

MGX MINERALS INC.

INSTRUCTIONS TO SUBSCRIPTION AGREEMENT

\$1.10 Units

Private Placement of up to 6,370,000 Units (\$7,007,000)

To complete this Subscription Agreement, you must:

1. Complete and execute the first page following this instruction page.

2. Complete the applicable schedule(s):

- A. Accredited Investors.** If you are an accredited investor, complete and execute **Schedule A** - Certificate of Accredited Investor and if you select categories (j), (k) and/or (l) under Schedule A, you must also complete **Schedule A1** - Individual Accredited Investor Risk Acknowledgment Form.
- B. Family, Friends and Business Associates (for non-Ontario residents).** If you are not a resident of Ontario and are purchasing under the Family, Friends and Business Associates Exemption, complete and execute **Schedule B** - Certificate of Family, Friends and Business Associates and, if you are a resident of Saskatchewan, complete and execute Schedule B1 – Risk Acknowledgement Form for Family, Friend and Business Associate Investors.
- B2. Family, Friends and Business Associates (for Ontario residents).** If you are a resident of Ontario and are purchasing under the Family, Friends and Business Associates Exemption, complete and execute **Schedule B2** – Risk Acknowledgement Form for Family, Friend and Business Associate Investors.
- C. US Accredited Investors.** If you are a resident of or otherwise subject to the securities laws of the United States, complete and execute **Schedule A** and if applicable, **Schedule A1** – Accredited Investor Risk Acknowledgement Form and **Schedule C** - Certification of U.S. Purchaser.

3. Pay the Purchase Price and Deliver this Subscription Agreement. This signed Subscription Agreement, including all required Schedules, should be sent to EMD Financial Inc. along with the aggregate Purchase Price payable in Canadian dollars by certified cheque, bank draft in immediately available funds or wire transfer to “**McMillan LLP in trust**” to the offices of McMillan LLP, 1000 Sherbrooke Street West, Suite 2500, Montreal, Quebec, H3A 3G4. Please see Appendix II of this Agreement for the wire transfer instructions.

The Issuer's Contact Information is as follows:

MGX Minerals Inc.
Suite 303 – 1080 Howe Street
Vancouver, B.C. V6C 2T1
Canada

Email Address: jared@mgxminerals.com

The officer of the Issuer who can answer questions about collection of information, as described in paragraph 24 of Appendix I to this Subscription Agreement, is: Jared Lazerson.

SUBSCRIPTION AGREEMENT

TO: MGX Minerals Inc. (the "Issuer")

DATE: _____, 2018

The Securities. The securities being sold pursuant to this Subscription Agreement (the "**Securities**") consist of units of the Issuer at a price of CDN\$1.10 per unit, upon and subject to the terms and conditions attached as Appendix I. Each unit consists of one common share (a "**Common Share**") and one transferable common share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder to purchase, for a period of 36 months from the date of issue, one additional Common Share of the Issuer at an exercise price of CDN\$1.20 per share. In this Agreement, as the context requires "**Securities**" includes any shares issued on exercise of the Warrants.

The undersigned subscriber (the "**Subscriber**") hereby irrevocably offers to subscribe for and agrees to purchase from the Issuer the number of Securities set forth below for the total purchase price set forth below (the "**Purchase Price**") upon and subject to the terms, conditions, covenants, representations and warranties set forth in "Terms and Conditions of Subscription for Securities" attached as Appendix I hereto (the "**Subscription Terms**"). The Subscription Terms and the schedules hereto are expressly incorporated herein.

Number of Securities Subscribed: **Total Purchase Price:** CDN\$

The Subscriber represents and warrants that:

1. the Subscriber either does not own any securities of the Issuer or beneficially owns (directly or indirectly), or exercises control or direction over the following securities:

Common Shares

Other Securities
(e.g., Warrants or Options)

2. **the Subscriber is** / **is not** (**check one**) an Insider (as defined on the next page) of the Issuer;

3. **the Subscriber is** / **is not** (**check one**) a Registrant (as defined on the next page);

4. **if a non-individual, the Subscriber has** / **does not have** (**check one**) a Beneficial Owner (as defined on the next page) and, if it has a Beneficial Owner, the name and address of the Beneficial Owner is as follows:

5. **if signing as an agent for a principal** (disclosed principal) and not deemed to be purchasing as a principal (as defined on the next page), the name and residential address of such principal is as follows:

<p><u>Subscriber's Information and Signature</u></p> <p>_____</p> <p>(Name of Subscriber)</p> <p>_____</p> <p>(Signature of Subscriber or Authorized Signatory)</p> <p>_____</p> <p>(Name and Title of Authorized Signatory, if applicable)</p> <p><u>Residential Address:</u></p> <p>_____</p> <p>_____</p> <p><u>Telephone Number:</u></p> <p>_____</p> <p><u>E-mail Address:</u></p> <p>_____</p>
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<p><u>Certificate Delivery Instructions</u> (if different from the name and address given in the box to the left)</p> <p><u>Name of Contact:</u></p> <p>_____</p> <p><u>Account # (if applicable):</u></p> <p>_____</p> <p><u>Delivery Address:</u></p> <p>_____</p> <p>_____</p> <p><u>Telephone Number:</u></p> <p>_____</p> <p><u>E-mail Address:</u></p> <p>_____</p> <p><u>Certificate Registration Instructions</u> (if different from the name and address given in the box to the left)</p> <p><u>Name:</u></p> <p>_____</p> <p><u>Account # (if applicable):</u> <u>Registration Address:</u></p> <p>_____</p>
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NOTE: The information collected herein will be used by the Issuer in determining whether the Subscriber meets the requirements for the applicable prospectus exemptions, for making certain filings with applicable regulatory authorities. By signing this Subscription Agreement, the Subscriber and any disclosed principal for whom the Subscriber is acting hereby consents to the collection and use of all of the Subscriber's or the disclosed principal's personal information contained herein by the Issuer for the above referenced purposes.

ACCEPTANCE: The Issuer hereby accepts the above subscription on the terms and conditions contained in this Agreement as of the closing date of this private placement on the _____ day of _____, 2018.

MGX Minerals Inc.

Per:

Authorized Signatory

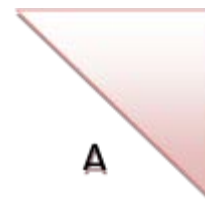
DEFINITIONS:

1. "Beneficial Owner" means the ultimate control person who holds collectively, whether directly or indirectly, securities of the Subscriber entitling such person to greater than 50% of the number of votes entitled to vote on an election of directors of the Subscriber (such level of securityholding referred to below as "Voting Control"). For this purpose, securities held by every "affiliate" of a person are considered to be held indirectly by the person. Persons are "affiliates" of each other as a result of one having Voting Control over the other, whether such Voting Control is through the direct ownership of securities or indirectly through one or more other persons which are linked down through a chain of persons, each of which has Voting Control over the one below it. The person at the top of such chain of persons is the ultimate control person referred to above. For the purposes of this definition "person" includes individuals, corporations, partnerships, limited partnerships, syndicates or other unincorporated forms of organization.
2. "deemed to be purchasing as principal" means purchasing as principal under section 2.3 of NI 45-106 by virtue of being a trust company or trust corporation described in paragraph (p) of, or by virtue of being a person described in paragraph (q) of, the definition "accredited investor" in section 1.1 of NI 45-106, and the Securities are being acquired by such principal as principal.
3. "Insider" of an issuer, as defined in the Securities Act (British Columbia), means: (a) a director or officer of the issuer;

(b) a director or officer of a person that is itself an insider or subsidiary of the issuer;

(c) a person that has (i) beneficial ownership of, or control or direction over, directly or indirectly or (ii) a combination beneficial ownership of, and control or direction over, directly or indirectly, securities of the issuer carrying more than 10% of the voting rights attached to all the issuer's outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person as underwriter in the course of a distribution; or

(d) the issuer itself, if it has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security.
4. "NI 45-106" means National Instrument 45-106—Prospectus Exemptions published by the Canadian Securities Administrators.
5. "Registrant" means a person registered or required to be registered pursuant to National Instrument 31-103—Registration Requirements, Exemptions and Ongoing Registrant Obligations published by the Canadian Securities Administrators.



SCHEDULE A
CERTIFICATE OF ACCREDITED INVESTOR
(Canadian Investors)

TO: MGX Minerals Inc. (the "Issuer")

RE: SUBSCRIPTION FOR SECURITIES OF THE ISSUER

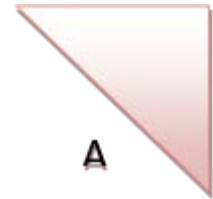
All capitalized terms not defined herein shall have the meaning given to them in the Subscription Agreement to which this Schedule A is attached and in Appendix I thereto (collectively, the "**Subscription Agreement**").

