

UNDERWRITING AGREEMENT

June 15, 2021

Sable Resources Ltd.
900 - 999 West Hastings Street
Vancouver, British Columbia
V6C 2W2

Attention: Ruben Padilla, President and CEO

Dear Ruben:

RE: Bought Deal Private Placement of Common Shares

The undersigned, Sprott Capital Partners LP (“**Sprott**”) and Eight Capital (together with Sprott, the “**Co-Lead Underwriters**”) and PI Financial Corp. (collectively with the Co-Lead Underwriters, the “**Underwriters**” and each individually, an “**Underwriter**”), understand that Sable Resources Ltd. (the “**Company**”) proposes to issue and sell 33,333,333 common shares in the capital of the Company (the “**Initial Shares**”) at a price of \$0.30 per Initial Share (the “**Offering Price**”) for aggregate gross proceeds of \$9,999,999.90 (the “**Offering**”), which are being offered and sold by the Company through the Underwriters on a “bought deal” private placement basis.

In addition, the Company has granted the Underwriters an option (the “**Over-Allotment Option**”) to purchase up to an additional 25% of the number of common shares of the Company sold under the Offering at the Offering Price (the “**Additional Shares**”) for additional gross proceeds of up to \$2,498,999.90 upon the terms and conditions set out herein. The Over-Allotment Option shall be exercisable, in whole or in part, by the Underwriters, at any time on or before the date that is two Business Days (as defined below) prior to the Closing Date (as defined below) by giving written notice to the Company, after which time the Over-Allotment Option shall be void and of no further force and effect. Pursuant to such notice, the Underwriters shall severally, and not jointly nor jointly and severally, offer to purchase in their respective percentages set out in Section 12, and the Company shall deliver and sell, the number of Additional Shares indicated in such notice in accordance with this Agreement (as defined below). The Underwriters shall be entitled to the same commission provided for below in respect of any Additional Shares issued and sold upon exercise of the Over-Allotment Option. The Initial Shares and the Additional Shares are collectively referred to in this Agreement as the “**Offered Shares**” and the offering of the Offered Shares by the Company is referred to in this Agreement as the “**Offering**”.

Upon and subject to the terms and conditions set forth herein, the Underwriters hereby severally, and not jointly, nor jointly and severally, offer to purchase from the Company, in the respective percentages set forth in Section 12 hereof, and, by acceptance of this Agreement, the Company agrees to sell to the Underwriters at the Closing Time, all, but not less than all, of the Offered Shares at the Offering Price.

Although the offer to purchase the Offered Shares is being made by the Underwriters as Purchasers (as defined herein), the Underwriters will endeavour to arrange, as agent for the Company, for Substituted Purchasers (as defined herein) resident in the Offering Jurisdictions (as defined herein), on a private placement basis pursuant to exemptions from the prospectus requirements of all Applicable Securities Laws (as defined herein). The Offered Shares may also be offered and sold in the United States to Qualified Institutional Buyers (as defined below) and to Substituted Purchasers who are U.S. Accredited Investors (as defined below) in accordance with Schedule “A” attached hereto, which forms part of this Agreement. The Offered Shares may be distributed in Offering Jurisdictions outside of Canada and the

United States in such jurisdictions as the Company and the Underwriters may agree, where they may be lawfully sold on a basis exempt from the prospectus, registration and similar requirements of any such jurisdiction. Each Substituted Purchaser shall purchase the Offered Shares at the Offering Price, and to the extent that Substituted Purchasers purchase Offered Shares, the obligation of the Underwriters to do so will be reduced by the number of Offered Shares purchased by the Substituted Purchasers from the Company.

Interpretation

Unless expressly provided otherwise, where used in this Agreement or the schedule hereto, the following terms shall have the following meanings, respectively:

“**1933 Act**” has the meaning ascribed thereto in Subsection 1(c);

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

“**affiliate**” has the meaning ascribed thereto in NI 45-106;

“**Agreement**” means this agreement, including the schedules hereto, as modified, amended and/or supplemented from time to time;

“**Ancillary Documents**” means all agreements (including the Subscription Agreements), certificates (including the certificates, if any, representing Offered Shares, Compensation Warrants and Compensation Shares, officer’s certificates, notices and other documents executed and delivered, or to be executed and delivered, by the Company in connection with the Offering, whether pursuant to Applicable Securities Laws or otherwise);

“**Annual Financial Statements**” has the meaning ascribed thereto in Subsection 4(k);

“**Applicable Securities Laws**” mean, collectively, the applicable securities laws of the Offering Jurisdictions, the regulations, rules, companion policies, rulings and orders made thereunder, the applicable published policy statements issued by the Securities Commissions thereunder and the securities legislation and published policies of each other jurisdiction which are applicable to the sale of the Offered Shares on the terms and conditions set out in this Agreement;

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

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

“**Business Day**” means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Vancouver, British Columbia and Toronto, Ontario are not open for business;

“**CDS**” means CDS Clearing and Depository Services Inc.;

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

“**Closing**” means the completion of the issue and sale by the Company of the Offered Shares pursuant to this Agreement and the Subscription Agreements;

“**Closing Date**” means the date of the Closing, being June 15, 2021 or such other date as the Co-Lead Underwriters and the Company may determine;

“**Closing Time**” means 11:30 a.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as the Co-Lead Underwriters and the Company may agree in writing;

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

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

“**Company’s Financial Statements**” has the meaning ascribed thereto in Subsection 4(l);

“**Company’s knowledge**” means to the actual knowledge of the following individuals: Ruben Padilla, Kelso Cartwright and Charlotte May, after having made due inquiry;

“**Compensation Shares**” has the meaning ascribed thereto in Subsection 2(b);

“**Compensation Warrant Certificates**” means the certificates representing the Compensation Warrants;

“**Compensation Warrants**” has the meaning ascribed thereto in Subsection 2(b);

“**Continuing Underwriters**” has the meaning ascribed thereto in Section 12;

“**Debt Instrument**” means any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability;

“**Directed Selling Efforts**” means “directed selling efforts” as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Shares and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of any of the Offered Shares;

“**Don Julio Project**” means the project comprised of 58,629 hectares located in San Juan, Argentina, which includes Lodo Norte and Sur, Colorado, San Gabriel, Heaven Hill, La Grina Amarillo, Fermin Skarn, and Los Pumas and other targets;

“**El Fierro Project**” means the project located in San Juan, Argentina, which includes three mineralized centres: Fierro Bajo, Fierro Alto and La Verde;

“**Environmental Laws**” has the meaning ascribed thereto in Subsection 4(ff);

“**Governmental Authority**” means any (i) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign, (ii) subdivision, agent, commission, board, or authority of any of the foregoing, or (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under, or for the account of, any of the foregoing;

“**IFRS**” means International Financial Reporting Standards;

“**including**” means including without limitation and shall not be construed to limit any general statement which it follows to the specific or similar items or matters immediately following it;

“**Indemnified Parties**” has the meaning ascribed thereto in Section 11;

“**La Poncha Project**” means the project located in San Juan, Argentina;

“**Leased Premises**” means the premises which are material to the Company and the Subsidiaries, taken as a whole, and which the Company or any of the Subsidiaries occupy as a tenant;

“**Manzana-fractions mineral titles**” means the mineral titles located in Chihuahua, Mexico, which include the Vinata Project;

“**Material Adverse Effect**” or “**Material Adverse Change**” means any effect or change on the Company and the Subsidiaries or their respective businesses that is or is reasonably likely to be materially adverse to the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flow, income or business operations of the Company and the Subsidiaries, taken as a whole, or that is or is reasonably likely to be materially adverse to the completion of the transactions contemplated by this Agreement;

“**Material Agreements**” means any joint-venture or earn-in agreement, Debt Instrument, mortgage, indenture, contract, commitment, agreement (written or oral), instrument, lease or other document, to which the Company or the Subsidiaries are a party and which is material to the Company;

“**Mexico Regional Project**” means the project located in Queretaro, Mexico, which includes the Manzanas applications, and the Corregidora mining concession application, on which the El Escarpe target is located and the Sain Alto and Caolin Mineral Applications;

“**Mineral Rights**” has the meaning ascribed thereto in Subsection 4(fff);

“**Money Laundering Laws**” has the meaning ascribed thereto in Subsection 4(tt);

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

“**NI 45-102**” means National Instrument 45-102 — *Resale of Securities*;

“**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions*;

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

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

“**Offering Jurisdictions**” means (i) certain provinces of Canada; (ii) in the United States, to Qualified Institutional Buyers and U.S. Accredited Investors pursuant to available exemptions from the 1933 Act and applicable state securities laws; and (iii) jurisdictions outside of Canada and the United States, in such jurisdictions as the Company and the Underwriters may agree, subject to in each case in accordance with all applicable laws provided that no prospectus, registration statement or similar document is required to be filed in such jurisdiction;

“**Offering Price**” has the meaning ascribed thereto in the first paragraph of this Agreement;

“**Option Properties**” means the Don Julio Project, the El Fierro Project and the La Poncha Project;

“**Over-Allotment Option**” has the meaning ascribed thereto in the first paragraph of this Agreement;

“**Permits**” has the meaning ascribed thereto in Subsection 4(nn);

“**person**” shall be interpreted broadly and shall include any individual, corporation, limited partnership, general partnership, joint stock company or association, joint venture association, company, trust, bank, trust company, land trust, investment trust, society or other entity, organization, syndicate, whether incorporated or not, trustee, executor or other legal personal representative, and governments and agencies and political subdivisions thereof;

“**President’s List Purchasers**” has the meaning ascribed thereto in Subsection 2(a);

“**Private Placement Exemption**” means the “accredited investor” exemption under Section 2.3 of NI 45-106 or 73.3 of the *Securities Act* (Ontario), as applicable;

“**Properties**” means the Manzana-fractions mineral titles, the Mexico Regional Project, Sain Alto and Caolin Mineral Applications, the Don Julio Project and the San Juan Regional Program, the El Fierro Project and the La Poncha Project;

“**Public Disclosure Documents**” means, collectively, all of the documents which have been filed by or on behalf of the Company prior to the Closing Time under its profile on SEDAR;

“**Purchasers**” mean, collectively, those persons who are purchasing the Offered Shares as contemplated herein, including Substituted Purchasers and/or the Underwriters;

“**QIB**” or “**Qualified Institutional Buyer**” means a “Qualified Institutional Buyer” as such term is defined in Rule 144A(a)(1) under the 1933 Act;

“**Refusing Underwriter**” has the meaning ascribed thereto in Section 12;

“**Regulation D**” means Regulation D adopted by the Securities and Exchange Commission under the 1933 Act;

“**Regulation S**” means Regulation S promulgated by the Securities and Exchange Commission under the 1933 Act;

“**Reporting Jurisdictions**” means British Columbia and Alberta, collectively;

“**Sain Alto and Caolin Mineral Applications**” means the mineral applications comprising part of the Mexico Regional Project;

“**San Juan Regional Program**” means any exploration work done outside known exploration targets within the Argentina properties currently controlled by the Company, or in areas located in open ground or in third party submittals in the Province of San Juan, Argentina;

“**Securities Commissions**” means, collectively, the applicable securities commissions where the Company is a reporting issuer or other securities regulatory authorities in the Offering Jurisdictions;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval;

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

“**Subscription Agreements**” mean, collectively, the subscription agreements in the form mutually acceptable to the Company and the Underwriters to be entered into between the Purchasers and the Company in respect of the Offering, as amended or supplemented;

“**Subsidiaries**” means, collectively, Exploraciones Sable, S. de R.L. de C.V. (Mexico), Exploraciones Tres Cordilleras, S.A. de C.V. (Mexico), Exploraciones Catalinas, S.A. de C.V. (Mexico), Exploraciones Vientos de Sur, S.A. de C.V. (Mexico), Olivares S.A. and Sable Argentina S.A. and “**Subsidiary**” means any one of them, as the context requires;

“**Substituted Purchasers**” has the meaning ascribed thereto in Subsection 1(b);

“**Tax Act**” means the *Income Tax Act* (Canada) and any proposed amendments thereto announced publicly by or on behalf of the Minister of Finance (Canada) on or prior to the date of this Agreement;

“**Taxes**” has the meaning ascribed thereto in Subsection 4(u);

“**Transfer Agent**” means Computershare Investor Services Inc., in its capacity as transfer agent and registrar of the Company at its office in the City of Vancouver, British Columbia;

“**TSXV**” means the TSX Venture Exchange;

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

“**Underwriting Fee**” has the meaning ascribed thereto in Subsection 2(a);

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

“**U.S. Accredited Investor**” means an “accredited investor” as defined in Rule 501(a) of Regulation D; and

“**Vinata Project**” means the project located in Chihuahua, Mexico, which includes two mineralized areas: Vinata North and Vinata South.

