in right of the Indemnitor, provided, however, that this indemnity shall not apply to a person who is a Purchaser of FT Shares or to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that:

- (a) the Indemnified Party has been negligent or dishonest or have committed any fraudulent act or engaged in wilful misconduct in the course of such performance or has breached any material provision of this Agreement; and
- (b) the Losses as to which indemnification is claimed, were directly or indirectly caused by the negligence, dishonesty, fraud, wilful misconduct or material breach referred to in Section 14.1(a).

The Indemnitor agrees to waive any right it may have of first requiring an Indemnified Party to proceed against, enforce any other right, power, remedy or security against, or to claim payment from any other person before claiming under this indemnity.

14.2 If for any reason, the foregoing indemnity is unavailable to an Indemnified Party, or is insufficient to hold an Indemnified Party harmless in respect of any Claim, the Indemnitor shall contribute to the amount paid or payable by such Indemnified Party as a result of such Claim in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand and the Indemnified Party on the other hand, but also the relative fault of the Indemnitor, or the Indemnified Party, as well as any relevant equitable considerations, provided that, except for any portion of such Claim that is determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted from the negligence or willful misconduct of an Indemnified Party (as described in Sections 14.1(a) and 14.1(b) above), the Indemnitor shall in any event contribute to the amount paid or payable to the Indemnified Party as a result of such Claim any amount paid or payable in excess of the fees received by the Agents pursuant to this Agreement.

14.3 The Indemnitor agrees that in case any legal proceeding shall be brought against the Indemnitor and/or any Indemnified Party by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or shall investigate the Indemnitor and/or any Indemnified Party 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 Indemnified Party, the Indemnified Party shall have the right to employ its own counsel in connection therewith provided such Indemnified Party acts reasonably in selecting such counsel, and the Indemnitor shall reimburse the Indemnified Party monthly for the following expenses incurred in connection therewith: (i) the time spent by its personnel at their normal per diem rates; (ii) all reasonable out-of-pocket expenses incurred by the Indemnified Party; and (iii) the fees and disbursements of legal counsel retained by Indemnified Party.

14.4 Promptly after receiving notice of any Claim against an Indemnified Party, or the commencement of any investigation directly or indirectly based upon any matter in respect of

which indemnification may be sought hereunder, the Indemnified Party shall provide the Indemnitor written notice of the particulars thereof, provided that any delay in notifying or omission to so notify the Indemnitor will not relieve the Indemnitor of any liability that the Indemnitor may have to any Indemnified Party, except and only to the extent that such delay or omission prejudices the defense of such Claim or results in a material increase in the Indemnitor's liability under this indemnity. The Indemnitor will have 14 days after receipt of any such notice to undertake, conduct and control the settlement or defense of such Claim through experienced and competent counsel of its own choosing and at its own expense. If the Indemnitor undertakes, conducts and controls the settlement or defense of such Claim, each relevant Indemnified Party will have the right to participate in the settlement or defense of such Claim and the Indemnitor shall promptly provide copies of all relevant documentation to the relevant Indemnified Parties, keep the relevant Indemnified Parties advised of the progress thereof and discuss with the relevant Indemnified Parties all significant actions proposed. The Indemnified Party, may retain counsel to separately represent such other Indemnified Party in the defense of any Claim, at the Indemnitor's expense, if (i) the Indemnitor does not promptly assume the defense of such Claim within 14 days after receiving notice of such Claim, (ii) the Indemnitor agrees to separate representation, or (iii) the Indemnified Party is advised by counsel that there is an actual or potential conflict in such other Indemnified Party's respective interests, or an additional defense is available to such Indemnified Party, as applicable, in each case, that makes representation by the same counsel inappropriate. Notwithstanding the foregoing an Indemnified Party shall not 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.

14.5 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 Indemnified Party and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Indemnitor and the Indemnified Party. The foregoing provisions shall survive the completion of professional services rendered under this Agreement or any termination of this Agreement.

14.6 The Indemnitor hereby constitutes the Lead Agents as trustees for each of the Indemnified Parties of the covenants of the Indemnitor under this indemnity with respect to such persons and the Lead Agents agree to accept such trust and to hold and enforce such covenants on behalf of such persons.

## 15. **ACKNOWLEDGEMENT**

15.1 The Issuer acknowledges that the Agents are full service securities firms engaged in securities trading and brokerage activities as well as providing investment banking and financial advisory services and that in the ordinary course of their trading and brokerage activities, the Agents and their affiliates at any time may hold long and short positions, and may trade or otherwise effect transactions, for their own account or the accounts of their clients, in debt or equity securities of the Issuer or related derivative securities.

15.2 The Issuer further acknowledges that the Agents are acting solely as agents in connection with the offer and sale of the FT Shares. The Issuer further acknowledges that the Agents are acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's

length basis, and in no event do the parties intend that the Agents act or become responsible as a fiduciary to the Issuer, its management, shareholders or creditors or any other person in connection with any activity that any Agent may undertake or has undertaken in furtherance of such offer and sale of the Issuer's securities, either before or after the date hereof. The Agents hereby expressly disclaim any fiduciary or similar obligations to the Issuer, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Issuer hereby confirms its understanding and agreement to that effect. The Issuer and the Agents 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 any Agent to the Issuer regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Issuer's securities, do not constitute advice or recommendations to the Issuer. The Issuer and the Agents agree that the Agents are acting as principals and not the agents or fiduciaries of the Issuer and the Agents have not assumed, and will not assume, any advisory responsibility in favour of the Issuer with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether any Agent has advised or is currently advising the Issuer on other matters).