The undersigned Subscriber/duly authorized representative of the Subscriber (or in the case of a trust, the trustee or an officer of the trustee of the trust) hereby certifies, represents and warrants that:

1. he/she has read the Subscription Agreement to which this Schedule A is attached and understands that the offering of the Securities is being made on a prospectus exempt basis; and
2. the Subscriber and, if applicable, the disclosed principal on whose behalf the Subscriber is purchasing the Securities, is an "accredited investor" as defined in NI 45-106, by virtue of satisfying one or more of the categories of "accredited investor" set forth below, which the Subscriber has correctly marked (please note that additional categories of accredited investor are available for certain financial institutions, banks, governments, pension funds, investments funds, trust companies and charities and a separate Certificate of Accredited Investor for those types of investors is available upon request to the Issuer):

[please initial beside each category that applies to the Subscriber.]

- d. _____ except in Ontario, a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer,
 - d.1 _____ in Ontario, a person or company registered under the securities legislation of a province or territory of Canada as an adviser or dealer, except as otherwise prescribed by the regulations,*
- e. _____ an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d),
 - e.1 _____ an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador),
- j. _____ an individual who, either alone or with a spouse, beneficially owns financial assets⁽¹⁾ having an aggregate realizable value that, before taxes, but net of any related liabilities⁽²⁾, exceeds Cdn\$1,000,000, **IF THE SUBSCRIBER INITIALS THIS CATEGORY, IT MUST COMPLETE, INITIAL, AND SIGN THE RISK ACKNOWLEDGEMENT FORM ATTACHED AS SCHEDULE A1.**
- j.1 _____ an individual who beneficially owns financial assets⁽¹⁾ having an aggregate realizable value that, before taxes but net of any related liabilities⁽²⁾, exceeds \$5,000,000,
- k. _____ an individual whose net income before taxes exceeded Cdn\$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded Cdn\$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year.⁽³⁾ **IF THE SUBSCRIBER INITIALS THIS CATEGORY, IT MUST COMPLETE, INITIAL, AND SIGN THE RISK ACKNOWLEDGEMENT FORM ATTACHED AS SCHEDULE A1.**



l. _____ an individual who, either alone or with a spouse, has net assets⁽⁴⁾ of at least Cdn\$5,000,000, **IF THE SUBSCRIBER INITIALS THIS CATEGORY, IT MUST COMPLETE, INITIAL, AND SIGN THE RISK ACKNOWLEDGEMENT FORM ATTACHED AS SCHEDULE A1.**

m. _____ a person (including a corporate entity), other than an individual or investment fund, that has net assets of at least Cdn\$5,000,000 as shown on its most recently prepared financial statements,

q. _____ a person (including a corporate entity) acting on behalf of a fully managed account⁽⁵⁾ managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction,

t. _____ a person (including a corporate entity) in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors,⁽⁶⁾

u. _____ an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser,

w. _____ a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse,

x. _____ in Ontario, in any one of the following (please initial the applicable category):

_____ (a) a financial institution described in paragraph 1, 2 or 3 of subsection 73.1 (1) of Securities Act (Ontario),

_____ (b) the Business Development Bank of Canada,

_____ (c) a subsidiary of any person or company referred to in clause (a) or (b), if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,

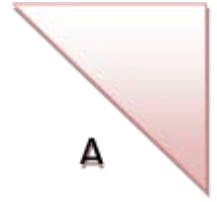
_____ (d) a person or company registered under the securities legislation of a province or territory of Canada as an adviser or dealer, except as otherwise prescribed by the regulations, ***

_____ (e) the Government of Canada, the government of a province or territory of Canada, or any Crown corporation, agency or wholly owned entity of the Government of Canada or of the government of a province or territory of Canada,

_____ (f) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'Île de Montréal or an intermunicipal management board in Quebec,

_____ (g) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government,

_____ (h) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a province or territory of Canada,



_____ (i) a person or company that is recognized or designated by the Commission as an accredited investor.

_____ (j) such other persons or companies as may be prescribed by the regulations;*

- (1) For the purposes of NI 45-106 and this Certificate, the term "financial assets" means (a) cash; (b) securities or (c) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation. **These financial assets are generally liquid or relatively easy to liquidate. The value of the Subscriber's personal residence or other real estate is not included in the calculations of financial assets.**
- (2) For the purposes of NI 45-106 and this Certificate, the term "related liabilities" means (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or (b) liabilities that are secured by financial assets.
- (3) Note that if the combined net income of both spouses does not exceed \$300,000, but the net income of one of the spouses exceeds \$200,000, only the spouse whose net income exceeds \$200,000 qualifies as an accredited investor under paragraph (k).
- (4) The net asset test under paragraph (l) means all of the Subscriber's total assets minus all of the Subscriber's total liabilities. Accordingly, for the purposes of the net asset test, the calculation of total assets would include the value of the Subscriber's personal residence and the calculation of total liabilities would include the amount of any liability (such as a mortgage) in respect of the Subscriber's personal residence. The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the distribution of the Securities to the Subscriber. (5) For the purposes of NI 45-106 and this Certificate, the term "fully managed account" means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction.
- (6) In British Columbia, an indirect interest in a person means an economic interest in the person.

* For the purposes of this Certificate, "regulations" means the regulations made under the *Securities Act* (Ontario) and, unless the context otherwise indicates, includes the rules made under section 143 of said Act and orders, rulings and policies listed in the Schedule to said Act.

The statements made in this Schedule are true and will be true on the Closing Date.

The Issuer may follow up with the Subscriber at the telephone number provided below in order to verify their accredited investor status by obtaining further information in order satisfy the Issuer's obligations under applicable securities laws.

DATED _____

Signature of Subscriber

Name of Subscriber

Telephone

Number

of

Subscribe

SCHEDULE A1
INDIVIDUAL ACCREDITED INVESTOR RISK ACKNOWLEDGEMENT FORM

WARNING!

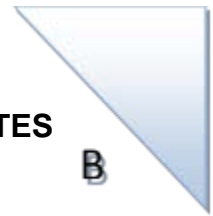
This investment is risky. Do not invest unless you can afford to lose all the money you pay for this investment.

Section 1 – TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER	
1. About your investment	
Type of Securities: Units, with each Unit comprised of one common share and one share purchase warrant.	Issuer: MGX Minerals Inc. (the "Issuer")
Purchased from: The Issuer	
Sections 2 to 4 – TO BE COMPLETED BY THE PURCHASER	
2. Risk acknowledgement	
This investment is risky. Initial that you understand that:	Your Initials
Risk of loss – You could lose your entire investment of \$ _____ [<i>Insert total dollar amount of the Investment</i>]	
Liquidity risk – You may not be able to sell your investments quickly – or at all.	
Lack of information – You may receive little or no information about your investment.	
Lack of advice – You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to www.aretheyregistered.ca .	
3. Accredited investor status	
You must meet at least one of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.	Your Initials
<ul style="list-style-type: none"> • Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.) 	
<ul style="list-style-type: none"> • Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year. 	
<ul style="list-style-type: none"> • Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities. 	
<ul style="list-style-type: none"> • Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.) 	
4. Your name and signature	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.	