In this Agreement, unless there is something in the subject matter or context inconsistent therewith:

- (a) words used herein importing the singular number include the plural and vice versa, words importing the use of any gender include all genders;
- (b) references herein to any agreement or instrument, including this Agreement, are deemed to be references to the agreement or instrument as varied, amended, modified, supplemented or replaced from time to time, and any specific references herein to any legislation or enactment are deemed to be references to such legislation or enactment as the same may be amended or replaced from time to time; and
- (c) the division of this Agreement into sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “herein”, “hereunder” and similar expressions refer to this Agreement and the schedule hereto and not to any particular section, subsection, paragraph or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1. **Nature of Transaction**

- (a) Subject to the terms and conditions of this Agreement, the Underwriters offer to purchase the Offered Shares, and by acceptance of this Agreement, the Company agrees to sell to

the Underwriters, and the Underwriters agree to purchase at the Closing Time on the Closing Date, all, but not less than all, of the Offered Shares on a private placement basis pursuant to exemptions from the prospectus requirements of all Applicable Securities Laws. In the event the Underwriters exercise their right pursuant to the Over-Allotment Option, in whole or in part, at any time up to two Business Days prior to the Closing Date, the Company hereby agrees to issue and sell to the Underwriters and the Underwriters agree to purchase that number of Offered Shares requested in the written notice of exercise of the Over-Allotment Option.

- (b) The Company understands that although the offer to purchase the Offered Shares is being made by the Underwriters as Purchaser, the Underwriters will endeavour to arrange for substituted purchasers (collectively, the “**Substituted Purchasers**”) for the Offered Shares in the Offering Jurisdictions, subject to acceptance by the Company, acting reasonably, of the Subscription Agreements. The Underwriters shall offer for sale and sell the Offered Shares in the Offering Jurisdictions in accordance with the terms of this Agreement, on a private placement basis pursuant to exemptions from the prospectus requirements of all Applicable Securities Laws, in a manner such that the offer and sale of the Offered Shares does not obligate the Company to file a prospectus, a registration statement or other offering document or deliver an offering memorandum or other offering document under Applicable Securities Laws, as applicable, and does not require the Company to become subject to any continuous or ongoing disclosure requirements of any Offering Jurisdiction outside of Canada. The Underwriters acknowledge that, subject to the conditions contained in Section 6 being satisfied and subject to the rights of the Underwriters contained in Section 8, the Underwriters are obligated to purchase or cause to be purchased all of the Offered Shares and that such obligation is not subject to the Underwriters being able to arrange for Substituted Purchasers. Each Substituted Purchaser shall purchase the Offered Shares at the Offering Price and to the extent that Substituted Purchasers purchase such Offered Shares, the obligations of the Underwriters to do so will be reduced by the number of such Offered Shares purchased by the Substituted Purchasers from the Company. Any reference in this Agreement hereafter to “Purchasers” shall be taken to be a reference to the Underwriters, as the initial committed purchasers, and to the Substituted Purchasers, if any.
- (c) The Company and the Underwriters agree that the Offered Shares will be eligible for sale in the United States to Qualified Institutional Buyers under the *United States Securities Act of 1933*, as amended (the “**1933 Act**”) and to Substituted Purchasers that are U.S. Accredited Investors by way of private placement pursuant to available exemptions from the registration requirements of the 1933 Act.
- (d) Each Purchaser shall purchase the Offered Shares under a Private Placement Exemption. The Company hereby agrees to use its best efforts to secure compliance with all Applicable Securities Law on a timely basis in connection with the distribution of the Offered Shares to the Purchasers, including by filing within the periods stipulated under Applicable Securities Laws in Canada and at the Company’s expense all reports of the issue and sale of the Offered Shares required to be filed by the Company in connection with the Offering and paying all filing fees required to be paid in connection therewith so that the distribution of the Offered Shares may lawfully occur without the necessity of filing a prospectus or any similar document under the Applicable Securities Laws (including so as to ensure that the requirements under NI 45-102 are complied with by the Company such that the Offered Shares will be subject to a “hold period” which expires four months and one day following the Closing Date). The Underwriters agree to

assist the Company in all reasonable respects to secure compliance with all regulatory requirements in connection with the Offering in the Offering Jurisdictions. The Underwriters will notify the Company with respect to the identity of each Purchaser and other necessary information respecting each Purchaser as soon as practicable and with a view to leaving sufficient time to allow the Company to secure compliance with all relevant regulatory requirements under Applicable Securities Laws relating to the sale of the Offered Shares. If requested by the Company, the Underwriters undertake to use commercially reasonable efforts to cause Purchasers to complete any forms required by Applicable Securities Laws.

- (e) Any certificates representing the Offered Shares delivered at Closing shall contain such restrictive legends regarding resale of the Offered Shares as are set forth in the Subscription Agreements.
- (f) None of the Company or the Underwriters shall provide or shall have provided to prospective Purchasers of the Offered Shares any document or other material that would constitute an offering memorandum or future oriented financial information within the meaning of Applicable Securities Laws. None of the Company or the Underwriters shall engage or shall have engaged in any form of general solicitation or general advertising in connection with the offer and sale of the Offered Shares, including, but not limited to, causing the sale of the Offered Shares to be advertised in any newspaper, magazine, printed public media, printed media or similar medium of general and regular paid circulation, broadcast over radio, television or telecommunications, including electronic display, or conduct any seminar or meeting relating to the offer and sale of the Offered Shares whose attendees have been invited by general solicitation or advertising.

2. Underwriters' Compensation

- (a) In consideration for the performance of their obligations hereunder, the Company shall, subject to the provisions of this Agreement, pay to the Underwriters an aggregate fee (the "**Underwriting Fee**") equal to 6.0% of the gross proceeds raised under the Offering, except with respect to those Purchasers who settle directly with the Company ("**President's List Purchasers**") for an amount up to \$1,000,000.
- (b) In addition to the Underwriting Fee, as consideration for the services of the Underwriters in connection with the Offering, subject to the provisions of this Agreement, the Underwriters shall be issued that number of compensation warrants (the "**Compensation Warrants**") as is equal to 3.0% of the number of Offered Shares sold under the Offering, excluding the President's List Purchasers. Each Compensation Warrant shall be exercisable to acquire one common share of the Company (collectively, the "**Compensation Shares**") at a price of \$0.30 per Compensation Share for a period of 24 months after the Closing Date.
- (c) The Underwriters may retain one or more registered securities brokers or investment dealers to act as selling agents in connection with the sale of the Offered Shares but the compensation payable to such selling agents shall be the sole responsibility of the Underwriters, and only as permitted by and in compliance with Applicable Securities Laws, upon the terms and conditions set forth in this Agreement and the Underwriters will require each such selling agent to so agree.

3. **Representations, Warranties, Covenants and Certification of the Underwriters**

Each of the Underwriters hereby severally, and not jointly, nor jointly and severally, covenants, represents and warrants to the Company, and acknowledges that the Company is relying on such covenants, representations and warranties in connection with the entering into of this Agreement, as follows:

- (a) it will conduct activities in connection with arranging for Substituted Purchasers of the Offered Shares in compliance with Applicable Securities Laws and only solicit offers to purchase Offered Shares from such persons (i) purchasing as principal or deemed to be purchasing as principal under Applicable Securities Laws or purchasing as authorized agents on behalf of a disclosed principal; and (ii) qualified to purchase the Offered Shares under the applicable requirements in the Offering Jurisdictions, and in such manner that, pursuant to Applicable Securities Laws, no prospectus, registration statement or similar document needs be delivered or filed, other than any prescribed reports of the issue and sale of the Offered Shares;
- (b) it will not solicit subscriptions for Offered Shares, trade in Offered Shares or otherwise do any act in furtherance of a trade of Offered Shares in any Offering Jurisdiction outside of Canada except in compliance with the Applicable Securities Laws of any such jurisdiction and provided that the Underwriters may only solicit, trade or act within such jurisdiction if such solicitation, trade or act does not: (i) obligate the Company to take any action to qualify any of its securities or any trade of any of its securities (including the distribution of the Offered Shares); (ii) obligate the Company to establish or maintain any office or director or officer in such jurisdiction; or (iii) subject the Company to any reporting, continuous disclosure or other requirement in such jurisdiction;
- (c) it will not deliver to any prospective Purchaser any document or material which constitutes or is deemed to be an offering memorandum under Applicable Securities Laws;
- (d) it will not solicit offers to purchase or sell the Offered Shares in any jurisdiction other than the Offering Jurisdictions;
- (e) it will obtain from each Purchaser an executed and duly completed Subscription Agreement, together with all documentation as may be necessary in connection with the distribution of the Offered Shares;
- (f) it will not advertise the proposed sale of the Offered 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 Offered Shares where attendees have been invited by general solicitation or general advertising;
- (g) it will provide or cause to be provided to the Company all necessary information in respect of such Underwriters and the Purchasers to allow the Company to file, with the Securities Commissions or other similar regulatory authority, if required, reports of the trades of the Offered Shares in accordance with Applicable Securities Law and TSXV policies;
- (h) it will ensure that any dealer or registered securities broker appointed by an Underwriter pursuant to Section 2(c) of this Agreement complies with the covenants and obligations given by the Underwriters herein;

- (i) at least one of the Underwriters is duly registered in the appropriate category of dealer under the Applicable Securities Laws in each of the Offering Jurisdictions, and in Offering Jurisdictions in which no Underwriter is so registered, the Underwriters will, if required by Applicable Securities Laws, act only through members of a selling group who are so registered;
- (j) none of the Underwriters, any of their respective affiliates or any person acting on behalf of the foregoing have made or will make (i) any offer to sell, or any solicitation of an offer to buy, any Offered Shares to a person in the United States or a U.S. Person; or (ii) any sale or facilitate any sale, as applicable, of Offered Shares to any person in the United States or a U.S. Person, except in compliance with Schedule "A" hereto;
- (k) neither the Underwriters, nor their respective affiliates, or any person acting on behalf of the foregoing, have engaged or will engage in any Directed Selling Efforts;
- (l) no selling or promotional expenses will be paid or incurred in connection with the Offering, except for professional services or for services performed by a registered dealer; and
- (m) it acknowledges and agrees that the Compensation Warrants have not been and will not be registered under the 1933 Act or the securities laws of any state of the United States. In connection with the issuance of the Compensation Warrants, each Underwriter represents, warrants, and covenants that it is acquiring the Compensation Warrants as principal for its own account and not for the benefit of any other person. Each Underwriter represents, warrants, and covenants that (i) it is not a U.S. Person and is not acquiring the Compensation Warrants in the United States, or on behalf of a U.S. Person or a person located in the United States; and (ii) this Agreement was executed and delivered outside the United States. Each Underwriter acknowledges and agrees that the Compensation Warrants may not be exercised for the account or benefit of a U.S. Person or a person in the United States, unless such exercise is not subject to registration under the 1933 Act and the applicable securities laws of any state of the United States. Each Underwriter agrees that it will not offer or sell any Compensation Warrants or Compensation Shares in the United States or to U.S. Persons unless in compliance with an exemption from the registration requirements of the 1933 Act and any applicable state securities laws.

4. **Representations and Warranties of the Company**

The Company hereby represents and warrants to the Underwriters (on their own behalf and on behalf of each of the Purchasers) and acknowledges that each of them is relying upon such representations and warranties in connection with the completion of the Offering, that as at the date hereof:

- (a) the Company has been duly organized and is validly existing under the laws of the BCBCA, is in good standing, has the corporate power, capacity and authority and is duly qualified and possesses all Permits issued by the appropriate provincial, municipal, federal regulatory agencies or bodies necessary (and has not received or is not aware of any modification or revocation to such Permits, except such modifications or amendments as are necessary for the conduct of its business) to carry on its business as now conducted and to own, lease and operate its properties and assets, except for those Permits which the failure to obtain would not, individually or in the aggregate, have a Material Adverse Effect;

- (b) other than the Subsidiaries and 3,219,278 common shares of Magna Gold Corp., the Company does not own, directly or indirectly, any shares or any other equity or debt securities of any corporation or company or have any equity interest in any firm, partnership (limited, general or otherwise), limited liability company, unlimited liability company, joint venture, association or other entity;
- (c) the Company is the direct or indirect registered and beneficial owner of all of the issued and outstanding shares of or other voting securities in the Subsidiaries free and clear of all encumbrances, liens, mortgages, hypothecations, security interests, charges, and no person, firm, corporation or entity has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase from the Company or the Subsidiaries of any of the shares or other securities of the Subsidiaries;
- (d) (i) each Subsidiary is existing as a corporation in good standing under the laws of its jurisdiction of incorporation and, as described in the Public Disclosure Documents, has the corporate power, capacity and authority to own, lease and operate its property and assets, to conduct its business as now conducted and as currently proposed to be conducted and to carry out the provisions hereof; (ii) each Subsidiary, where required, has been duly qualified as an extra-provincial or foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases property, or conducts any business and is not precluded from carrying on business or owning property in such jurisdictions by any other commitment, agreement or document; and (iii) no proceedings have been instituted or, to the knowledge of the Company, are pending for the dissolution or liquidation or winding-up of any Subsidiary;
- (e) the Company has the corporate power and authority to enter into this Agreement and the Ancillary Documents and to perform the transactions contemplated hereby and thereby and: (i) the issuance and sale by the Company of the Offered Shares; (ii) the creation, issuance and delivery of the Compensation Warrants; (iii) the issuance and delivery of the Compensation Shares upon the exercise of the Compensation Warrants been duly authorized by all necessary corporate action of the Company and no other corporate proceedings on the part of the Company are required to authorize this Agreement or the Ancillary Documents, and this Agreement and the Ancillary Documents have been duly executed and delivered by the Company and this Agreement and the Ancillary Documents are, and will upon execution and delivery in accordance with the terms hereof and thereof be valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms, subject to bankruptcy, insolvency, moratorium, or similar laws affecting creditors' rights generally and except as limited by the application of equitable remedies which may be granted in the discretion of a court of competent jurisdiction and that enforcement of the rights to indemnity and contribution set out in this Agreement and the Ancillary Documents as may be limited by applicable law;
- (f) the authorized capital of the Company consists of an unlimited number of Common Shares, of which, as of the close of business on June 14, 2021, 233,698,132 Common Shares were issued and outstanding as fully paid and non-assessable and no person other than Osisko Gold Royalties Ltd. 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 Company or any other security convertible into or exchangeable for any such shares, or to require the