## 16. NOTICE

Any notice to be given hereunder shall be in writing and may be given by email or by hand delivery and shall, in the case of notice to the Issuer, be addressed and emailed or delivered to:

Western Copper and Gold Corporation  
Suite 1200, 1166 Alberni Street  
Vancouver, BC V6E 3Z3

Attention: Paul West-Sells  
Email: [Redacted.]

with a copy to (such copy not to constitute notice):

Cassels Brock & Blackwell LLP  
885 W. Georgia Street  
Suite 2200  
Vancouver, BC V6C 3E8

Attention: Jennifer Traub  
Email: jtraub@cassels.com

and in the case of the Lead Agents (on behalf of the Agents) to:

RBC Dominion Securities Inc.  
2100 – 666 Burrard Street  
Vancouver, BC V6C 2X8

Attention: Michael Scott

Email: [Redacted.]

-and-

Cormark Securities Inc.  
Suite 1800, 200 Bay Street  
Toronto, ON M5J 2J2

Attention: Kevin Carter  
Email: [Redacted.]

with a copy to (such copy not to constitute notice):

Blake, Cassels & Graydon LLP  
2600 – 595 Burrard Street  
Vancouver, BC V7X 1L3

Attention: Michelle Audet  
Email: michelle.audet@blakes.com

The Issuer and the Agents may change their respective addresses for notice by notice given in the manner referred to above.

## 17. TIME

17.1 Time is of the essence of this Agreement.

## 18. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

18.1 The representations, warranties and covenants of the Issuer and the Agents contained in this Agreement will survive Closing and will continue in full force and effect for the benefit of the Agents and/or the Issuer for a period ending on the later of: (a) the date that is two years following the Closing Date; and (b) the latest date under Applicable Securities Legislation that an action may be commenced except that with respect to tax matters, the representations and warranties of the Issuer will continue to have full force and effect until expiry of a period of 60 days after the date on which the applicable limitation period expires for action by the applicable taxation authorities.

## 19. PARAMOUNCY

19.1 In the event of any inconsistency between the terms of this Agreement, the Engagement Letter and the Subscription Agreements, the terms of this Agreement shall prevail.

## 20. LANGUAGE

20.1 This Agreement is to be read with all changes in gender or number as required by the context.

21. **ENUREMENT**

21.1 This Agreement enures to the benefit of and is binding on the parties to this Agreement and their successors and permitted assigns.

22. **CURRENCY**

22.1 All references in this Agreement to dollars, unless otherwise specifically indicated, are expressed in Canadian currency.

23. **HEADINGS**

23.1 The headings in this Agreement are for convenience of reference only and do not affect the interpretation of this Agreement.

24. **ENTIRE AGREEMENT**

24.1 This Agreement constitutes the entire agreement and supersedes any other previous agreements between the parties, including without limitation the Engagement Letter, and there are no other terms, conditions, representations or warranties whether express, implied, oral or written by the Issuer or the Agents.

25. **COUNTERPARTS**

25.1 This Agreement may be executed in two or more counterparts and may be delivered by facsimile transmission or PDF email attachment, each of which will be deemed to be an original and all of which will constitute one agreement, effective as of the reference date given above.

26. **LAW**

26.1 This Agreement is governed by the law of British Columbia, and the parties hereto irrevocably attorn and submit to the jurisdiction of the courts of British Columbia with respect to any dispute related to this Agreement.

**[REMAINDER OF PAGE IS INTENTIONALLY BLANK]**

This document was executed and delivered as of the date given above:

**WESTERN COPPER AND GOLD CORPORATION**

Per: "Paul West-Sells"

Name: Paul West-Sells

Title: President and Chief Executive Officer

Per: "Varun Prasad"

Name: Varun Prasad

Title: Chief Financial Officer

**RBC DOMINION SECURITIES INC.**

Per: "Michael Scott"

Authorized Signatory

**CORMARK SECURITIES INC.**

Per: "Kevin Carter"

Authorized Signatory

**H.C. WAINWRIGHT & CO., LLC**

Per: "Edward D. Silvera"

Authorized Signatory

**ROTH CANADA, ULC**

Per: *"Ted Roth"*

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Authorized Signatory

## SCHEDULE "A"

### Stock Options

Amount	Exercise Price (\$)	Expiry Date
900,000	0.96	September 12, 2021
1,800,000	1.20	February 21, 2023
400,000	0.75	April 23, 2024
1,550,000	0.90	June 18, 2024
200,000	1.11	June 11, 2025
1,825,000	1.66	July 27, 2025
200,000	1.41	November 9, 2025
210,000	2.22	July 19, 2026
<b>7,085,000</b>		

An aggregate of 239,000 restricted share units and an aggregate of 167,000 deferred share units have also been granted pursuant to the Issuer's restricted share unit plan and deferred share unit plan, respectively.

### Warrants

Amount	Exercise Price (\$)	Expiry Date
1,500,000	0.85	February 28, 2025