First and Last Name (please print):	
Signature:	
Date:	
Section 5 – TO BE COMPLETED BY THE SALESPERSON	
5. Salesperson information	
<i>[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]</i>	
First and Last Name of Salesperson (please print):	
Telephone:	Email:
Name of Firm (if registered): EMD FINANCIAL INC.	
Section 6 – TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER	
6. For more information about this investment	
<p>For more information about this investment/ the Issuer: MGX Minerals Inc. Suite 303 - 1080 Howe Street Vancouver, B.C. V6C 2T1 Email Address: jared@mgxminerals.com</p> <p>For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.</p>	

SCHEDULE B

CERTIFICATE OF FAMILY, FRIENDS AND BUSINESS ASSOCIATES (non-Ontario residents)



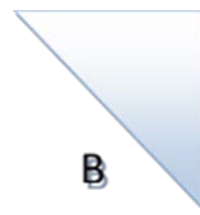
TO: MGX Minerals Inc. (the "Issuer")

RE: SUBSCRIPTION FOR SECURITIES OF THE ISSUER

The undersigned Subscriber/duly authorized representative of the Subscriber (or in the case of a trust, the trustee or an officer of the trustee of the trust) hereby certifies that:

1. he/she has read the Subscription Agreement to which this Schedule B is attached and understands that the offering of the Securities is being made on a prospectus exempt basis;
2. the Subscriber is, or has a direct relationship with, ___ **[please insert name, and if this person is not the Subscriber, the person must sign this Schedule where indicated below]**, who is a director, executive officer⁽¹⁾ or control person⁽²⁾ of the Issuer or of an affiliate⁽³⁾ of the Issuer;
3. if the Subscriber is a close personal friend⁽⁴⁾ of such a director, executive officer or control person of the Issuer or of an affiliate, then the Subscriber has known such person for _____ *[length of time]* and is in contact with such aforementioned person on a _____ basis *[please indicate if daily/weekly/monthly/yearly/or longer basis]*;
4. if the Subscriber is a close business associate⁽⁵⁾ of such a director, executive officer or control person of the Issuer or of an affiliate, then the Subscriber has known such person for _____ *[length of time]* and is in contact with such aforementioned person on a _____ basis *[please indicate if daily/weekly/monthly/yearly/or longer basis]*; and
5. the Subscriber is one of the following **(please underline relationship and place check mark beside "Issuer" or "Affiliate of Issuer", as applicable)**:

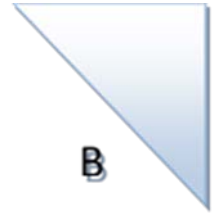
	Issuer (✓)	Affiliate ⁽³⁾ of Issuer (✓)
(a) a director, executive officer ⁽¹⁾ or control person ⁽²⁾ of the Issuer;		
(b) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer ⁽¹⁾ or control person ⁽²⁾ of the Issuer;		
(c) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer ⁽¹⁾ or control person ⁽²⁾ of the Issuer;		
(d) a close personal friend ⁽⁴⁾ of a director, executive officer ⁽¹⁾ or control person ⁽²⁾ of the Issuer;		
(e) a close business associate ⁽⁵⁾ of a director, executive officer ⁽¹⁾ or control person ⁽²⁾ of the Issuer;		
(f) a founder ⁽⁶⁾ of the Issuer or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend ⁽⁴⁾ or close business associate ⁽⁵⁾ of a founder ⁽⁶⁾ of the Issuer;		
(g) a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder ⁽⁶⁾ of the Issuer;		



	Issuer (✓)	Affiliate ⁽³⁾ of Issuer (✓)
(h) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (a) to (g); or		
(i) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons or companies described in paragraphs (a) to (g).		

- (1) *For the purposes of NI 45-106 and this Certificate, an executive officer means, for an issuer, an individual who is: (a) a chair, vice-chair or president, (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production, or (c) performing a policy-making function in respect of the issuer.*
- (2) *For the purposes of NI 45-106 and this Certificate, a person (first person) is considered to control another person (second person) if: (a) the first person beneficially owns or directly or indirectly exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation, (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.*
- (3) *For the purposes of NI 45-106 and this Certificate, an issuer is an "affiliate" of another issuer if (a) one of them is the subsidiary of the other, or (b) each of them is controlled by the same person.*
- (4) *For the purposes of NI 45-106 and this Certificate, the term "close personal friend" is an individual who knows the director, executive officer, founder or control person well enough and has known them for a sufficient period of time to be in a position to assess their capabilities and trustworthiness and to obtain information from them with respect to the investment. The term "close personal friend" can include a family member who is not already specifically identified in the exemption if the family member satisfies the criteria described above. An individual is not a "close personal friend" solely because the individual is a relative; member of the same club, organization, association or religious group; a co-worker, colleague or associate at the same workplace; a client, customer, former client or former customer; a mere acquaintance; or connected through some form of social media, such as Facebook, Twitter or LinkedIn. The relationship between the individual and the director, executive officer, founder or control person must be direct. A relationship that is primarily founded on participation in an Internet forum would not be considered to be that of a "close personal friend".*
- (5) *For the purposes of NI 45-106 and this Certificate, the term "close business associate" is an individual who has had sufficient prior business dealings with the director, executive officer, founder or control person to be in a position to assess their capabilities and trustworthiness and to obtain information from them with respect to the investment. An individual is not a "close business associate" solely because the individual is a member of the same club, organization, association or religious group; a co-worker, colleague or associate at the same workplace; a client, customer, former client or former customer; a mere acquaintance; or connected through some form of social media, such as Facebook, Twitter or LinkedIn. The relationship between the individual and the director, executive officer, founder or control person must be direct. A relationship that is primarily founded on participation in an Internet forum would not be considered to be that of a "close business associate".*
- (6) *For the purposes of NI 45-106 and this Certificate, the term "founder" means, in respect of an issuer, a person who, (a) acting alone, in conjunction, or in concert with one or more persons, directly or*

indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and (b) at the time of the distribution or trade is actively involved in the business of the issuer.



The statements made in this Schedule are true and will be true on the Closing Date.

DATED _____

Signature of Subscriber

Name of Subscriber

NOTE: If you are a resident of Saskatchewan or otherwise subject to the laws of Saskatchewan and have completed Schedule B, you must also complete Schedule B1.

The undersigned hereby confirms that: (i) s/he has read this Schedule as completed and executed by the Subscriber; and (ii) the information in this Schedule with respect to the relationship between the undersigned and the Subscriber is correct to the best of the undersigned's knowledge.

DATED _____

Signature

Name and relationship with Issuer
(i.e. director, executive officer or control person)

SCHEDULE B1

**RISK ACKNOWLEDGEMENT FORM FOR FAMILY, FRIEND
AND BUSINESS ASSOCIATE INVESTORS**

(SASKATCHEWAN RESIDENTS)

W A R N I N G

I acknowledge that this is a risky investment.

- I am investing entirely at my own risk.
- No securities regulatory authority has evaluated or endorsed the merits of these securities.
- The person selling me these securities is not registered with a securities regulatory authority and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities for 4 months.
- I could lose all the money I invest.
- I do not have a 2-day right to cancel my purchase of these securities or the statutory rights of action for misrepresentation I would have if I were purchasing the securities under a prospectus. I do have a 2-day right to cancel my purchase of these securities if I receive an amended offering document.

I am investing \$_____ in total; this includes any amount I am obliged to pay in future.

I am a **close** personal friend or **close** business associate of _____(state name), who is a _____(state title ie. founder, director, senior officer or control person) of MGX Minerals Inc.

I acknowledge that I am purchasing based on my close relationship with _____(state name of founder, director, senior officer or control person) whom I know well enough and for a sufficient period of time to be able to assess her/his capabilities and trustworthiness.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print Name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. Exempt market securities are more risky than other securities.

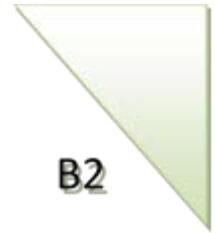
You may not receive any written information about the issuer or its business

If you have any questions about the issuer or its business, ask for written clarification before you purchase the securities. You should consult your own professional advisers before investing in the securities.

You will not receive advice

Unless you consult your own professional advisers, you will not get professional advice about whether the investment is suitable for you.

For more information on the exempt market, refer to the Saskatchewan Financial Services Commission's website at <http://www.sfsc.gov.sk.ca>.



**SCHEDULE B2
RISK ACKNOWLEDGEMENT FORM FOR FAMILY, FRIEND
AND BUSINESS ASSOCIATE INVESTORS
(ONTARIO RESIDENTS)**

WARNING!
This investment is risky. Do not invest unless you can afford to lose all the money you pay for this investment.