Company to purchase, redeem or otherwise acquire any of the issued and outstanding shares in its capital other than options to purchase up to 15,400,000 Common Shares and warrants to purchase up to 46,509,272 Common Shares;

- (g) all consents, approvals, permits, authorizations or filings as may be required under Applicable Securities Laws necessary for the execution and delivery of this Agreement and the Ancillary Documents and: (i) the issuance and sale (and creation, as applicable) by the Company of the Offered Shares; (ii) the creation, issuance and delivery of the Compensation Warrants; and (iii) the issuance and delivery of the Compensation Shares upon the exercise of the Compensation Warrants and the consummation of the transactions contemplated hereby and thereby have been made or obtained, as applicable other than the filings required under NI 45-106 which will be completed on a post-closing basis;
- (h) each of the execution and delivery of this Agreement and the Ancillary Documents, the performance by the Company of its obligations hereunder or thereunder, and: (i) the issuance and sale (and creation, as applicable) by the Company of the Offered Shares; (ii) the creation, issuance and delivery of the Compensation Warrants; and (iii) the issuance and delivery of the Compensation Shares upon the exercise of the Compensation Warrants; and the consummation of the transactions contemplated hereby, respectively, do not and will not result in any breach or violation of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any of the terms or provisions of (A) any statute, rule or regulation applicable to the Company, including Applicable Securities Laws; (B) the constating documents of the Company or any resolutions passed by the board of directors or shareholders of the Company which are in effect at the date hereof; (C) any Material Agreement to which the Company is a party or by which it is bound; or (D) any judgment, decree or order binding the Company or the property or assets of the Company, and will not give rise to any lien in or with respect to the properties or assets now owned or hereafter acquired by the Company or the acceleration of or the maturity of any debt under any indenture, mortgage, lease, agreement or instrument binding or affecting it or any of its properties or assets;
- (i) at the Closing Time, all necessary corporate action has been taken by the Company to: (i) validly authorize and issue the Offered Shares as fully paid and non-assessable Common Shares; (ii) validly create, authorize and issue the Compensation Warrants; (iii) validly authorize the issuance of Compensation Shares as fully paid and non-assessable Common Shares upon the due exercise of the Compensation Warrants in accordance with the terms thereof;
- (j) on or prior to the Closing Time, the form of certificates for the Offered Shares and Compensation Warrants, will have been approved by the board of directors of the Company and adopted by the Company and will comply with all legal and TSXV requirements and will not conflict with the Company's articles or constating documents;
- (k) the audited annual financial statements of the Company for its fiscal year ended December 31, 2020, and notes thereto (the "**Annual Financial Statements**"), are true and correct in all material respects and present fairly, in all material respects, the financial position, results of the operations and cash flows of the Company for the period then ended and such financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board applied on a consistent basis;

- (l) the unaudited financial statements of the Company for the interim period ended March 31, 2021 and notes thereto (together with the Annual Financial Statements, the “**Company’s Financial Statements**”), are true and correct in all material respects and present fairly, in all material respects, the financial position, results of the operations and cash flows of the Company for the period then ended and such financial statements will have been prepared in accordance with IFRS applied on a consistent basis;
- (m) except as otherwise disclosed in the Public Disclosure Documents, since the date of the Company’s Financial Statements, (i) there has been no material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Company, (ii) there have been no transactions entered into by the Company which are material with respect to the Company other than those in the ordinary course of business, and (iii) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its shares;
- (n) other than as disclosed in the Company’s Financial Statements, there has been no change in accounting policies or practices of the Company since December 31, 2020;
- (o) other than as disclosed in the Public Disclosure Documents, since December 31, 2020 and excluding expenditures in the ordinary course of business consistent with past practice, there has not been any adverse material change in the financial position or condition of the Company or the Subsidiaries, nor any change in circumstances materially affecting its business, affairs, prospects, capital or assets, or the right or capacity of the Company to carry on its business, such business having been carried on in the ordinary course;
- (p) there are no material liabilities of the Company, whether direct, indirect, contingent or otherwise which are not disclosed or reflected in the Company’s Financial Statements except those incurred in the ordinary course of its business since December 31, 2020;
- (q) except as disclosed in the Public Disclosure Documents, no acquisition has been made by the Company during its three most recently completed fiscal years that would be a significant acquisition for the purposes of Canadian Applicable Securities Laws, and no proposed acquisition by the Company has progressed to a state where a reasonable person would believe that the likelihood of the Company completing the acquisition is high and that, if completed by the Company at the Closing Date, would be a significant acquisition for the purposes of Canadian Applicable Securities Laws;
- (r) the Company is not aware of any pending change or contemplated change to any applicable law or regulation or governmental position that would have a Material Adverse Effect;
- (s) the Company and the Subsidiaries are not a party to any agreement, nor is the Company aware of any agreement, which in any manner affects the voting control of any of the securities of the Company;
- (t) to the knowledge of the Company, no Securities Commission, stock exchange or comparable authority has issued any order requiring trading in any of the Company’s securities to cease or preventing the distribution of the Offered Shares in any Offering

Jurisdiction (including the United States) nor instituted proceedings for that purpose and, to the knowledge of the Company, no such proceedings are pending or contemplated;

- (u) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, customs duties and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable or required to be collected or withheld and remitted, by the Company and each Subsidiary have been paid, collected or withheld and remitted as applicable, except for where the failure to pay such Taxes would not have a Material Adverse Effect. All tax returns, declarations, remittances and filings required to be filed by the Company and each Subsidiary have been filed with all appropriate Governmental Authorities and all such returns, declarations, remittances and filings are complete and accurate in all material respects and no material fact has been omitted therefrom which would make any of them misleading or result in a Material Adverse Effect. To the knowledge of the Company, no examination of any tax return of the Company or any Subsidiary is currently in progress and there are no issues or disputes outstanding with any Governmental Authority respecting any Taxes that have been paid, or may be payable, by the Company or the Subsidiaries. There are no agreements, waivers or other arrangements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to the Company and the Subsidiaries;
- (v) the Company and the Subsidiaries have established on their books and records reserves which are adequate for the payment of all Taxes not yet due and payable and there are no liens for Taxes on the assets of the Company or the Subsidiaries except for Taxes not yet due, and, to the Company's knowledge, there are no audits of any of the tax returns of the Company or the Subsidiaries pending, and there are no claims which have been or would reasonably be expected to be asserted relating to any such tax returns which, if determined adversely, would result in the assertion by any Governmental Authorities of any deficiency which would have a Material Adverse Effect;
- (w) the auditors of the Company who audited the Annual Financial Statements and who provided their audit report thereon are independent public accountants as required under Applicable Securities Laws;
- (x) since December 31, 2020, there has not been a "reportable event" (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) with the present or former auditors of the Company;
- (y) the Company maintains a system of internal accounting controls sufficient to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and provide reasonable assurance that (i) transactions are executed in accordance with the Company's management's general or specific authorizations, (ii) transactions are recorded as necessary to permit the preparation of financial statements for the Company in conformity with generally accepted accounting principles in Canada and to maintain asset accountability, (iii) access to the assets of the Company is permitted only in accordance with the Company's management's general or specific authorization, (iv) the recorded accountability for assets of the Company is compared with the existing assets of the

Company at reasonable intervals and appropriate action is taken with respect to any differences;

- (z) there is not, in the constating documents of the Company nor in any Material Agreement, any restriction upon or impediment to, the declaration or payment of cash dividends by the directors of the Company or the payment of cash dividends by the Company to the holders of the Common Shares;
- (aa) other than as disclosed in the Public Disclosure Documents, neither the Company nor any Subsidiary is a party to or bound by or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Company or any Subsidiary to compete in any line of business, transfer or move any of its assets or operations or which has a Material Adverse Effect on the Company or any Subsidiary;
- (bb) the Company and each Subsidiary has conducted, and is conducting, its business in compliance in all material respects with all applicable laws and regulations of each jurisdiction in which it carries on business (including all applicable federal, provincial, state, municipal and local environmental, anti-pollution and licensing laws, regulations and other lawful requirements of any governmental or regulatory body, including relevant exploration permits and concessions), and has not received a notice of non-compliance or any alleged violation of such laws and regulations, and does not know of, nor has reasonable grounds to know of, any facts that could give rise to a notice of material non-compliance with any such laws or regulations;
- (cc) the Company is in compliance in all material respects with corporate laws and its continuous disclosure obligations under Applicable Securities Laws and the information and statements in the Public Disclosure Documents were true and correct as of the respective dates of such information and statements and at the time such documents were filed on SEDAR, did not contain any misrepresentations and no material facts have been omitted therefrom which would make such information materially misleading, and the Company has not filed any confidential material change reports which remain confidential as of the date hereof. The Company is not aware of any circumstances presently existing under which liability is or would reasonably be expected to be incurred under Part XXIII.1 — *Civil Liability for Secondary Market Disclosure* of the *Securities Act* (British Columbia) and analogous provisions under Applicable Securities Laws in the other Canadian Offering Jurisdictions;
- (dd) the Company has filed all forms, reports, documents and information required to be filed by it, whether pursuant to Applicable Securities Laws or otherwise, with the TSXV (or one of its predecessors) or the applicable Securities Commissions. As of the time the Public Disclosure Documents were filed with the applicable securities regulators and on SEDAR (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing): (i) each of the Public Disclosure Documents complied in all material respects with the requirements of the Applicable Securities Laws; and (ii) none of the Public Disclosure Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;
- (ee) there is no material fact or material change in the affairs of the Company that has not been generally disclosed to the public;

- (ff) neither the Company nor any Subsidiary is or has been in material violation of, in connection with the ownership, use, maintenance or operation of its Properties and assets, any applicable federal, provincial, state, municipal or local laws, bylaws, regulations, orders, policies, Permits or other approvals having the force of law, domestic or foreign, relating to environmental, health or safety matters or hazardous or toxic substances or wastes, pollutants or contaminants (collectively, “**Environmental Laws**”). Without limiting the generality of the foregoing:
- (i) the Company or the Subsidiaries, as applicable, have occupied the Properties and have received, handled, used, stored, treated, shipped and disposed of all pollutants, contaminants, hazardous or toxic materials, controlled or dangerous substances or wastes in compliance in all material respects with all applicable Environmental Laws and have received all Permits or other approvals required under applicable Environmental Laws to conduct their business; and
 - (ii) there are no orders, rulings or directives and to the Company’s knowledge there have been no past unresolved claims, complaints, notices or requests for information issued against the Company, a Subsidiary or the Properties or, to the knowledge of the Company, there are no pending administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, orders, directions, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Laws against the Company or a Subsidiary, and there are no facts or circumstances which would reasonably be expected to form the basis for any such administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, orders, directions, notices of non-compliance or violation, investigation or proceedings;
- (gg) no notice with respect to any of the matters referred to in the immediately preceding paragraph, including any alleged violations by the Company or any Subsidiary with respect thereto has been received by the Company or any Subsidiary and no writ, injunction, order or judgement is outstanding, and no legal proceeding under or pursuant to any Environmental Laws or relating to the ownership, use, maintenance or operation of the Properties and assets of the Company or any Subsidiary is in progress, threatened or, to the Company’s knowledge, pending, which would reasonably be expected to have a Material Adverse Effect on the Company, and, to the Company’s knowledge, there are no grounds or conditions which exist, on or under any property now owned, operated or leased by the Company or any Subsidiary, on which any such legal proceeding would reasonably be expected to commence or with the passage of time, or the giving of notice or both, would reasonably be expected to give rise;
- (hh) except for such matters as would not, individually or in the aggregate, have a Material Adverse Effect, all mineral exploration and mining operations currently being conducted by the Company and each Subsidiary are being conducted pursuant to all applicable Environmental Laws and in accordance with acceptable environmental practices;
- (ii) (i) the Company and each Subsidiary is in compliance, in all material respects, with the provisions of all applicable federal, provincial, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours; (ii) no collective labour dispute, grievance, arbitration or legal proceeding is ongoing, pending or, to the knowledge of the Company, threatened and no individual labour dispute, grievance, arbitration or legal proceeding is ongoing, pending

or, to the knowledge of the Company, threatened with any employee of the Company that would have a Material Adverse Effect, and, to the knowledge of the Company, none has occurred during the past year; and (iii) no union has been accredited or otherwise designated to represent any employees of the Company or any Subsidiary and, to the knowledge of the Company, no accreditation request or other representation question is pending with respect to the employees of the Company or any Subsidiary, and no collective agreement or collective bargaining agreement or modification thereof has expired or is in effect in any of the Company's or any Subsidiary's facilities and none is currently being negotiated by the Company or any Subsidiary;

- (jj) no existing supplier, manufacturer or contractor of the Company or any Subsidiary has indicated that it intends to terminate its relationship with the Company or any Subsidiary or that it will be unable to meet the Company's or any Subsidiary's requirements, except as would not have a Material Adverse Effect;
- (kk) neither the Company nor any Subsidiary is in default or breach, in any material respect, of any real property lease, and neither the Company nor any Subsidiary has received any notice or other communication from the owner or manager of any real property leased by the Company or any Subsidiary that the Company or any Subsidiary is not in compliance with any real property lease, and to the knowledge of the Company, no such notice or other communication is pending or has been threatened;
- (ll) all significant acquisitions completed by the Company of any securities, business or assets of any other entity have been fully and properly disclosed in the Public Disclosure Documents, were completed in material compliance with all applicable corporate and Applicable Securities Laws and all required corporate and regulatory approvals, consents, authorizations, registrations, and filings required in connection therewith were obtained and complied with;
- (mm) to the Company's knowledge, all operations on the Properties of the Company and each Subsidiary have been conducted and are currently conducted in all material respects in accordance with engineering practices consistent with industry standards and any applicable material workers' compensation, and health, safety and workplace laws, regulations and policies;
- (nn) the Company and each Subsidiary have all material licences, permits, approvals, consents, certificates, registrations and other authorizations (collectively the "**Permits**") under all applicable laws and regulations necessary for the operation of the businesses carried on by the Company and each Subsidiary and each Permit is valid, subsisting and in good standing and neither the Company nor any Subsidiary is in default or breach of any Permit, and to the Company's knowledge, no proceeding is pending or threatened to revoke or limit any Permit;
- (oo) the title opinion to be delivered by the Company pursuant to the terms of this Agreement, covers all of the material claims and mining leases that comprise the Don Julio Project, the San Juan Regional Program, the El Fierro Project and the La Poncha Project;
- (pp) there are no open fractional undersurface rights areas in respect of any of the Don Julio Project, the El Fierro Project or the La Poncha Project between the boundaries of the grants owned by the Subsidiaries that are not otherwise subject to a mineral claim tenure registered in the name of any Subsidiary as to an undivided 100% interest;

- (qq) to the Company's knowledge, the Company and each Subsidiary have registered mineral claims over all geographic areas that are required for the exploration plans to be conducted with the gross proceeds of the Offering;
- (rr) the Company is a reporting issuer in the Reporting Jurisdictions and on the Closing Date will have been a reporting issuer in such provinces for at least four months. The Company is not included on a list of reporting issuers in default maintained by any of the Securities Commissions of the Reporting Jurisdictions;
- (ss) the Company and each Subsidiary do not have any loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, or any person not dealing at "arm's length" (as such term is defined in the Tax Act) with the Company or any Subsidiary;
- (tt) other than as disclosed to the Underwriters in writing, the Company and each Subsidiary have not guaranteed or indemnified or agreed to guarantee or indemnify any debt, liability or other obligation of any kind whatsoever of any person, firm or corporation whatsoever;
- (uu) the Company and each Subsidiary maintains insurance, issued by responsible insurers, against loss of, or damage to, its material assets including property and casualty insurance for all of their operations on a basis consistent with insurance obtained by reasonably prudent participants in a comparable business in comparable circumstances and all of the policies in respect of such insurance are in amounts and on terms that in the view of the Company's management are reasonable for the Company's operations and are in good standing in all respects and all such policies of insurance will at Closing continue to be in full force and effect; and the Company is not in default as to the payment of premiums or otherwise under the terms of any such policy;
- (vv) the Transfer Agent, at its principal office in the City of Vancouver, British Columbia has been duly appointed as transfer agent and registrar in respect of the Common Shares;
- (ww) other than the Underwriters, there are no persons acting or purporting to act at the request of or on behalf of the Company, that are entitled to any brokerage or finder's fee in connection with the transactions contemplated by this Agreement;
- (xx) other than the Company, there is no person that is or will be directly entitled to the proceeds from the sale of the Offered Shares pursuant to this Offering under the terms of any Debt Instrument or Material Agreement, or other instrument, agreement or document (written or unwritten);
- (yy) neither the Company nor any Subsidiary is a party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any Debt Instrument other than in the ordinary course of business and neither the Company nor the Subsidiaries has made any loans to any person, other than inter-corporate loans;
- (zz) neither the Company, any Subsidiary, nor, to the knowledge of the Company, any other person is in default in the observance or performance of any material term or obligation to be performed by it under any Material Agreement, and no event has occurred which with notice or lapse of time or both would reasonably be expected to constitute such a default;

- (aaa) the minute books and records of the Company which the Company has made available to the Underwriters and their legal counsel in connection with their due diligence investigation of the Company, are all of the minute books and all of the records of the Company and contain copies of all proceedings (or certified copies thereof) of the shareholders, the board of directors and all committees of the board of directors of the Company to the date of review of such corporate records and minute books. All material transactions of the Company have been properly recorded in the minute books in all material respects;
- (bbb) there are no material actions, suits, judgments, investigations or proceedings of any kind whatsoever outstanding or, to the Company's knowledge, pending, threatened against or affecting the Company or any Subsidiary, or to the Company's knowledge, threatened or pending, against the Company or any Subsidiary at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency of any kind whatsoever;
- (ccc) there are no judgments against the Company or any Subsidiary which are unsatisfied, nor are there any consent decrees or injunctions to which the Company or any Subsidiary are subject;
- (ddd) the Company and each Subsidiary, as applicable, are the absolute legal and beneficial owner of, and have good and marketable title to all of the material property or assets thereof as described in the Public Disclosure Documents, including the Properties, as described in the Public Disclosure Documents, free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, other than those described in the Public Disclosure Documents, and no other rights are necessary for the conduct of the business of the Company or each Subsidiary as currently conducted or contemplated to be conducted other than those described in the Public Disclosure Documents, the Company knows of no claim or basis for any claim that would reasonably be expected to have a Material Adverse Effect on the right of the Company to use, transfer or otherwise exploit such property rights, other than those described in the Public Disclosure Documents, and the Company and each Subsidiary have no responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect to the property rights thereof, except as described in the Public Disclosure Documents, and no person has any contract or any right or privilege capable of becoming a right to purchase any property or assets from the Company that would have a Material Adverse Effect;
- (eee) the Company and each Subsidiary, hold either freehold title, mining leases, mining concessions, mining claims or other conventional property, proprietary or contractual interests or rights, including access and surface rights, recognized in the jurisdiction in which the Properties are located in respect of the ore bodies and specified minerals located in the Properties in which the Company or each Subsidiary have an interest as described in the Public Disclosure Documents under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Company or each Subsidiary to access the Properties and explore and exploit the minerals relating thereto as are appropriate in view of their respective rights and interests therein; all such properties, leases, concessions or claims in which the Company and each Subsidiary have any interests or rights have been validly located and recorded in accordance with all applicable laws and are valid, subsisting and in good standing;

- (fff) the Company or a Subsidiary, as the case may be, validly holds the option and right to acquire an undivided 100% interest in the Option Properties, and the mineral rights (including any material claims, concessions, exploration licences, exploitation licences, prospecting permits, mining leases and mining rights, in each case, either existing under contract, by operation of Law or otherwise) (collectively, the “**Mineral Rights**”) with respect to the Option Properties, under valid, subsisting and enforceable title documents, contracts, leases, licenses of occupation, mining concessions, Permits, or other recognized and enforceable instruments and documents, in each case, that is sufficient, to permit the Company or such Subsidiary, as the case may be, to explore for, extract, exploit, remove, process or refine the minerals relating thereto, subject only the existing royalty interests set out in the in the Public Disclosure Documents;
- (ggg) any and all of the agreements and other documents and instruments pursuant to which the Company and any Subsidiary holds their property and assets (including any interest in, or right to earn an interest in, any Property) are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with the terms thereof, and neither the Company nor any Subsidiary is in default of any of the material provisions of any such agreements, documents or instruments or has any such default been alleged. None of the Properties (or any interest in, or right to earn an interest in, any Property) of the Company and each Subsidiary are subject to any right of first refusal or purchase or acquisition rights other than as set forth in the Public Disclosure Documents;
- (hhh) the Company has disclosed all material information relating to the Properties and any other material mineral properties of the Company and any Subsidiary in the Public Disclosure Documents in compliance with Canadian Applicable Securities Laws and such disclosure remains true, complete and accurate in all material respects as of the date hereof, to the knowledge of the Company;
- (iii) to the Company’s knowledge there are no environmental audits, evaluations, assessments, studies or tests relating to the Company or the Subsidiaries, except for ongoing assessments conducted by or on behalf of the Company in the ordinary course;
- (jjj) no part of the Properties or the mining rights or Permits of the Company or any Subsidiary have been taken, revoked, condemned, or expropriated by any Governmental Authority nor has any written notice or proceedings in respect thereof been given, or to the knowledge of the Company, been commenced, threatened, or is pending, nor does the Company or any Subsidiary have any knowledge of the intent or proposal to give such notice or commence any such proceedings;
- (kkk) there are no claims or actions with respect to indigenous rights currently outstanding, or to the best knowledge of the Company, threatened or pending, with respect to the Properties. No land entitlement claims have been asserted and no legal actions relating to indigenous issues have been instituted with respect to the Properties, and no material dispute in respect of the Properties with any local or indigenous group or other interest group exists or, to the knowledge of the Company, is threatened or imminent;
- (III) the Company is in compliance in all material respects with NI 43-101;
- (mmm) all scientific and technical information set forth in the Public Disclosure Documents, relating to any Properties material to the Company in which the Company, directly or indirectly, holds an interest has been reviewed by the Company and a “qualified person”,

as defined in NI 43-101, and all such information has been prepared in accordance with NI 43-101, and all exploration results and mineral resource estimates with respect to such mining properties set forth in the Public Disclosure Documents have been verified by a “qualified person” and the information upon which such results was based, was, at the time of delivery thereof, complete and accurate in all material respects and there have been no material changes to such information since the date of preparation thereof which have not been disclosed;

- (nnn) with respect to the Leased Premises, the Company occupies the Leased Premises and has the right to occupy and use the Leased Premises and the lease pursuant to which the Company occupies the Leased Premises is in good standing and in full force and effect;
- (ooo) the currently issued and outstanding Common Shares are, and at the time of issue of the Offered Shares will be, listed and posted for trading on the TSXV and no order ceasing or suspending trading in any securities of the Company or prohibiting the sale or trading of the Company’s issued securities has been issued and no proceedings for such purpose are pending or, to the Company’s knowledge, threatened;
- (ppp) the Company has not taken any action which would be reasonably expected to result in the delisting or suspension of the Common Shares on or from the TSXV and the Company is currently in compliance with the rules and policies of the TSXV in all material respects;
- (qqq) to the knowledge of the Company, (i) there are no regulatory investigations commenced, pending or threatened against any of the Company’s officers or directors and (ii) none of the officers or directors of the Company are now or have ever been, subject to an order or ruling of any Securities Commission or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange;
- (rrr) no proceedings have been taken, instituted or, to the Company’s knowledge, are pending for the dissolution or liquidation of the Company;
- (sss) to the knowledge of the Company, neither the Company nor any director, officer, employee, consultant, representative or agent of the Company or any Subsidiary, have (i) violated any anti-bribery or anti-corruption laws applicable to the Company or the Subsidiaries, including but not limited to the *Foreign Corrupt Practices Act of 1977* (United States) and the *Corruption of Foreign Public Officials Act* (Canada), or (ii) offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, that goes beyond what is reasonable and customary and/or of modest value: (A) to any government official, whether directly or through any other person, for the purpose of influencing any act or decision of a government official in his or her official capacity; inducing a government official to do or omit to do any act in violation of his or her lawful duties; securing any improper advantage; inducing a government official to influence or affect any act or decision of any Governmental Authority; or assisting any representative of the Company or any Subsidiary in obtaining or retaining business for or with, or directing business to, any person; or (B) to any person in a manner which would constitute or have the purpose or effect of public or commercial bribery, or the acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage. Neither the Company nor any Subsidiary has and, to the knowledge

of the Company no director, officer, employee, consultant, representative or agent of foregoing, has (i) conducted or initiated any review, audit, or internal investigation that concluded the Company, any Subsidiary, or any director, officer, employee, consultant, representative or agent of the Company or any Subsidiary violated such laws or committed any material wrongdoing, or (ii) made a voluntary, directed, or involuntary disclosure to any Governmental Authority responsible for enforcing anti-bribery or anti-corruption laws, in each case with respect to any alleged act or omission arising under or relating to non-compliance with any such laws, or received any notice, request, or citation from any person alleging non-compliance with any such laws;

- (ttt) the operations of the Company and each Subsidiary are and have been conducted at all times in all material respects in compliance with applicable financial recordkeeping and reporting requirements of the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any applicable Governmental Authority (collectively, the “**Money Laundering Laws**”) and no action, suit or proceeding by or before any court of Governmental Authority or any arbitrator or non-Governmental Authority involving the Company or any Subsidiary with respect to the Money Laundering Laws is, to the knowledge of the Company, pending or threatened;
- (uuu) the Company or the Subsidiaries have not committed an act of bankruptcy or sought protection from the creditors thereof before any court or pursuant to any legislation, proposed a compromise or arrangement to the creditors thereof generally, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to be declared bankrupt or wound up, taken any proceeding to have a receiver appointed of any of the assets thereof, had any person holding any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement or other security interest or receiver take possession of any of the property thereof, had an execution or distress become enforceable or levied upon any portion of the property thereof or had any petition for a receiving order in bankruptcy filed against it;
- (vvv) other than as disclosed in the Public Disclosure Documents, neither the Company nor any of the Subsidiaries has approved or entered into any agreement in respect of, or received any written notice with respect to, (A) the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by the Company or the Subsidiaries whether by asset sale, transfer of shares or otherwise; (B) the change of control of the Company or the Subsidiaries (whether by sale or transfer of shares or sale of all or substantially all of the property and assets of the Company or the subsidiary or otherwise); or (C) to the knowledge of the Company, a proposed or planned disposition of shares by any shareholder who owns, directly or indirectly, 10% or more of the outstanding Common Shares; and
- (www) all information which has been prepared by the Company relating to the Company and the Subsidiaries and their business, property and liabilities provided to the Underwriters, including all financial, marketing, sales and operational information provided to the Underwriters, is, as of the date of such information, true and correct and no fact or facts have been omitted therefrom which would make such information misleading, except for inaccuracies and omissions which would not, individually or in the aggregate, have a Material Adverse Effect.