SECTION 1 TO BE COMPLETED BY THE ISSUER	
1. About your investment	
Type of Securities: Units, with each Unit comprised of one common share and one share purchase warrant.	Issuer: MGX Minerals Inc. (the "Issuer")
SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER	
2. Risk Acknowledgement	
This investment is risky. Initial that you understand that:	Your initials
Risk of loss – You could lose your entire investment of \$_____. <i>[Instruction: Insert the total dollar amount of the investment.]</i>	
Liquidity Risk – You may not be able to sell your investment quickly – or at all.	
Lack of information – You may receive little to no information about your investment. The information you receive may be limited to the information provided to you by the family member, friend or close business associate specified in section 3 of this form.	
3. Family, friend or business associate status	
You must meet one of the following criteria to be able to make this investment. Initial the statement that applies to you:	Your initials
<p>A) You are</p> <p>1) <i>[check all applicable boxes]</i> a director or the issuer or an affiliate of the issuer an executive officer of the issuer or an affiliate of the issuer <input type="checkbox"/> a control person of the issuer or an affiliate of the issuer <input type="checkbox"/> a founder of the issuer <input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	

<p>OR</p> <p>2) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> <p><input type="checkbox"/> a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p>	
<p>B) You are a family member of _____ <i>[Instruction: Insert the name of the person who is your relative either directly or through his or her spouse]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You are the _____ of that person or that person's spouse.</p> <p><i>[Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse.]</i></p>	
<p>C) You are a close personal friend of _____ <i>[Instruction: Insert the name of your close personal friend]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>	
<p>D) You are a close business associate of _____ <i>[Instruction: Insert the name of your close business associate]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>	
<p>4. Your name and signature</p>	
<p>By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form. You also confirm that you are eligible to make this investment because you are a family member, close personal friend or close business associate of the person identified in section 5 of this form.</p>	
<p>First and last name (please print):</p>	
<p>Signature:</p>	<p>Date:</p>

SECTION 5 TO BE COMPLETED BY PERSON WHO CLAIMS THE CLOSE PERSONAL RELATIONSHIP, IF APPLICABLE

5. Contact person at the issuer or an affiliate of the issuer

[Instruction: To be completed by the director, executive officer, control person or founder with whom the purchaser has a close personal relationship indicated under sections 3B, C or D of this form.]

By signing this form, you confirm that you have, or your spouse has, the following relationship with the purchaser: *[check the box that applies.]*

- family relationship as set out in section 3B of this form close
- personal friendship as set out in section 3C of this form close business
- associate relationship as set out in section 3D of this form
-

First and last name of contact person *[please print]*:

Position with the issuer or affiliate of the issuer (director, executive officer, control person or founder):

Telephone:

Email:

Signature:

Date:

SECTION 6 TO BE COMPLETED BY THE ISSUER

6. For more information about this investment

MGX Minerals Inc.
 Suite 303 - 1080 Howe Street
 Vancouver, B.C. V6C 2T1
 Email Address: jared@mgxminerals.com

For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.

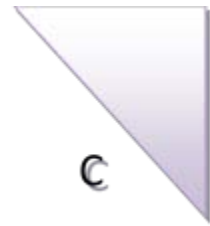
Signature of executive officer of the issuer (other than the purchaser):

Date:

X

Form Instructions:

1. This form does not mandate the use of a specific font size or style but the font size must be legible.
2. The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.
3. The purchaser, an executive officer who is not the purchaser and, if applicable, the person who claims the close personal relationship to the purchaser must sign this form. Each of the purchaser, contact person at the issuer and the issuer must receive a copy of this form signed by the purchaser. The issuer is required to keep a copy of this form for 8 years after the distribution
4. The detailed relationships required to purchase securities under this exemption are set out in section 2.5 of National Instrument 45-106 Prospectus and Registration Exemptions. For guidance on the meaning of "close personal friend" and "close business associate", please refer to sections 2.7 and 2.8, respectively, of Companion Policy 45-106CP Prospectus and Registration Exemptions.



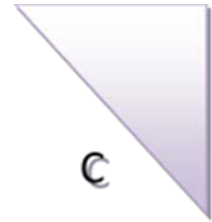
SCHEDULE C CERTIFICATION OF U.S. PURCHASER

TO: MGX Minerals Inc. (the "Issuer")
RE: Subscription for Securities of the Issuer

Capitalized terms not specifically defined in this certification have the meaning ascribed to them in the Subscription Agreement to which this Schedule C is attached. In the event of a conflict between the terms of this certification and such Subscription Agreement, the terms of this certification shall prevail.

In addition to the covenants, representations and warranties contained in the Subscription Agreement to which this Schedule C is attached, the undersigned Subscriber covenants, represents and warrants to the Issuer that:

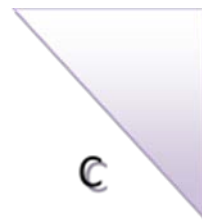
- (a) It is (i) a U.S. Person or a person in the United States, as such term is defined in Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") and (ii) authorized to consummate the purchase of the Securities.
- (b) It has such knowledge, skill and experience in financial, investment and business matters as to be capable of evaluating the merits and risks of an investment in the Securities and it is able to bear the economic risk of loss of its entire investment. To the extent necessary, the Subscriber has retained, at his or her own expense, and relied upon, appropriate professional advice regarding the investment, tax and legal merits and consequences of the Subscription Agreement and acquiring, holding or disposing of the Securities.
- (c) The Issuer has provided to it the opportunity to ask questions and receive answers concerning the terms and conditions of the offering and it has had access to such information concerning the Issuer as it has considered necessary or appropriate in connection with its investment decision to acquire the Securities, and that any answers to questions and any request for information have been complied with to the Subscriber's satisfaction.
- (d) It is acquiring the Securities for its own account, or for the account of one or more persons for whom it is exercising sole investment discretion (for purposes of this Schedule C, a "Beneficial Purchaser"), for investment purposes only and not with a view to any resale, distribution or other disposition of the Securities in violation of the United States federal or state securities laws.
- (e) The address of the Subscriber set out on page 1 of the Subscription Agreement is the true and correct principal address of the Subscriber and can be relied on by the Issuer for the purposes of state blue-sky laws and the Subscriber has not been formed for the specific purpose of purchasing the Securities.
- (f) It understands that (i) the Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the securities laws of any state of the United States and will be "restricted securities", as defined in Rule 144 under the U.S. Securities Act; (ii) the offer and sale of Securities contemplated hereby is being made in reliance on an exemption from such registration requirements in reliance on Rule 506(b) of Regulation D under the U.S. Securities Act and Section 4(a)(2) of the U.S. Securities Act; and (iii) subject to certain exceptions provided under the U.S. Securities Act, the Securities may not be transferred or exercised unless such Securities are registered under the U.S. Securities Act and applicable state securities laws, or unless an exemption from such registration requirements is available.
- (g) The Subscriber is, and if applicable, each Beneficial Purchaser for whose account it is purchasing the Securities is, an "accredited investor" as defined in Rule 501(a) of Regulation D under the U.S. Securities Act by virtue of meeting one of the following criteria (**please write "SUB" for the criteria the Subscriber**

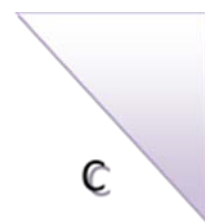


meets and "BEN" for the criteria any persons for whose account or benefit the Subscriber is purchasing the Securities meet):

1. Initials _____ A bank, as defined in Section 3(a)(2) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
2. Initials _____ A savings and loan association or other institution as defined in Section 3(a)(5)(A) of the U.S. Securities Act, whether acting in its individual or fiduciary capacity; or
3. Initials _____ A broker or dealer registered pursuant to Section 15 of the United States *Securities Exchange Act of 1934, as amended*; or
4. Initials _____ An insurance company as defined in Section 2(a)(13) of the U.S. Securities Act; or
5. Initials _____ An investment company registered under the United States *Investment Company Act of 1940*, as amended; or
6. Initials _____ A business development company as defined in Section 2(a)(48) of the United States *Investment Company Act of 1940*, as amended; or
7. Initials _____ A small business investment company licensed by the U.S. Small Business Administration under Section 301 (c) or (d) of the United States *Small Business Investment Act of 1958*, as amended; or
8. Initials _____ A plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, with total assets in excess of US\$5,000,000; or
9. Initials _____ An employee benefit plan within the meaning of the United States *Employee Retirement Income Security Act of 1974*, as amended in which the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan with total assets in excess of US\$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who are Accredited Investors; or
10. Initials _____ A private business development company as defined in Section 202(a)(22) of the United States *Investment Advisers Act of 1940*, as amended; or
11. Initials _____ An organization described in Section 501(c)(3) of the United States *Internal Revenue Code of 1986*, as amended, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the Securities offered, with total assets in excess of US\$5,000,000; or
12. Initials _____ Any director or executive officer of the Issuer; or
13. Initials _____ A natural person whose individual net worth, or joint net worth, with that person's spouse, exceeds US\$1,000,000 as determined on the following basis:
 - (i) the person's primary residence shall not be included as an asset;
 - (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale and purchase of securities contemplated by the accompanying Subscription Agreement, shall not be included as a liability (except that if the amount of such indebtedness outstanding at such time exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and
 - (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability; or