5. Covenants of the Company

The Company hereby covenants and agrees with the Underwriters (on their own behalf and on behalf of each of the Purchasers) and acknowledges that each of them is relying upon such covenants in connection with the completion of the Offering, that:

- (a) the Company will use its commercially reasonable efforts to ensure that the Offered Shares and Compensation Shares underlying the Compensation Warrants will be listed and posted for trading on the TSXV upon their issue, subject to transfer restrictions under Applicable Securities Laws and file with the TSXV all documents and notice required by such exchange and the Company will use its commercially reasonable efforts to maintain the listing of the Common Shares on the TSXV to the date which is 24 months following the Closing Date, provided that this Subsection 5(a) shall not restrict the Company from entering into an agreement with respect to, or effecting, a transaction pursuant to which the Common Shares are exchanged for (i) cash and/or (ii) securities of another person that is a reporting issuer (or equivalent thereof) and listed on a recognized stock exchange;
- (b) immediately send to the Underwriters and their legal counsel copies of any correspondence and filings to and correspondence from the Securities Commissions relating to the Offering;
- (c) permit the Underwriters and their legal counsel to participate fully in the preparation of any documents regarding the Offering and allow the Underwriters and their legal counsel to conduct such full and comprehensive review of the Company's business, capital and operations as the Underwriters consider necessary, acting reasonably;
- (d) use its commercially reasonable efforts to cause each of the directors and officers of the Company to execute a lock-up agreement in a form acceptable to the Underwriters, acting reasonably, providing that such individuals shall not sell or agree to sell any Common Shares or securities exchangeable or convertible into Common Shares held as of the Closing Date, for a period of 90 days following the Closing Date, unless, subject to exceptions set out in the lock-up agreement, prior written consent of the Co-Lead Underwriters (on behalf of the Underwriters) is first obtained, such consent not to be unreasonably withheld or delayed;
- (e) the Company agrees not to issue, or announce the intention to issue, without the prior written consent of the Co-Lead Underwriters (on behalf of the Underwriters), such consent not to be unreasonably withheld, delayed or conditioned any Common Shares or any securities convertible into or exchangeable for or exercisable to acquire Common Shares for a period of 90 days following the Closing Date except in connection with: (i) the grant or exercise of stock options and other similar issuances pursuant to the stock option plan of the Company and other share compensation arrangements outstanding as of the date hereof; (ii) warrants or other convertible securities outstanding as of the date hereof; (iii) as full or partial consideration for a bona fide, arm's length transaction relating to the business of the Company; (iv) as full or partial payment to bona fide consultants performing services for the Company; and (v) the issuance of Common Shares or securities convertible into or exchangeable for or exercisable to acquire Common Shares to third parties pursuant to existing rights of participation or other similar arrangements;

- (f) duly execute and deliver the Ancillary Documents at the Closing Time and shall comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Company;
- (g) fulfil or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in Section 6 hereof;
- (h) will ensure that the Offered Shares shall be duly and validly reserved, authorized and issued as fully paid and non-assessable shares in the capital of the Company;
- (i) will ensure that the Compensation Warrants, upon issuance, shall be duly and validly created, authorized and issued;
- (j) will ensure that the Compensation Shares, shall be duly and validly authorized and reserved for issuance and, when issued following receipt of the exercise price of the Compensation Warrants in accordance with the terms thereof, shall be issued as fully paid and non-assessable shares in the capital of the Company;
- (k) provide the Underwriters with draft press releases relating to the Offering and the opportunity to comment and obtain their prior approval, acting reasonably, to the form and content of any such press releases;
- (l) not take any action so as to require the filing of a prospectus with respect to the Offering;
- (m) take all such steps as may reasonably be necessary to enable the Offered Shares to be offered for sale and sold on a private placement basis to the Purchaser in accordance with the terms hereof by way of exemption under Applicable Securities Laws and on the basis that the “hold period” under Applicable Securities Laws applicable to the Offered Shares issued as contemplated hereunder shall not exceed four months and a day, subject to any “control person” or escrow requirements applicable to the Purchaser;
- (n) the Company will use the proceeds of the Offering for exploration and general corporate and working capital purposes;
- (o) the Company will promptly notify the Underwriters in writing with full particulars, if, prior to the Closing Time, there shall occur any material change or change in a material fact (in either case, whether actual, anticipated, contemplated or threatened and other than a change or fact relating solely to the Underwriters) or any event or development involving a prospective material change or a change in a material fact in any or all of the business, affairs, operations, assets (including information or data relating to the estimated value or book value of assets), liabilities (contingent or otherwise), capital, ownership, control, management or prospects of the Company; and
- (p) the Company will in good faith discuss with the Underwriters as promptly as possible any circumstance or event which is of such a nature that there is or ought reasonably to be consideration given as to whether there may be a material change or change in a material fact or other matter as described in the preceding paragraph.

6. **Conditions to Closing**

The obligation of the Underwriters hereunder at the Closing Time shall be subject to the satisfaction of the following conditions, which conditions may be waived in writing in whole or in part by the Underwriters:

- (a) the Company will have made and/or obtained the necessary filings, approvals, consents and acceptances of the appropriate regulatory authorities and the TSXV required to be made or obtained by the Company in connection with the sale and issuance of the Offered Shares, Compensation Warrants and Compensation Shares underlying the Compensation Warrants to the Purchasers prior to the Closing Time as herein contemplated, it being understood that the Underwriters shall do all that is reasonably required to assist the Company to fulfil this condition, it being acknowledged that the Company will use commercially reasonable efforts to file with the Securities Commissions, within 10 days from the date of the sale of the Offered Shares, the filings required under NI 45-106 prepared and executed in accordance with the Canadian Applicable Securities Laws and accompanied by the prescribed fees;
- (b) the Company's board of directors shall have authorized and approved the execution and delivery of this Agreement, the acceptance of the Subscription Agreements, the Compensation Warrant Certificates, the creation, allotment, issuance and delivery, as applicable, of the Offered Shares, Compensation Warrants, Compensation Shares underlying the Compensation Warrants and all matters relating thereto;
- (c) the Company shall have accepted the duly and fully completed Subscription Agreements with the Purchasers and, unless the Company reasonably believes it would be unlawful or contrary to the approval from the TSXV or Applicable Securities Laws to do so, shall have accepted each duly completed and executed Subscription Agreement up to the maximum number of Offered Shares contemplated by the Offering;
- (d) the Underwriters shall have received opinions, dated the Closing Date, of the Company's counsel Cassels Brock & Blackwell LLP and local counsel in any other Offering Jurisdictions where the Offered Shares are sold (it being understood that such counsel may rely to the extent appropriate in the circumstance: (i) as to matters of fact, on certificates of the Company executed on its behalf by a senior officer of the Company and on certificates of the Transfer Agent, as to the issued capital of the Company; and (ii) as to matters of fact not independently established, on certificates of the Company's auditors or a public official), in form and substance satisfactory to the Underwriters, acting reasonably, with respect to the following matters:
 - (i) as to the incorporation and existence of the Company under the BCBCA and as to the corporate power of the Company to carry out its obligations under this Agreement and to issue the Offered Shares, Compensation Warrants and to reserve for issuance the Compensation Shares issuable upon exercise of the Compensation Warrants;
 - (ii) the Company is a "reporting issuer" in the Reporting Jurisdictions;
 - (iii) as to the authorized and issued capital of the Company;

- (iv) that the Company has all requisite corporate power, capacity and authority under the laws of its jurisdiction of incorporation to carry on its business as presently carried on and to own, lease and operate its properties and assets;
- (v) that none of the execution and delivery of this Agreement and the Ancillary Documents and the performance by the Company of its obligations hereunder and thereunder, or the sale or issuance of the Offered Shares, the issuance of the Compensation Warrants and the issuance of the Compensation Shares upon exercise of the Compensation Warrants will conflict with or result in any breach or violation of any of the terms, conditions or provisions of the: (A) constating documents of the Company; or (B) the BCBCA;
- (vi) that the Company has taken all necessary corporate action to authorize the execution and delivery of this Agreement and the Ancillary Documents, and that this Agreement, the Compensation Warrant Certificates and the Subscription Agreements constitute valid and legally binding obligations of the Company enforceable against it in accordance with their terms (subject to customary qualifications as to laws relating to insolvency and the application of equitable remedies);
- (vii) that the Offered Shares have been duly authorized and validly allotted for issuance by the Company and such Offered Shares are outstanding as fully paid and non-assessable Common Shares;
- (viii) the Compensation Warrants having been duly authorized by the Company and that, upon their issuance in accordance with the terms of the Agreement, will constitute legally binding agreements of the Company, enforceable in accordance with the terms of the Compensation Warrant Certificates;
- (ix) the Compensation Shares issuable upon exercise of the Compensation Warrants having been reserved for issuance by the Company, and upon payment of the exercise price therefor in accordance with the terms of the Compensation Warrant Certificates, being validly issued as fully paid and non-assessable Common Shares;
- (x) that the offering, issuance and sale by the Company of the Offered Shares, Compensation Warrants and Compensation Shares issuable upon exercise of the Compensation Warrants to the Purchasers are exempt from the prospectus requirements of the Applicable Securities Laws of the Offering Jurisdictions and no documents are required to be filed (it being acknowledged that certain filings are required under NI 45-106 which will be completed within 10 days following the Closing Date), proceedings taken or approvals, permits, consents or authorizations obtained under the Applicable Securities Laws of the Offering Jurisdictions to permit such offering, issuance and sale;
- (xi) that no other documents will be required to be filed, and no other proceeding, approval, consent or authorization is required to be made, taken or obtained pursuant to Applicable Securities Laws in the Offering Jurisdictions in connection with the first trade of the Offered Shares, Compensation Warrants and Compensation Shares issuable upon exercise of the Compensation Warrants provided that the conditions of Subsection 2.5(2) of NI 45-102 are satisfied;

- (xii) the form of certificates representing the Offered Shares and the Compensation Warrant Certificate have been duly approved by the board of directors of the Company and comply in all material respects with the constating documents of the Company;
 - (xiii) that the Offering has been conditionally accepted by the TSXV and that the Offered Shares and Compensation Shares issuable upon exercise of the Compensation Warrants have been conditionally approved for listing on the TSXV; and
 - (xiv) Computershare Investor Services Inc. at its principal office in the City of Vancouver, British Columbia has been duly appointed as the transfer agent and registrar for the Common Shares.
- (e) the Underwriters shall have received a favourable legal opinion by Cassels Brock & Blackwell LLP or local legal counsel, as applicable, in form and substance satisfactory to the Underwriters, acting reasonably, dated the Closing Date, for each of the Subsidiaries with respect to the following matters:
- (i) such Subsidiaries having been incorporated and existing under the laws of their respective jurisdictions of incorporation;
 - (ii) such Subsidiaries having the corporate capacity and power to own and lease their properties and assets and to conduct their business as currently being conducted; and
 - (iii) as to the authorized and issued share capital of such Subsidiaries and to the ownership thereof;
- (f) if there are purchasers in the United States, a favourable legal opinion, dated the Closing Date in form and substance and subject to customary qualifications and assumptions satisfactory to the Underwriters, acting reasonably, from Nauth LPC, in its capacity as the Company's U.S. counsel, addressed to the Underwriters, and such legal opinion shall be to the effect that no registration of the Offered Shares will be required under the 1933 Act in connection with such offer and sales that actually take place in the United States in accordance with and reliance upon this Agreement, it being understood that such counsel shall not be required to provide any legal opinion with regard to the subsequent transfer, resale, pledge, exchange or other disposition of any of the Offered Shares;
- (g) the Underwriters shall have received a title opinion dated as of the Closing Date from counsel satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters, relating to each of the following Properties in form and substance satisfactory to the Underwriters and Underwriters' counsel, acting reasonably: the Don Julio Project and the San Juan Regional Program; the El Fierro Project and the La Poncha Project. For greater certainty, such title opinions shall relate, without limitation, to: (i) title and Mineral Rights with respect to such Properties and the valid, subsisting and enforceable title documents, contracts, leases, licenses of occupation, mining concessions, permits, or other recognized and enforceable instruments and documents, in each case, that is sufficient, to permit the Company or a Subsidiary, as the case may be, to explore for, extract, exploit, remove, process or refine the minerals relating thereto; and (ii) any and all of the agreements and other documents and instruments pursuant to

which the Company and any Subsidiary holds their property and assets (including any interest in, or right to earn an interest in, any Property);