14. A natural person who had an individual income in excess of US\$200,000 in each
Initials _____ of the two most recent years or joint income with that person's spouse in excess of US\$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or
15. A trust, with total assets in excess of US\$5,000,000, not formed for the specific
Initials _____ purpose of acquiring the Securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) under the U.S. Securities Act; or
16. Any entity in which all of the equity owners meet the requirements of at least one
Initials _____ of the above categories (if this alternative is checked, you must identify each equity owner and provide statements signed by each demonstrating how each qualifies as an accredited investor).
- (h) The Subscriber has not purchased the Securities as a result of any form of general solicitation or general advertising (as those terms are used in Rule 502(c) of Regulation D under the U.S. Securities Act), including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or other form of telecommunications, including electronic display, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.
- (i) If the Subscriber decides to offer, sell, pledge or otherwise transfer any of the Securities, it will not offer, sell, pledge or otherwise transfer any of such Securities directly or indirectly, unless the transfer is:
- (i) to the Issuer;
 - (ii) made outside the United States in a transaction meeting the requirements of either Rule 903 or 904 of Regulation S under the U.S. Securities Act and in compliance with applicable local laws and regulations;
 - (iii) made pursuant to the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144 thereunder, if available, and in accordance with any applicable state securities or "blue sky" laws; or
 - (iv) made in a transaction that does not require registration under the U.S. Securities Act or any applicable state laws and regulations governing the offer and sale of securities,
- and, in the case of each of (iii) and (iv) it has prior to such sale furnished to the Issuer an opinion of counsel reasonably satisfactory to the Issuer stating that such transaction is exempt from registration under applicable securities laws and that the legends referred to in paragraph (1) below may be removed.
- (j) It understands and agrees that the Securities may not be acquired in the United States by or on behalf of a "U.S. Person" (as defined in Regulation S under the U.S. Securities Act) or a person in the United States unless registered under the U.S. Securities Act and any applicable state securities laws or unless an exemption from such registration requirements is available. It agrees to comply with all U.S. securities laws, including state securities laws.
- (k) It acknowledges that it has not purchased the Securities as a result of, and will not itself engage in, any "directed selling efforts" (as defined in Regulation S under the U.S. Securities Act) in the United States in respect of the Securities which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the sale or resale of the Securities.
- (l) The certificates representing the Securities, as well as all certificates issued in exchange for or in substitution of the foregoing, until such time as is no longer required under the applicable requirements of the U.S. Securities Act or applicable state securities laws, will bear, on the face of such certificate, the following or similar legend:





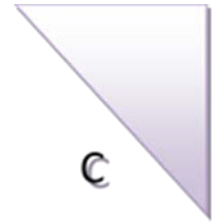
“THE SECURITIES REPRESENTED HEREBY [IF A WARRANT, INCLUDE: “AND THE SECURITIES ISSUABLE UPON EXERCISE THEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE ISSUER THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE ISSUER; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT; (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF PARAGRAPH (C) OR (D), THE SELLER FURNISHES TO THE ISSUER AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO SUCH EFFECT.

[FOR CERTIFICATES EVIDENCING SHARES AND WARRANT SHARES ONLY:]
THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT "GOOD DELIVERY" OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE.”

provided, that if the Securities are being sold outside the United States in compliance with the requirements of Rule 904 of Regulation and the Issuer was deemed to be a “foreign issuer” as defined in Regulation S at the time the Securities were issued, the legend set forth above may be removed by providing an executed declaration to the registrar and transfer agent of the Issuer, in substantially the form set forth as Appendix A attached hereto (or in such other forms as the Issuer may prescribe from time to time) and, if requested by the Issuer or the transfer agent, an opinion of counsel of recognized standing in form and substance satisfactory to the Issuer and the transfer agent to the effect that such sale is being made in compliance with Rule 904 of Regulation S under the U.S. Securities Act; and provided, further, that, if any Securities are being sold otherwise than in accordance with Regulation S and other than to the Issuer, the legend may be removed by delivery to the registrar and transfer agent and the Issuer of an opinion of counsel, of recognized standing reasonably satisfactory to the Issuer, that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws.

- (m) It understands and agrees that any warrants forming part of the Securities may not be exercised in the United States or by or on behalf of a U.S. person or a person in the United States unless registered under the U.S. Securities Act and any applicable state securities laws or unless an exemption from such registration requirements is available and the holder has furnished an opinion of counsel of recognized standing in form and substance satisfactory to the Issuer to such effect, and that certificates representing such warrants will bear a legend to the following effect in addition to the legend stated in clause (l) of this Certificate of U.S. Purchaser:

“THIS WARRANT AND THE SECURITIES DELIVERABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THIS WARRANT MAY NOT BE EXERCISED BY OR ON BEHALF OF A “U.S. PERSON” OR A PERSON IN THE UNITED STATES UNLESS THE WARRANT AND THE UNDERLYING SECURITIES HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE, OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS

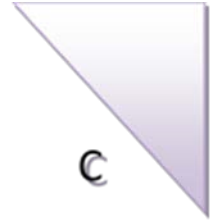


AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATION S UNDER THE U.S. SECURITIES ACT."

provided, that the Subscriber will not be required to deliver a legal opinion in connection with its exercise of such warrants purchased hereunder for its own account of the Beneficial Purchaser named in this Subscription Agreement, if any, for investment purposes, at a time when each of the Subscriber and, if applicable, the Beneficial Purchaser, remains an "accredited investor" as defined in Rule 501 under the U.S. Securities Act.

- (n) It understands that there may be material tax consequences to the Subscriber of an acquisition, holding and disposition of any of the Securities. The Issuer gives no opinion and makes no representation with respect to the tax consequences to the Subscriber under United States, state, local or foreign tax law of the undersigned's acquisition, holding or disposition of such Securities; in particular, no determination has been made whether the Issuer will be a "passive foreign investment company" within the meaning of Section 1297 of the United States Internal Revenue Code of 1986, amended.
- (o) It understands and acknowledges that the Issuer is incorporated outside the United States, that some or all of its directors and officers and certain of its properties are located outside the United States. Consequently, it may be difficult to provide service of process on the Issuer and its directors and officers, and it may be difficult to enforce any judgment against the Issuer and its directors and officers.
- (p) It understands that (i) the Issuer may be deemed to be an issuer that is, or that has been at any time previously, an issuer with no or nominal operations and no or nominal assets other than cash and cash equivalents (a "Shell Company"), (ii) if the Issuer is deemed to be, or to have been at any time previously, a Shell Company, Rule 144 under the U.S. Securities Act may not be available for resales of the Securities and (iii) the Issuer is not obligated to make Rule 144 under the U.S. Securities Act available for resales of the Securities.
- (q) It understands that the financial statements of the Issuer have not been prepared in accordance with U.S. generally accepted accounting principles and therefore may be materially different from financial statements prepared under U.S. generally accepted accounting principles and therefore may not be comparable to financial statements of United States companies.
- (r) It consents to the Issuer making a notation on its records or giving instructions to any transfer agent of the Issuer in order to implement the restrictions on transfer set forth and described in this Schedule and the Subscription Agreement.
- (s) It understands that the Securities are "restricted securities" under applicable federal securities laws and that the U.S. Securities Act and the rules of the United States Securities and Exchange Commission (the "SEC") provide in substance that the Subscriber may dispose of the Securities only pursuant to an effective registration statement under the U.S. Securities Act or an exemption therefrom, and, other than as set out herein, the Subscriber understands that the Issuer has no obligation to register any of the Securities or to take action so as to permit resales pursuant to the U.S. Securities Act (including Rule 144 thereunder). Accordingly, the Subscriber understands that absent registration, under the rules of the SEC, the Subscriber may be required to hold the Securities indefinitely or to transfer the Securities in transactions which are exempt from registration under the U.S. Securities Act. As a consequence,

the Subscriber understands that it must bear the economic risks of the investment in the Securities for an indefinite period of time.
- (t) It understands and acknowledges that the Issuer (i) is not obligated to remain a "foreign issuer" within the meaning of Regulation S under the U.S. Securities Act, and (ii) may engage in one or more transactions which could cause the Issuer not to be a foreign issuer.