- (h) the Underwriters shall have received a certificate dated as of the Closing Date, signed by the appropriate officer of the Company addressed to the Underwriters, with respect to the constating documents of the Company, all resolutions of the Company's board of directors relating to this Agreement and the transactions contemplated hereby, the incumbency and specimen signatures of signing officers and such other matters as the Underwriters may reasonably request;
- (i) the Underwriters shall have received a certificate dated as of the Closing Date, signed by the Chief Executive Officer and the Chief Financial Officer of the Company, or such other officers of the Company as the Underwriters may agree, certifying for and on behalf of the Company, to the best of their knowledge, information and belief after due inquiry, that:
 - (i) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company (including the Common Shares) has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, are contemplated or threatened by any regulatory authority;
 - (ii) the Company has duly complied with all the terms, covenants and conditions of this Agreement on its part to be complied with up to the Closing Time; and
 - (iii) the representations and warranties of the Company contained in this Agreement are true and correct as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement;
- (j) the Company having delivered to the Underwriters evidence of the approval (or conditional approval) of the listing and posting for trading of the Offered Shares and Compensation Shares on the TSXV, subject only to satisfaction by the Company of standard listing conditions of the TSXV;
- (k) the Underwriters shall have received a certificate of status or the equivalent in respect of the Company and the Argentinian Subsidiaries dated within three Business Days (or such earlier or later date as the Underwriters may accept) of the Closing Date, and in respect of the Mexican Subsidiaries within a commercially reasonable time following the Closing Date;
- (l) the Company shall cause its Transfer Agent to deliver a certificate: (i) as to its appointment as transfer agent and registrar of the Common Shares; and (ii) as to the number of Common Shares issued and outstanding as at a date no more than one Business Day prior to the Closing Date;
- (m) the Company is not on the defaulting issuer's list (or equivalent) maintained by any of the Securities Commissions at the Closing Time;

- (n) the Subscription Agreements having been executed, endorsed or authenticated, as applicable, and delivered by the parties thereto in form and substance satisfactory to the Underwriters and the Company, acting reasonably;
- (o) the Underwriters shall have received from the officers and directors of the Company, lock-up agreements pursuant to Subsection 5(d) of this Agreement, in favour of the Underwriters;
- (p) the Company complying with all of its covenants and obligations under this Agreement required to be satisfied at or prior to the Closing Time; and
- (q) the Underwriters not having exercised any rights of termination set forth herein.

It is understood that the Underwriters may waive in whole or in part or extend the time for compliance with any of such terms and conditions without prejudice to their rights in respect of any other of the foregoing terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Underwriters any such waiver or extension must be in writing and signed by each of them.

7. **Acknowledgement**

The Company acknowledges that the Underwriters 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 respective trading and brokerage activities, the Underwriters and their respective 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 Company or any other person that may be involved in or related to the use of proceeds of the Offering or related derivative securities.

The Underwriters acknowledge their respective responsibility to comply with Applicable Securities Laws, including prohibitions on trading securities with knowledge of a material fact or material change that has not been generally disclosed. Further, the Underwriters each have strict internal procedures, which require the placing of relevant securities on a “grey list” or “restricted list” and for restrictions on trading by the Underwriters and their respective investment banking personnel for their own account in accordance with such procedures.

The Company further acknowledges that the Underwriters are acting solely as underwriters in connection with the purchase and sale of the Offered Shares. The Company further acknowledges that the Underwriters 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 Underwriters act or be responsible as a fiduciary to the Company, its management, shareholders or creditors or any other person in connection with any activity that the Underwriters may undertake or have undertaken in furtherance of such purchase and sale of the Company’s securities, either before or after the date hereof. The Underwriters hereby expressly disclaim any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Underwriters agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Underwriters to the Company regarding such transactions, including any opinions or views with respect to the price or market for the Company’s securities, do not constitute advice or recommendations to the

Company. The Company and the Underwriters agree that the Underwriters are acting as principal and not the agent or fiduciary of the Company and no Underwriter has assumed, and no Underwriter will assume, any advisory responsibility in favour of the Company with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether any Underwriter has advised or is currently advising the Company on other matters).

8. **Termination of Obligations**

Without limiting any of the foregoing provisions of this Agreement, and in addition to any other remedies which may be available to them, the Co-Lead Underwriters (on behalf of the Underwriters and on behalf of the Purchasers) shall be entitled, at their option, to terminate and cancel, without any liability, their obligations under this Agreement and those of the Purchasers, by giving written notice to the Company at any time through to the Closing Time, if:

- (a) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is instituted, announced or threatened or any order is issued by any Governmental Authority, including, without limitation, the TSXV, or otherwise in respect of the Company or any of its directors and officers (other than an inquiry, investigation, proceeding or order based upon the activities or alleged activities of the Underwriters); or there is any change of law, or the interpretation or administration thereof; or any order to cease trading (including communicating with persons in order to obtain expressions of interest) in the securities of the Company is made by a Governmental Authority and that order is still in effect, which in the reasonable opinion of the Underwriters operates such that it may prevent or restrict the trading in the securities of the Company including the Common Shares or the distribution of the Common Shares or which in the reasonable opinion of the Underwriters, acting in good faith, could be expected to have a Material Adverse Effect on the market price or value of the Common Shares;
- (b) there shall be any material change in the affairs of the Company, or there should be discovered any previously undisclosed material fact (other than facts relating solely to the Underwriters), which, in the reasonable opinion of the Underwriters, has or would be expected to have a significant adverse effect on the market price or value of the Common Shares;
- (c) there should develop, occur or come into effect or existence any event, action, state, condition or occurrence of national or international consequence, acts of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions (including the COVID-19 outbreak, to the extent that there is any material adverse development related thereto after May 25, 2021, or similar event or the escalation thereof) or any action, law, regulation or inquiry which, in the reasonable opinion of the Underwriters, materially adversely affects or involves, or may materially adversely affect or involve, the financial markets in Canada or the United States, or the business, operations or affairs of the Company or the market price or value of the Common Shares;
- (d) if the Underwriters' due diligence investigations reveal any material adverse information concerning the Company, that as of the date hereof has not already been disclosed, and which, in the reasonable opinion of the Underwriters, has or would be expected to have a significant adverse effect on the business, operations or affairs of the Company or on the market price or value of the Common Shares; or

- (e) the Company is in breach of any material term, condition or covenant of this Agreement or in the event that any representation or warranty given by the Company in this Agreement becomes false and is not rectified as at the Closing Time. An Underwriter may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to their respective rights in respect of any other of such terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon such Underwriter only if the same is in writing and signed by it.

Upon the occurrence of any of the foregoing events, any Underwriter shall be entitled to terminate and cancel its obligations to the Company hereunder.

Any termination pursuant to the foregoing provisions shall be effected by notice in writing delivered by any Underwriter to the Company at its address as herein set out. Notwithstanding the giving of any notice of termination hereunder, the obligations of the Company under Sections 10 and 11 shall survive.

In the event of a termination pursuant to and in accordance with the provisions hereof and notice having been given as aforesaid, there will be no further liability on the part of the Underwriters under this Agreement.

9. Closing

Closing will be completed electronically or at such other place or places as may be agreed upon by the Company and the Underwriters, at the Closing Time, provided that if the Company has not been able to comply with any of the conditions to Closing set forth under “Conditions to Closing” prior to the Closing Time, the Closing Date may be extended by mutual agreement of the Company and the Underwriters, failing which, the respective obligations of the parties will terminate without further liability or obligation except as set out under Sections 10 and 11.

At or prior to the Closing Time, the Company shall:

- (a) direct and cause the Transfer Agent to issue and register the Offered Shares in the name of each Purchaser or in such other name or names as the Underwriters may notify the Company in writing not less than 24 hours prior to the Closing Time as book-entry only securities in accordance with the “non-certificated inventory” rules and procedures of CDS and/or shall duly and validly deliver to the Underwriters certificates in definitive form representing the Offered Shares;
- (b) deliver to the Underwriters the requisite legal opinions and certificates as contemplated in Section 6; and
- (c) confirm to the Underwriters the amounts relating to the gross proceeds less the Underwriting Fee and the reasonable out-of-pocket expenses of the Underwriters including the fees and disbursements of counsel to the Underwriters as set out in Section 10;

against payment by the Underwriters to the Company in lawful money of Canada by certified cheque, bank draft or wire transfer of an amount equal to the gross proceeds net of an amount equal to the aggregate of: (i) the Underwriting Fee; and (ii) the Underwriters’ reasonable costs and expenses payable by the Company on the Closing Date pursuant to Section 10.

10. **Expenses**

Whether or not the Closing occurs, the Company shall pay all expenses and fees in connection with the Offering, including (i) all expenses of or incidental to the creation, issue, sale or distribution of the Shares and the listing of the Shares; (ii) the fees and expenses of the Company's legal counsel; (iii) all costs incurred in connection with the preparation of documentation relating to the Offering; and (iv) all reasonable documented out-of-pocket expenses incurred by the Underwriters in connection with the Offering, including the completion of reasonable due diligence related to the Company and its business, and the reasonable fees and disbursements (exclusive of applicable taxes) of the Underwriters' legal counsel and local counsel including US counsel, if any (the "**Underwriters' Expenses**"), such Underwriters' Expenses, including the aggregate fees of all legal and local counsel retained by the Underwriters, not to exceed [redacted] plus applicable taxes and disbursements. All such fees and expenses incurred by the Underwriters, including the Underwriters' Expenses, shall be payable by the Company to the Underwriters at the closing of the Offering and the Underwriters may deduct such amounts from the gross proceeds of the Offering.

11. **Indemnity**

The Company (the "**Indemnifying Party**") covenants and agrees to indemnify and save harmless the Underwriters and/or any of their respective affiliates and each of their respective directors, officers, employees, shareholders, agents and each other person, if any, controlling the Underwriters or any of their subsidiaries or affiliates (collectively, the "**Indemnified Parties**" and individually, an "**Indemnified Party**") from and against any and all losses, claims (including shareholder actions, derivative or otherwise), actions, suits, proceedings, damages, liabilities or expenses of whatever nature or kind, joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees, expenses and taxes of their counsel that may be incurred in advising with respect to and/or defending any action, suit, proceedings, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this indemnity (collectively, the "**Claims**") to which any Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the performance of professional services rendered to the Company by the Underwriters or any Indemnified Party under this Agreement or otherwise in connection with the Offering, whether performed before or after the Indemnifying Party's execution of this Agreement and to reimburse each Indemnified Party forthwith, upon demand, for any legal or other expenses reasonably incurred by such Indemnified Party in connection with any Claim. In case any action, suit, proceeding or claim is brought against an Indemnified Party, or an Indemnified Party has received notice of the commencement of any investigation in respect of which indemnity may be sought against the Indemnifying Party, the Indemnified Party will give the Indemnifying Party prompt written notice of any such action, suit, proceeding, claim or investigation of which the Indemnified Party has knowledge and the Indemnifying Party will undertake the investigation and defence thereof on behalf of the Indemnified Party, including the prompt employment of counsel acceptable to the Indemnified Parties affected, acting reasonably, and the payment of all expenses. Failure by the Indemnified Party to so notify shall not relieve the Indemnifying Party of its obligation of indemnification hereunder unless (and only to the extent that) such failure results in forfeiture by the Indemnifying Party of substantive rights or defences.

No admission of liability and no settlement, compromise or termination of any action, suit, proceeding, claim or investigation shall be made without the consent of the Indemnifying Party and the consent of the Indemnified Parties affected, such consents not to be unreasonably withheld, delayed or conditioned. Notwithstanding that the Indemnifying Party will undertake the investigation and defence of any Claim, an Indemnified Party will have the right to employ separate counsel with respect to any Claim and

participate in the defence thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Party, unless:

- (a) employment of such counsel has been authorized in writing by the Indemnifying Party;
- (b) the Indemnifying Party has not assumed the defence of the action within a reasonable period of time after receiving notice of the Claim;
- (c) the named parties to any such claim include both the Indemnifying Party and the Indemnified Party and the Indemnified Party shall have been advised by counsel to the Indemnified Party that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party; or
- (d) there are one or more defences available to the Indemnified Party which are different from or in addition to those available to the Indemnifying Party such that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party; in which case such fees and expenses of such counsel to the Indemnified Party will be for the account of the Indemnifying Party. The rights accorded to the Indemnified Parties hereunder shall be in addition to any rights an Indemnified Party may have at common law or otherwise.

The Indemnifying Party also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Indemnifying Party or any person asserting claims on behalf of or in right of the Indemnifying Party for or in connection with the performance of professional services rendered to the Company by the Underwriters or any Indemnified Party under this Agreement or otherwise in connection with the Offering except to the extent any losses, expenses, claims, actions, damages or liabilities incurred by the Indemnifying Party are determined by a court of competent jurisdiction in a final judgment that has become non appealable to have resulted primarily from the gross negligence, fraud or wilful misconduct of such Indemnified Party. The Indemnifying Party will not, without the Indemnified Party's prior written consent, such consent not to be unreasonably withheld, delayed or conditioned, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any action, suit, proceeding, investigation or claim in respect of which indemnification may be sought hereunder (whether or not any Indemnified Party is a party thereto) unless such settlement, compromise, consent or termination includes a release of each Indemnified Party from any liabilities arising out of such action, suit, proceeding, investigation or claim.

The foregoing indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non appealable shall determine that such losses, expenses, claims, actions, damages or liabilities to which the Indemnified Party may be subject were primarily caused by the gross negligence, fraud or wilful misconduct of the Indemnified Party.