- (u) It has no intention to distribute, and shall not transfer, either directly or indirectly any of the Securities to any person within the United States or to "U.S. persons" (as defined in Regulation S under the U.S. Securities Act) except pursuant to an effective registration statement under the U.S. Securities Act, or an exemption therefrom.
- (v) It understands that no agency, governmental authority, regulatory body, stock exchange or other entity (including, without limitation, the SEC or any state securities commission) has made any finding or determination as to the merit of investment in, nor have any such agencies or governmental authorities made any recommendation or endorsement with respect, to the Securities.
- (w) If required by applicable securities legislation, regulatory policy or order or by any securities commission, stock exchange or other regulatory authority, it will execute, deliver and file and otherwise assist the Issuer in filing reports, questionnaires, undertakings and other documents with respect to the issuance of the Securities.
- (x) It understands and acknowledges that it is making the representations and warranties and agreements contained herein with the intent that they may be relied upon by the Issuer in determining its eligibility to acquire the Securities. It understands that the representations, warranties and covenants made by the Subscriber in this certification will form the basis of the exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws for the issuance of the Securities.

ONLY U.S. PURCHASERS NEED COMPLETE AND SIGN Dated

_____.

X

Signature of individual (if Subscriber **is** an individual)

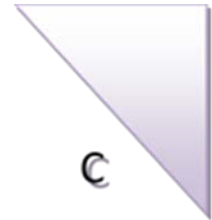
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Authorized signatory (if Subscriber is **not** an individual)

Name of Subscriber (**please print**)

Name of authorized signatory (**please print**)

Official capacity of authorized signatory (**please print**)



**Appendix A to
CERTIFICATION OF U.S. PURCHASER**

Form of Declaration for Removal of Legend

TO: MGX Minerals Inc. (the "Corporation")

TO: Registrar and transfer agent for the shares of the Corporation

The undersigned (A) acknowledges that the sale of the securities of the Corporation to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and (B) certifies that (1) the undersigned is not an "affiliate" (as that term is defined in Rule 405 under the U.S. Securities Act) of the Corporation; (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of the TSX Venture Exchange, Canadian Securities Exchange, the Toronto Stock Exchange or a "designated offshore securities market" as defined in Regulation S under the U.S. Securities Act and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; (3) neither the seller nor any affiliate of the seller nor any person acting on their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities; (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as that term is defined in Rule 144(a)(3) under the U. S. Securities Act); (5) the seller does not intend to replace such securities with fungible unrestricted securities; and (6) the contemplated sale is not a transaction, or part of a series of transactions, which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the U. S. Securities Act. Terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act.

Dated _____.

X

Signature of individual (if Subscriber **is** an individual)

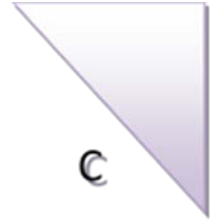
X

Authorized signatory (if Subscriber is **not** an individual)

Name of Subscriber (**please print**)

Name of authorized signatory (**please print**)

Official capacity of authorized signatory (**please print**)



Affirmation by Seller's Broker-Dealer
(Required for sales pursuant to Section (B)(2)(b) above)

We have read the foregoing representations of our customer, _____ (the "Seller") dated _____, with regard to the sale, for such Seller's account, of the _____ represented by certificate number _____ of the Corporation described therein, and we hereby affirm that, to the best of our knowledge and belief, the facts set forth therein are full, true and correct.

Name of Firm

By: _____
Authorized Officer

Dated: _____ 20__.

APPENDIX I
TERMS AND CONDITIONS OF SUBSCRIPTION FOR SECURITIES
OF
MGX MINERALS INC.

All capitalized terms not defined herein shall have the meaning given to them in the Subscription Agreement to which this Appendix I is attached (the "**Subscription Agreement**"). The Subscriber hereby unconditionally and irrevocably subscribes for and agrees to purchase the Securities described on the first page of the Subscription Agreement page 1 upon and subject to the following terms and conditions:

1. **The Private Placement.** The Subscriber acknowledges that the Subscriber's Securities will be issued in connection with a larger private placement offering (the "**Private Placement**") comprised of a maximum of 4,350,000 flow-through units for gross proceeds of \$5,002,500 and a maximum of 6,370,000 units for gross proceeds of \$7,007,000, representing aggregate gross proceeds to the Issuer of a maximum of \$12,009,500. The flow-through units are being issued at a price of \$1.15 per unit with each flow-through unit comprised of one flow-through common share and one half of one common share purchase warrant exercisable at a price of \$1.20 per share for a period of 36 months. The Subscriber understands that the Units subscribed for under this Agreement shall be purchased directly from the Issuer by the Subscriber.

The Subscriber acknowledges that finders' fees may be payable by the Issuer in connection with the Private Placement in cash and/or in securities of the Issuer, including without limitation, to EMD Financial Inc., the exempt market dealer engaged by the Issuer in connection with the Private Placement. The Subscriber acknowledges that upon closing of this Subscription Agreement by the Issuer, the subscription funds received by the Issuer are immediately available for use by the Issuer.

The Private Placement is not subject to any minimum offering and there can be no guarantees that the Issuer will raise sufficient funds to meet its present or future objectives.

2. **Conditions and Closing.** This Agreement shall be subject to acceptance by the Issuer and, if applicable, approval by the stock exchange(s) or regulatory authority(ies) having jurisdiction with respect to the Issuer. The Securities will be allotted and issued to the Subscriber on such date as the Issuer and EMD Financial Inc. shall determine (the "**Closing Date**").

Prior to the Closing Date, the Subscriber must deliver payment in full for the Purchase Price by certified cheque, bank draft, by wire transfer, or any other form of payment accepted by the Issuer, using the instructions provided on the instruction page to this Subscription Agreement. For greater certainty, the Subscriber must return a completed Subscription Agreement together with a cheque made payable to "**McMillan LLP in trust**" to the offices of McMillan LLP, 1000 Sherbrooke Street West, Suite 2500, Montreal, Quebec, H3A 3G4. McMillan LLP is counsel to EMD Financial Inc.

This Subscription Agreement will be subject to acceptance by the Issuer, who may accept or reject, in whole or in part, this subscription of Securities for any reason. If the Issuer rejects this subscription, then the Purchase Price will be repaid forthwith to the Subscriber without interest, less any necessary bank, cheque or wire transfer fees.

The Subscriber acknowledges that the Private Placement may be completed at one or more partial closings in the discretion of the Issuer and that the Closing as contemplated in this Agreement may be effected at one or more of such partial closings. The Subscriber acknowledges and agrees that McMillan LLP is entitled to remit to the Issuer the full amount of the Purchase Price, less any fees or commissions due to EMD Financial Inc. in accordance with the terms of a finder's fee agreement with the Issuer, upon written instruction from EMD Financial Inc. that it and the Issuer are proceeding with a Closing, on behalf of the Subscriber and in EMD Financial Inc.'s capacity as exempt market dealer.

Upon completion of a closing, the Issuer is irrevocably entitled to the Purchase Price, subject to the rights of the Subscriber under this Agreement and any applicable laws.

3. **Termination by Subscriber.** If the Closing Date does not occur by 4:00 p.m. (Pacific Time) on the date that is 75 days after the date the Subscriber delivers this Subscription Agreement and the Purchase Price

to the Issuer in accordance herewith, the Subscriber may give fifteen (15) days' written notice to the Issuer of its intention to terminate this Subscription Agreement. If the Closing Date does not occur within fifteen (15) days of the date of receipt by the Issuer of such notice, then this Subscription Agreement shall terminate and the entire Purchase Price or any part thereof advanced to the Issuer hereunder shall be repaid forthwith to the Subscriber without interest, less any necessary bank or wire transfer fees. Unless as otherwise specified herein, the Subscriber agrees that this offer is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber without the express written consent of the Issuer.

4. **Purchasing as Principal.** The Subscriber represents and warrants that the Securities are not being purchased with a view to resale or distribution in contravention of applicable securities laws or as part of a series of transactions involving further purchases and sales of the Securities and:

(a) the Securities are being purchased by the Subscriber as principal for its own account and not for the benefit of any other person or the Subscriber is deemed to be purchasing as principal under section 2.3 of NI 45-106 by virtue of being a trust company or trust corporation described in paragraph (p) of, or by virtue of being a person described in paragraph (q) of, the definition "accredited investor" in section 1.1 of NI 45-106; or

(b) the Securities are being purchased by the Subscriber as agent for the principal disclosed on page 1 of this Subscription Agreement and the Subscriber is not deemed to be purchasing as principal under section 2.3 of NI 45-106 by virtue of being a trust company or trust corporation described in paragraph

(p) of, or by virtue of being a person described in paragraph (q) of, the definition "accredited investor" in section 1.1 of NI 45-106, and the Securities are being acquired by such principal as principal, the Subscriber is the principal's agent with proper authority to execute all documents in connection with this purchase on behalf of such principal and the representations, warranties, acknowledgments and covenants of the Subscriber herein (including any Schedules hereto), excluding this paragraph (b), are also hereby given with respect to such principal, except that representations with respect to the Subscriber's residential address are deemed to be references to the disclosed address of the disclosed principal on page 1 of this Agreement.