The Indemnifying Party agrees to waive any right the Indemnifying Party may have of first requiring the Indemnified Party to proceed against or enforce any right, power, remedy or security or claim payment from any other person before claiming under this indemnity. If for any reason the foregoing indemnity is unavailable (other than in accordance with the terms hereof) to any Indemnified Party or is insufficient to hold the any Indemnified Party harmless, the Indemnifying Party shall contribute to the amount paid or payable to the Indemnified Party as a result of such Claim in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnifying Party or its shareholders on the one hand and the Indemnified Party on the other hand but also the relative fault of the Indemnifying Party or any Indemnified Party as well as any relevant equitable considerations, provided that the Indemnifying Party shall in any event contribute to the amount paid or payable to an Indemnified Party as a result of such

Claim any excess of such amount over the amount of the fees actually received by the Indemnified Party. Notwithstanding any other provision herein, the Underwriters shall not in any event be liable to contribute, in the aggregate, any amounts in excess of any fee actually received by the Underwriters and the Indemnifying Party shall be responsible for the balance, whether or not they have been sued.

The Indemnifying Party hereby constitutes the Co-Lead Underwriters as trustee for each of the other Indemnified Parties of the covenants of the Indemnifying Party under this indemnity with respect to such persons and the Co-Lead Underwriters agree to accept such trust and to hold and enforce such covenants on behalf of such persons.

The Indemnifying Party agrees that if any action, suit, proceeding or claim shall be brought against, or an investigation commenced in respect of the Indemnifying Party, or the Indemnifying Party and the Underwriters, and personnel of the Underwriters shall be required to testify, participate or respond in respect of or in connection with the performance of professional services rendered to the Company by the Underwriters or any Indemnified Party under this Agreement or otherwise in connection with the Offering, the Underwriters shall have the right to employ its own counsel in connection therewith and the Indemnifying Party will reimburse the Underwriters and any Indemnified Party monthly for the time spent by their respective personnel in connection therewith at their normal per diem rates together with such disbursements and reasonable out-of-pocket expenses as may be incurred, including fees and disbursements of the Underwriters' and any Indemnified Party's counsel.

The obligations of the Indemnifying Party hereunder are in addition to any liabilities, which the Indemnifying Party may otherwise have to the Underwriters or any other Indemnified Party.

12. Underwriters' Obligations

The Underwriters' obligations under this Agreement shall be several and not joint, and the Underwriters' respective obligations and rights and benefits hereunder shall be as to the following percentages:

| | | |
|----------------------------|---|-----|
| Sprott Capital Partners LP | - | 40% |
| Eight Capital | - | 40% |
| PI Financial Corp. | - | 20% |

If an Underwriter (a "**Refusing Underwriter**") shall not complete the purchase and sale of the Offered Shares which such Underwriter has agreed to purchase hereunder for any reason whatsoever, the other Underwriters (the "**Continuing Underwriters**") shall be entitled, at their option, to purchase all but not less than all of the Offered Shares which would otherwise have been purchased by such Refusing Underwriter. If the Continuing Underwriters do not elect to purchase the balance of the Offered Shares pursuant to the foregoing:

- (a) the Continuing Underwriters shall not be obliged to purchase any of the Offered Shares that any Refusing Underwriter is obligated to purchase; and
- (b) the Company shall not be obliged to sell less than all of the Offered Shares,

and the Company shall be entitled to terminate its obligations under this Agreement, in which event there shall be no further liability on the part of the Company or the Continuing Underwriters, except pursuant to the provisions of Sections 10 and 11 inclusive. Nothing in this Section 12 shall relieve an Underwriter in default hereunder from liability to the Company.

13. **Survival of Representations, Warranties, Covenants, Indemnities and Agreements**

All warranties, representations, covenants, indemnities and agreements of the Company and the Underwriters herein contained or contained in documents submitted or required to be submitted pursuant to this Agreement shall survive the purchase by the Purchasers of the Offered Shares and shall continue in full force and effect for the benefit of the Underwriters and the Purchasers for a period of 24 months following the Closing Date.

14. **Public Announcement**

If the Underwriters so request, the Company shall include a reference to the Underwriters and their role in the Offering in any press release or other public communication issued by the Company related to the Offering. The Company shall provide the Underwriters with a reasonable opportunity to review a draft of any proposed announcement and an opportunity to provide comments thereon. Provided the Offering is completed, the Underwriters shall be permitted to publish, at their own expense, after giving the Company a reasonable opportunity to comment on the form and content thereof, such advertisements or announcements relating to the performance of services provided in respect of the Offering in such newspapers or other publications as the Underwriters consider appropriate, and shall further be permitted to post such advertisements or announcements on their respective websites.

Any press release disseminated by any party hereto announcing or otherwise referring to the Offering shall, unless it deletes the name of the Underwriters and otherwise complies with s. 135c of the 1933 Act, contain the following legend: “NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.” In addition, any such press release shall also contain substantially the following disclaimer language: “This news release does not constitute an offer to sell or a solicitation of an offer to sell any of securities in the United States. The securities have not been and will not be registered under the 1933 Act or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available.”

15. **Notice**

Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a “notice”) shall be addressed as follows:

in the case of notice to be given to the Company:

Sable Resources Ltd.
900 – 999 West Hastings Street
Vancouver, BC V6C 2W2

Attention: Ruben Padilla, President and CEO
Email: [redacted]

with a copy (for information purposes only and not constituting notice) to:

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

Attention: Jay Goldman, Partner
Email: [redacted]

and in the case of notice to the Underwriters:

Sprott Capital Partners LP
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
Toronto, ON M5J 2J1

Attention: David Wargo, Managing Director and Head of Investment Banking
Email: [redacted]

and

Eight Capital
100 Adelaide Street West, Suite 2900
Toronto, ON M5H 1S3

Attention: John Sutherland, Managing Director, Investment Banking
Email: [redacted]

with a copy (for information purposes only and not constituting notice) to:

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West, Suite 3400
Toronto, ON M5H 4E3

Attention: Andrew Powers, Partner
Email: [redacted]

or to such other address as any of the parties may designate by notice given to the others.

Any such notice or other communication shall be in writing, and unless delivered personally to a responsible officer of the addressee, shall be given by courier service or via e-mail and shall be deemed to have been received, if given by e-mail, on the day of sending (if such day is a Business Day or, if not, on the next day following the sending thereof which is a Business Day) and if given by courier service, on the next Business Day following the sending thereof.

16. **Actions of Underwriters**

Except with respect to Section 8, Section 11 and Section 12, all transactions and notices on behalf of the Underwriters hereunder or contemplated hereby may be carried out or given on behalf of the Underwriters by the Co-Lead Underwriters and the Underwriters shall in good faith discuss with each other the nature of any such transactions and notices prior to giving effect thereto or the delivery thereof, as the case may be.

17. **Several and Joint**

In performing their respective obligations under this Agreement, the Underwriters shall be acting severally and not jointly and severally. Nothing in this Agreement is intended to create any relationship in the nature of a partnership, or joint venture between the Underwriters.

18. **Time of the Essence**

Time shall be of the essence of this Agreement and every part hereof.

19. **Further Assurances**

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

20. **Severability**

If one or more provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

21. **Assignment**

Except as contemplated herein, no party hereto may assign this Agreement or any part hereof without the prior written consent of the other parties hereto. Subject to the foregoing, this Agreement shall enure to the benefit of, and shall be binding upon, the Company and the Underwriters and each of their respective successors and legal representatives, and nothing expressed or mentioned in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement, or any provisions contained in this Agreement, this Agreement and all conditions and provisions of this Agreement being intended to be and being for the sole and exclusive benefit of such persons and for the benefit of no other person except that the covenants and indemnities of the Company set out under the heading "Indemnity" shall also be for the benefit of the Underwriters' personnel and the covenants and indemnities of the Company set out under the heading "Covenants of the Company" shall also be for the benefit of the Indemnified Parties.

22. **Counterpart and Electronic Transmission**

This Agreement may be executed in one or more counterparts including by facsimile or portable document format (pdf) each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

23. **Entire Agreement**

The provisions herein contained constitute the entire agreement between the parties relating to the Offering and supersede all previous communications, representations, understandings and agreements between the parties with respect to the subject matter hereof whether verbal or written, including the engagement letter dated May 25, 2021.

24. **Canadian Dollars**

All references herein to dollar amounts are to lawful money of Canada and all payments to be made hereunder shall be made in such currency.

25. **Governing Law**

This Agreement shall be governed by and construed in accordance with the internal laws of the Province of British Columbia and the federal laws of Canada applicable in the Province of British Columbia, without reference to conflict of law rules, and each of the parties hereto irrevocably attorn to the jurisdiction of the courts of the Province of British Columbia.

26. **Language**

The parties hereto confirm their express wish that this Agreement and all documents and agreements directly or indirectly relating thereto be drawn up in the English language. *Les parties reconnaissent leur volonté express que la présente convention ainsi que tous les documents et contrats s'y rattachant directement ou indirectement soient rédigés en anglais.*

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

Yours very truly,

**SPROTT CAPITAL PARTNERS LP by its
general partner, SPROTT CAPITAL
PARTNERS GP INC.**

Per: (signed) "David Wargo"
Name: David Wargo
Title: Managing Director, Head of
Investment Banking

EIGHT CAPITAL

Per: (signed) "John Sutherland"
Name: John Sutherland
Title: Managing Director, Investment
Banking

PI FINANCIAL CORP.

Per: (signed) "Russell Mills"
Name: Russell Mills
Title: Managing Director, Investment
Banking

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The foregoing accurately reflects the terms of the transaction which we are to enter into and such terms are agreed to with effect as of the date provided at the top of the first page of this Agreement.

SABLE RESOURCES LTD.

Per: (signed) "Ruben Padilla"
Name: Ruben Padilla
Title: President & Chief Executive Officer

**SCHEDULE “A”
UNITED STATES OFFERS AND SALES**

This is Schedule “A” to the Underwriting Agreement dated as of June 15, 2021 between Sable Resources Ltd. and the Underwriters referenced therein.

As used in this Schedule “A” and related appendices, capitalized terms used but not defined herein will have the meanings ascribed to them in the Underwriting Agreement to which this Schedule “A” is annexed and the following terms will have the meanings indicated:

“**Affiliate**” means “affiliate” as that term is defined in Rule 405 under the 1933 Act;

“**Foreign Issuer**” means a “foreign issuer” as that term is defined in Rule 902(e) of Regulation S;

“**General Solicitation**” and “**General Advertising**” mean “general solicitation” and “general advertising”, respectively, as those terms are used under Rule 502(c) of Regulation D promulgated under the 1933 Act, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over television, radio or the Internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

“**Offshore Transaction**” means “offshore transaction” as that term is defined in Rule 902(h) of Regulation S;

“**QIB Letter**” means the Qualified Institutional Buyer Letter in the form attached as Schedule G to the Subscription Agreement;

“**Substantial U.S. Market Interest**” means “substantial U.S. market interest” as that term is defined in Rule 902 of Regulation S;

“**U.S. Accredited Investor Certificate**” means the U.S. Accredited Investor Certificate in the form attached Schedule F to the Subscription Agreement; and

“**U.S. Affiliate**” means the duly registered United States broker-dealer affiliate of an Underwriter.

Representations, Warranties and Covenants of the Underwriters

Each of the Underwriters (on its own behalf and on behalf of its U.S. Affiliate) acknowledges that the Offered Shares have not been and will not be registered under the 1933 Act or applicable state securities laws and may be offered and sold only in transactions exempt from or not subject to the registration requirements of the 1933 Act and applicable state securities laws. Accordingly, each Underwriter (on its own behalf and on behalf of its U.S. Affiliate) severally and not jointly represents, warrants, covenants and agrees to and with the Company that:

1. Neither the Underwriter nor its U.S. Affiliate has offered or sold nor will any of them offer or sell any Offered Shares except (a) in an Offshore Transaction, in accordance with Rule 903 of Regulation S or (b) in the United States to a Subscriber that is (i) a Qualified Institutional Buyer in reliance upon the exemption from registration available under Rule 144A or (ii) a Substituted Purchaser that is U.S. Accredited Investor pursuant to the exemption from registration available under Rule 506(b), and in each case in transactions that are exempt from the registration requirements of applicable state securities laws, as provided in this Schedule “A”. Accordingly, none of the Underwriters, the U.S. Affiliates or any of their respective affiliates or any persons acting on their behalf (including any selling firms) (i) have engaged or will engage in any

Directed Selling Efforts in the United States with respect to the Offered Shares; or (ii) except as permitted by this Schedule "A", have made or will make (x) any offers to sell Offered Shares in the United States or (y) any sale of Offered Shares unless at the time the purchaser made its buy order therefor, the Underwriter, the U.S. Affiliate or other person acting on any of their behalf reasonably believed that such purchaser was outside the United States and not a U.S. Person or acting for the account or benefit of a U.S. Person.