5. **Capacity, Authority and Compliance.** The Subscriber represents and warrants that:

(a) if the Subscriber is not an individual, it was not created and is not being used solely to purchase or hold securities (i) as an "accredited investor" as described in Schedule A, Certificate of Accredited Investor;

(b) if the Subscriber is a corporation, the Subscriber is a valid and subsisting corporation, has the necessary corporate capacity and authority to enter into and to observe and perform its covenants and obligations under this Subscription Agreement and has taken all necessary corporate action in respect thereof;

(c) if the Subscriber is a partnership, syndicate or other unincorporated form of organization, the Subscriber has the necessary legal capacity and authority to execute and deliver this Subscription Agreement and perform its covenants and obligations hereunder and has obtained all necessary approvals thereof;

(d) if the Subscriber is an individual, he or she has attained the age of majority and is legally competent to execute this Subscription Agreement and to take all actions required pursuant hereto;

(e) the entering into of this Subscription Agreement and the transactions contemplated hereby will not result in the violation of any terms or provisions of any law applicable to, or, if applicable, the constating documents of, the Subscriber, or any agreement, written or oral, to which the Subscriber may be a party or by which the Subscriber is or may be bound; and

(g) the Subscriber is not one of a combination of shareholders of the Issuer or investors in the Private Placement (including by acting jointly or in concert with any such shareholder or investor) as a

consequence of which the issuance of Securities to the Subscriber hereunder (assuming the exercise of any warrants, options and/or any convertible securities of the Issuer currently held by, the Subscriber and any such other shareholders or investors, including the exercise of warrants held hereunder) will result in, or be part of a transaction that will result in, the creation of a "control block holder" as defined under Canadian securities laws.

6. **Binding and Enforceable.** The Subscriber represents and warrants that this Subscription Agreement has been validly executed by the Subscriber and, upon acceptance by the Issuer of this Subscription Agreement, this Subscription Agreement will constitute a legal, valid and binding contract of the Subscriber, enforceable against the Subscriber in accordance with its terms.
7. **No Offering Memorandum or Advertising.** The Subscriber acknowledges that the Subscriber has not been furnished with, nor does it need to receive, an offering memorandum or other document prepared by the Issuer describing its business or affairs, in order to assist it in making an investment decision in respect of the Securities, and, except for this Subscription Agreement, no other documents have been delivered or otherwise furnished to the Subscriber in connection with such offering and sale. The Subscriber represents and warrants that the Subscriber did not become aware of the offering and sale of the Securities as a result of, nor has it seen, any form of general solicitation or general advertising, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, television or the Internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising. The Subscriber further acknowledges that no person has represented that such person or another person will resell or repurchase any of the Subscriber's Securities or refund all or any of the purchase price of such Securities, and that no person has given an undertaking relating to the future value or price of any such Securities.
8. **Knowledge and Experience.** The Subscriber represents and warrants that the Subscriber has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of the investment hereunder and is able to bear the economic risk of loss of such investment. No person has made to the Subscriber any written or oral representations (i) that any person will resell or repurchase the Securities, (ii) that any person will refund the purchase price for the Securities, or (iii) as to the future price or value of the Securities. The Issuer has provided to the Subscriber the opportunity to ask questions and receive answers concerning the terms and conditions of the offering and it has had access to such information concerning the Issuer as it has considered necessary or appropriate in connection with its investment decision to acquire the Securities, and that any answers to questions and any request for information have been complied with to the Subscriber's satisfaction.
9. **No U.S. Registration.** The Subscriber is aware and accepts that the Securities have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States and, subject to certain exemptions, may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. Person. "**U.S. Person**" has the meaning set forth in Rule 902 of Regulation S under the U.S. Securities Act. The Subscriber acknowledges that, subject to certain exceptions provided under the U.S. Securities Act, the Securities may not be offered, sold, pledged or otherwise transferred to, any person in the United States or any U.S. Person or person acting for the account or benefit thereof. "**United States**" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia.
10. **Residence.** The Subscriber represents and warrants that the Subscriber is a resident of, or if not an individual, has a head office or is otherwise subject to the laws of, the jurisdiction disclosed under "Subscriber's Information and Signature" on page 1 of this Subscription Agreement, and that such address is the residence of the Subscriber or the place of business of the Subscriber at which the Subscriber received and accepted the offer to acquire the Securities and was not created or used solely for the purpose of acquiring the Securities.
11. **Future Financings.** The Subscriber acknowledges that the Issuer may complete additional financings at prices, on terms and in amounts as may be determined by the Issuer, from time to time in the future and that any such future financings may have a dilutive effect on current securityholders, including the Subscriber but there is no assurance that such financings will be available on reasonable terms or at all.

12. **Canadian Exemptions (All Subscribers).** Whether the Subscriber is or is not a resident of or incorporated under or otherwise subject to the securities laws of Canada or any Province or Territory, the Subscriber represents and warrants that it is purchasing the Securities under one of the following exemptions:

- (a) the Subscriber is an accredited investor as defined in NI 45-106 and the Subscriber has properly completed and duly executed the Certificate of Accredited Investor attached hereto as Schedule A indicating the means by which the Subscriber is an accredited investor, and if the Subscriber has selected categories (j), (k) and/or (l) under Schedule A, the Subscriber has also completed Schedule A1 - Individual Accredited Investor Risk Acknowledgment Form; (b) the Subscriber meets one of the following requirements:
- (i) the Subscriber is not a resident in or otherwise subject to the laws of Ontario and has completed and executed, the Certificate of Family, Friends and Business Associates attached hereto as Schedule B and if the Subscriber is resident in or otherwise subject to the laws of Saskatchewan the Subscriber has also properly completed and duly executed the Risk Acknowledgement attached as Schedule B1; or
- (ii) the Subscriber is resident in or otherwise subject to the laws of Ontario, and the Subscriber meets the requirements set forth in, and has completed and executed, the Certificate of Family, Friends and Business Associates attached hereto as Schedule B2;
- (b) and in respect of each of the above subparagraphs, the Subscriber hereby confirms the truth and accuracy of all statements made therein by the Subscriber and that such statements will be true and accurate on the Closing Date.

13. **U.S. Representations & Warranties (All Subscribers other than Subscribers in the United States).** Unless the Subscriber has completed and executed the Certification of U.S. Purchaser attached hereto as Schedule C, the Subscriber represents and warrants that the Subscriber:

- (a) is not, and is not purchasing the Securities for the account or benefit of, a person in the United States or a U.S. Person (as defined above);
- (b) was not offered the Securities in the United States;
- (c) did not execute or deliver this Subscription Agreement in the United States;
- (d) that the current structure of this transaction and all transactions and activities contemplated hereunder is not a scheme to avoid the registration requirements of the U.S. Securities Act;
- (e) has no intention to distribute either directly or indirectly any of the Securities in the United States, except in compliance with the U.S. Securities Act and any applicable securities laws of any state of the United States;
- (f) understands and agrees that any warrants issued hereunder may not be exercised in the United States or by, or for the account or benefit of, a U.S. Person or a person in the United States unless such warrants and underlying shares are registered under the U.S. Securities Act and any applicable securities laws of any state of the United States or an exemption is available from such registration requirements and the holder delivers a written opinion of legal counsel satisfactory to such effect; and
- (g) the Securities were not purchased as a result of any form of directed selling efforts (as such term is used in Regulation S under the U.S. Securities Act) or general solicitation or general advertising (as such terms are defined under Rule 502(c) of Regulation D under the U.S. Securities Act), and the sale of the Securities was not accompanied by any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over radio, television or telecommunications, including electronic display and the Internet or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.