2. Neither the Underwriter nor its U.S. Affiliate has entered nor will any of them enter into any contractual arrangement with respect to the offer, sale or any distribution of the Offered Shares, except with the prior written consent of the Company, such consent not to be unreasonably withheld.
3. All offers and sales of Offered Shares in the United States have been and will be made through the Underwriter's U.S. Affiliate which in each case is and at all relevant times was and will be a broker-dealer registered pursuant to Section 15(b) of the U.S. Exchange Act and in good standing with the Financial Industry Regulatory Authority Inc., and otherwise in compliance with all applicable U.S. broker-dealer requirements (including those of self-regulatory authorities) and U.S. Securities Laws, and all such offers and sales of Offered Shares have been and will be made only in states of the United States where such U.S. Affiliate is registered or otherwise exempt from registration.
4. In connection with offers and sales of Offered Shares in the United States no form of General Solicitation or General Advertising has been or will be used. Neither the Underwriter, its U.S. Affiliate, their respective affiliates or any persons acting on their behalf (including any selling firms) have engaged or will engage in any conduct involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act in connection with the offer or sale of the Offered Shares in the United States.
5. Any offer or solicitation of an offer to buy Offered Shares that has been made or will be made in the United States was or will be made only to Qualified Institutional Buyers or Substituted Purchasers that are U.S. Accredited Investors with whom, in each case, such Underwriter, its U.S. Affiliate or the Company has a pre-existing relationship prior to such offer or solicitation and a reasonable basis for believing to be a Qualified Institutional Buyer or U.S. Accredited Investor, as applicable.
6. The Underwriter, through its U.S. Affiliate, will inform all purchasers of the Offered Shares in the United States, and all purchasers of Offered Shares that were offered Offered Shares in the United States, that the Offered Shares have not been and will not be registered under the 1933 Act and the Offered Shares are being offered and sold to such persons in reliance on Rule 144A or Rule 506(b) and similar exemptions under applicable state securities laws. The Underwriters acknowledge that all offers and sales to Qualified Institutional Buyers will be made pursuant to Rule 144A which is a resale exemption and, accordingly, any Offered Shares sold to Qualified Institutional Buyers pursuant to Rule 144A will be sold by the Company to the Underwriters, as principal, and then resold by the Underwriters to the Qualified Institutional Buyers, with the U.S. Affiliate acting as the selling agent for purposes of the Rule 144A resale transaction.
7. Each person purchasing Offered Shares in the United States and each purchaser of Offered Shares who was offered Offered Shares in the United States will be, prior to the sale of Offered Shares to such persons, required to execute either a U.S. Accredited Investor Certificate in the form of Schedule F attached to the Subscription Agreement or a QIB Letter in the form of Schedule G attached to the Subscription Agreement. Prior to any offer or sale of Offered Shares to each

offeree in the United States, such Underwriter and its U.S. Affiliate each had reasonable grounds to believe and did believe that each such offeree was either a Qualified Institutional Buyer or U.S. Accredited Investor, and at the Closing will continue to have reasonable grounds to believe and will continue to believe that each person purchasing Offered Shares in the United States and each purchaser of Offered Shares who was offered Offered Shares in the United States is a Qualified Institutional Buyer or a U.S. Accredited Investor.

8. All offers and sales of Offered Shares made outside the United States by the Underwriter, its U.S. Affiliate, their respective affiliates or any persons acting on their behalf (including any selling firms) have been and will be made in Offshore Transactions within the meaning of Regulation S.
9. If the Underwriters authorize any selling firm to offer and sell Offered Shares in the United States, the Underwriters will cause each such selling firm to acknowledge in writing, for the benefit of the Company, its agreement to be bound by the provisions of this Schedule “A” in connection with all offers and sales of the Offered Shares in the United States. Each Underwriter will cause its U.S. Affiliate to comply with, and will use its best efforts to ensure compliance by the selling firms, with the provisions of this Schedule “A” as though such parties are directly party hereto.
10. Offers to sell and solicitations of offers to buy the Offered Shares in the United States have been and will be made pursuant to and in accordance with exemptions from the registration or qualification requirements of all applicable state securities (“Blue Sky”) laws.
11. It acknowledges that until 40 days after the Closing of the offering of the Offered Shares, an offer or sale of the Offered Shares within the United States, or to or for the account or benefit of, a person in the United States or a U.S. Person, by any dealer (whether or not participating in this offering) may violate the registration requirement of the 1933 Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirement of the 1933 Act.
12. Neither the Underwriter nor the U.S. Affiliate has taken or will take any action that would constitute a violation of Regulation M of the U.S. Exchange Act in connection with the offer or sale of the Offered Shares.
13. As of the Closing Date, with respect to Offered Shares to be offered and sold hereunder to Substituted Purchasers that are U.S. Accredited Investors in reliance on Rule 506(b) of Regulation D (the “**Regulation D Securities**”), the Underwriter represents that none of (i) the Underwriter or the U.S. Affiliate, (ii) the Underwriter or the U.S. Affiliate’s general partners or managing members, (iii) any of the Underwriter’s or the U.S. Affiliate’s directors, executive officers or other officers participating in the offering of the Regulation D Securities, (iv) any of the Underwriter’s or U.S. Affiliate’s general partners’ or managing members’ directors, executive officers or other officers participating in the offering of the Regulation D Securities or (v) any other person associated with any of the above persons, including any selling firm and any such persons related to such selling firm, that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with sale of Regulation D Securities (each, a “**Dealer Covered Person**” and, collectively, the “**Dealer Covered Persons**”), is subject to disqualifications under Rule 506(d) of Regulation D.
14. At least one Business Day prior to the Closing, the Underwriter and its U.S. Affiliate will provide the Company with (a) a list of all purchasers of the Offered Shares in the United States and all purchasers of Offered Shares who were offered Offered Shares in the United States, and (b) all

executed QIB Letters in the form attached as Schedule “G” to the Subscription Agreement or U.S. Accredited Investor Certificate in the form attached as Schedule “F” to the Subscription Agreement.

15. At the Closing, the Underwriter and its U.S. Affiliate will provide a certificate, substantially in the form of Appendix I attached hereto, relating to the manner of the offer of the Offered Shares in the United States, or such persons will be deemed to have represented to the Company that they did not offer or sell any Offered Shares in the United States.

Representations, Warranties and Covenants of the Company

The Company represents, warrants and covenants to the Underwriters and the U.S. Affiliates that:

16. The Company is a Foreign Issuer and reasonably believes that there is no Substantial U.S. Market Interest in the Offered Shares.
17. Except with respect to offers and sales in accordance with this Schedule “A” to (i) Qualified Institutional Buyers in reliance upon the exemption from registration available under Rule 144A, or (ii) to Substituted Purchasers that are U.S. Accredited Investors pursuant to the exemption from registration available under Rule 506(b) of Regulation D, neither the Company nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters, the U.S. Affiliates, selling firms their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Shares in the United States, or (B) any sale of Offered Shares unless, at the time the buy order was or will, have been originated, the purchaser is (i) outside the United States or (ii) the Company, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States and not a U.S. Person.
18. All offers and sales of Offered Shares made outside the United States by the Company, any of its affiliates or any person acting on its or their behalf (other than the Underwriters, their affiliates (including, without limitation, the U.S. Affiliates, selling firms their respective affiliates or any person acting on their behalf, in respect of which no representation is made), have been and will be made in Offshore Transactions within the meaning of Regulation S. None of the Company, its affiliates, or any person acting on its or their behalf (other than the Underwriters, their affiliates (including, without limitation, the U.S. Affiliates, selling firms their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has made or will make any Directed Selling Efforts in the United States with respect to the Offered Shares.
19. None of the Company, its affiliates, or any person acting on its or their behalf, has taken or will take any action that would cause the exemption from the registration requirements of the 1933 Act afforded by Rule 144A or Rule 506(b) or the exclusion from registration provided by Rule 903 of Regulation S to be unavailable for offers and sales of the Offered Shares pursuant to this Agreement.
20. None of the Company, any of its affiliates or any person acting on its or their behalf (other than the Underwriters, their affiliates (including, without limitation, the U.S. Affiliates, selling firms their respective affiliates or any person acting on their behalf, in respect of which no representation is made) has offered or will offer to sell, or has solicited or will solicit offers to buy, Offered Shares in the United States by means of any form of General Solicitation or General

Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act.

21. For so long as any of the Offered Shares which have been sold to, or for the account or benefit of, persons in the United States or U.S. Persons in reliance upon Rule 144A are outstanding and “restricted securities” within the meaning of Rule 144(a)(3) under the 1933 Act and not eligible for resale pursuant to Rule 144(b)(1) under the 1933 Act, at any time when the Company is neither subject to and in compliance with the reporting requirements of Section 13 or 15(d) of the U.S. Exchange Act, nor exempt from such reporting requirements pursuant to Rule 12g3-2(b) thereunder, the Company will provide holders and prospective purchasers of Offered Shares designated by such holders, upon request, with the information required to be provided by Rule 144A(d)(4) under the 1933 Act, for so long as the provision of such information is required to permit resales of the Offered Shares pursuant to Rule 144A.
22. Since the date that is six months prior to start of the offering of the Offered Shares it has not sold, offered for sale or solicited any offer to buy, and it will not sell, offer for sale or solicit any offer to buy, any of its securities in a manner that would be integrated with the offer and sale of the Offered Shares and would cause the exemption from registration set forth in Rule 506(b) of Regulation D or Rule 144A or the exclusion from registration set forth in Rule 903 of Regulation S to become unavailable with respect to the offer and sale of the Offered Shares;
23. None of the Company or any of its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.
24. With respect to Offered Shares offered and sold hereunder to U.S. Accredited Investors in reliance on the Rule 506(b) of Regulation D (the “**Regulation D Securities**”), none of the Company, any of its predecessors, any affiliated issuer issuing Regulation D Securities, any director, executive officer or other officer of the Company participating in the offering of Regulation D Securities, any beneficial owner of 20% or more of the Company’s outstanding voting equity securities, calculated on the basis of voting power, or any promoter (as that term is defined in Rule 405 under the 1933 Act) connected with the Company in any capacity at the time of sale of the Regulation D Securities (but excluding any Dealer Covered Person, as to whom no representation, warranty or covenant is made) (each, an “**Issuer Covered Person**”) is subject to any of the “Bad Actor” disqualifications described in Rule 506(d)(1)(i) to (viii) of Regulation D (a “**Disqualification Event**”), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) under Regulation D. The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. If applicable, the Company has complied with its disclosure obligations under Rule 506(e) under Regulation D, and has furnished to the Underwriter and its U.S. Affiliate(s) a copy of any disclosures provided thereunder.
25. The Company is not aware of any person (other than the Underwriter, its U.S. Affiliate and any selling person that has made in writing, in favour of the Company) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Regulation D Securities.
26. The Offered Shares are not, and as of the Closing will not be, and no securities of the same class as the Offered Shares are or will be: (i) listed on a national securities exchange in the United States registered under Section 6 of the U.S. Exchange Act; (ii) quoted in a “U.S. automated inter-dealer quotation system”, as such term is used for purposes of Rule 144A; or (iii) convertible or exchangeable into, or exercisable for, securities so listed or quoted at an effective

conversion or exercise premium (calculated as specified in paragraph (a)(6) and (a)(7) of Rule 144A) of less than ten percent for securities so listed or quoted.

27. The Company will, within the prescribed time periods, prepare and file any forms or notices required under the 1933 Act or any state securities laws in connection with the sale of the Offered Shares.

APPENDIX I
UNDERWRITER'S CERTIFICATE

In connection with the private placement in the United States of Offered Shares of Sable Resources Ltd. (the "**Company**"), pursuant to an underwriting agreement (the "**Underwriting Agreement**") dated as of June 15, 2021, among the Underwriters named therein and the Company, the undersigned hereby certify as follows:

1. [●] (the "**U.S. Affiliate**") is a duly registered broker or dealer pursuant to Section 15(b) of the U.S. Securities Exchange Act of 1934, as amended, and under the laws of each applicable state of the United States (unless exempted from the respective state's broker-dealer registration requirements), and was and is a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc. on the date hereof and on the date of each offer and sale made by it in the United States and all offers and sales of Offered Shares in the United States have been effected by the U.S. Affiliate in accordance with all U.S. federal and state broker-dealer requirements;
2. all offers of Offered Shares in the United States were made only through the U.S. Affiliate and to Qualified Institutional Buyers or U.S. Accredited Investors and have been effected in accordance with all applicable U.S. broker-dealer requirements and U.S. securities laws;
3. immediately prior to offering or soliciting offers for the Offered Shares in the United we had reasonable grounds to believe and did believe that each offeree was either a Qualified Institutional Buyer or U.S. Accredited Investor, and, on the date hereof, we continue to believe that each such person purchasing Offered Shares from the Company is either a Qualified Institutional Buyer or U.S. Accredited Investor;
4. we obtained from each person in the United States that is purchased Offered Shares, either an executed (i) U.S. Accredited Investor Certificate in the form of Schedule "F" attached to the Subscription Agreement, or (ii) a QIB Letter in the form of Schedule "G" attached to the Subscription Agreement, and we have delivered copies of the same to the Company;
5. no form of General Solicitation or General Advertising was used by us, in connection with the offer of the Offered Shares in the United States;
6. neither we nor any of our U.S. Affiliates have taken or will take any action which would constitute a violation of Regulation M of the U.S. Exchange Act in connection with the offer or sale of the Offered Shares;
7. no Dealer Covered Person is subject to disqualifications under Rule 506(d) of Regulation D; and
8. all offers of the Offered Shares in the United States have been conducted by us in accordance with the terms of the Underwriting Agreement, including Schedule "A" thereto.

[Signature Page Follows]

Dated this __ day of _____, 2021.

[●]

Per: _____

Authorized Signing Officer

[●]

Per: _____

Authorized Signing Officer