14. **U.S. Resale Restrictions and Legend.** Subscribers resident in or otherwise subject to the securities laws of the United States acknowledge that the certificates representing the Subscriber's Securities will be endorsed with the legends contemplated by the Certification of U.S. Purchaser attached hereto as Schedule C.
15. **Subscribers Resident in Other Jurisdictions.** If the Subscriber is not a resident of one of the foregoing jurisdictions (Canada and the United States), the Subscriber represents and warrants to the Issuer that the Subscriber:
- (a) is knowledgeable of, or has been independently advised as to, the applicable laws, including securities laws of the Subscriber's jurisdiction of residence that would apply to this subscription, if there are any;
 - (b) is purchasing the Securities pursuant to exemptions from any substantive or procedural requirements under the applicable laws, including securities laws, of the Subscriber's jurisdiction of residence or, if such is not applicable, the Subscriber is permitted to purchase the Securities under the applicable securities laws of the Subscriber's jurisdiction of residence without the need to comply with any substantive or procedural requirements of any kind whatsoever in the Subscriber's jurisdiction of residence;
 - (c) will, if requested by the Issuer, deliver to the Issuer a certificate or opinion of local counsel from the Subscriber's jurisdiction of residence which will confirm the matters referred to in subparagraph (b) above to the satisfaction of the Issuer, acting reasonably;
 - (d) confirms that the applicable securities laws of the Subscriber's jurisdiction do not require the Issuer to make any filings or seek any approvals of any nature whatsoever from any governmental authority, regulatory authority or stock exchange of any kind whatsoever in the Subscriber's jurisdiction in connection with the issue and sale or resale of the Securities; and
 - (e) confirms that the purchase of the Securities by the Subscriber does not trigger:
 - A. an obligation to prepare and file a registration statement, prospectus or similar document, or any other report with respect to such purchase in the Subscriber's jurisdiction; or
 - B. continuous disclosure reporting obligations of the Issuer in the Subscriber's jurisdiction.
16. **Resale Restrictions and Legends.** The Subscriber understands and acknowledges that the Securities will be subject to certain resale and transfer restrictions under applicable securities laws. The Subscriber acknowledges that it has been advised to consult its own legal advisors with respect to applicable resale and transfer restrictions, that it is solely responsible for complying with such restrictions and the Subscriber covenants and agrees to comply with all other applicable resale and transfer restrictions. The Subscriber acknowledges and agrees that the Issuer shall make a notation on its records or give instructions to the transfer agent of the Securities in order to implement the restrictions on transfer set out in applicable securities laws by adding any legend or notation required under applicable securities laws on the certificate(s) or other evidence representing the Securities. The Subscriber also understands and acknowledges that the Securities may be subject to certain escrow provisions imposed under applicable securities laws or the policies and rules of a stock exchange or public quotation system on which the Securities may be listed or quoted.
17. **Indemnity.** The Subscriber agrees to indemnify and hold harmless the Issuer and its directors, officers, employees, agents, lawyers, advisers and shareholders from and against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all fees, costs and expenses whatsoever reasonably incurred in investigating, preparing or defending against any claim, lawsuit, administrative proceeding or investigation whether commenced or threatened) arising out of or based upon any representation or warranty of the Subscriber contained herein or in any document furnished by the Subscriber to the Issuer in connection herewith being untrue in any material respect or any breach or failure by the Subscriber to comply with any covenant or agreement made by the Subscriber herein or in any document furnished by the Subscriber to the Issuer in connection herewith. The Subscriber undertakes to

immediately notify the Issuer of any change in any statement or other information relating to the Subscriber set forth herein or in any document delivered herewith, which takes place prior to the Closing Date.

18. **No Reliance.** In connection with the Subscriber's investment in the Securities, the Subscriber acknowledges and agrees that it has not relied upon the Issuer for investment, legal or tax advice and has, in all cases, sought the advice of the Subscriber's own personal investment advisor, legal counsel and tax adviser or has waived its rights to consult such professional advisors and the Subscriber is either experienced in or knowledgeable with regard to the affairs of the Issuer or either alone or with its professional advisors is capable, by reason of knowledge and experience in financial and business matters in general, and investments in particular, of evaluating the merits and risks of an investment in the Securities and is able to bear the economic risk of the investment and it can otherwise be reasonably assumed to have the capacity to protect its own interest in connection with the investment in the Securities. The Subscriber represents and warrants that its decision to tender this offer and purchase the Securities has not been made as a result of any verbal or written representation as to fact, covenant or otherwise made by or on behalf of the Issuer or any other person and is based entirely upon this Subscription Agreement.
19. **Counsel.** The Subscriber acknowledges that the Issuer's counsel is acting as counsel to the Issuer and not as counsel to the Subscriber. The Subscriber further acknowledges that McMillan LLP is acting as counsel to EMD Financial Inc., the exempt market dealer engagement by the Issuer in connection with the Private Placement, and not as counsel to the Subscriber.
20. **Acceptance by Issuer.** The Subscriber acknowledges that the Issuer will have the right to accept this subscription offer in whole or in part and the acceptance of this subscription offer will be conditional upon the sale of the Securities to the Subscriber or the disclosed principal, as the case may be, being exempt from the prospectus and registration requirements under applicable relevant securities legislation. The Issuer's acceptance of the subscription herein shall be indicated by executing a copy of this Subscription Agreement, and shall be effective as of the date therein specified. The Issuer is under no obligation to accept this subscription.
21. **Costs.** The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any legal counsel retained by the Subscriber) relating to the sale of the Securities to the Subscriber shall be borne by the Subscriber.
22. **Governing Law and Attornment.** This Subscription Agreement and all related agreements between the parties hereto shall be governed by and construed in accordance with the laws of the Province of British Columbia, without reference to its rules governing the choice or conflict of laws. The parties hereto irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of British Columbia, sitting in the city of Vancouver, with respect to any dispute to or arising out of this Subscription Agreement.
23. **Further Assurances.** The Subscriber and the Issuer agree that they each will execute or cause to be executed and deliver or cause to be delivered all such further and other documents and assurances, and do and cause to be done all such further acts and things as may be necessary or desirable to carry out this Subscription Agreement according to its true intent, and comply with applicable laws. If required by applicable securities legislation, regulations, rules, policies or orders or by any securities commission, stock exchange or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Issuer in filing, such reports, undertakings and other documents with respect to the issue of the Securities as may be required.
24. **Consent to the Disclosure of Information.** This Subscription Agreement and the attachments hereto require the Subscriber to provide certain personal information to the Issuer. Such information is being collected by the Issuer for the purposes of completing the Private Placement of the Securities and the issuance (and the issuance of any underlying shares), which includes, without limitation, determining the Subscriber's eligibility to purchase the Subscriber's Securities under applicable securities legislation, preparing and registering any certificates representing the Subscriber's Securities (including any shares underlying the Securities) to be issued to the Subscriber, completing filings required by applicable stock exchanges (collectively, the "Exchange") or other regulatory authorities, indirect collection of information by the Exchange or securities regulatory authorities under authority granted in applicable securities legislation and the administration and enforcement of the applicable securities legislation by the securities regulatory

authorities. The Subscriber acknowledges and agrees that the Issuer may be required by law or otherwise to disclose to securities regulatory authorities the identity of the Subscriber and if applicable the beneficial purchaser for whom the Subscriber may be acting and that the Subscriber's personal information including the Subscriber's full name, residential address, telephone number and other details of its subscription hereunder will be disclosed by the Issuer to: (a) the Exchange and other securities regulatory authorities; (b) the Issuer's registrar and transfer agent; and (c) any of the other parties involved in the Private Placement, including legal counsel to the Issuer; and may be disclosed by the Issuer to: (d) the Canada Revenue Agency; and (e) any other person to whom it is required to disclose such information under applicable legislation or authority. By executing this Subscription Agreement, the Subscriber consents to and authorizes the foregoing collection, use and disclosure of the Subscriber's personal information. The Subscriber also consents to and authorizes the filing of copies or originals of any of this Subscription Agreement (including attachments) below as may be required to be filed with the Exchange or other securities regulatory authorities in connection with the transactions contemplated hereby. In addition, the Subscriber consents to and authorizes the collection, use and disclosure of all such personal information by the Exchange and other securities regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time. The contact information for the officer of the Issuer who can answer questions about this collection of information is set out on the instruction page of this Subscription Agreement. For Subscribers with questions about the collection of Personal Information by the Ontario Securities Commission, please contact the Administrative Support Clerk, Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario, M5H 3S8, Tel: (416) 593-3684. The Subscriber agrees that the Issuer may be required by law or otherwise to disclose to securities regulatory authorities the identity of the Subscriber and if applicable the beneficial purchaser for whom the Subscriber may be acting.

25. **Proceeds of Crime.** The Subscriber represents and warrants that no portion of the Purchase Price to be advanced by the Subscriber to the Issuer hereunder will represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* (the "**PCMLA**") and the Subscriber acknowledges that the Issuer may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLA. To the best of the knowledge of the Subscriber: (i) no portion of the Purchase Price to be provided by the Subscriber (A) has been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States or any other jurisdiction, or (B) is being tendered on behalf of a person or entity who has not been identified to the Subscriber, and (ii) it shall promptly notify the Issuer if the Subscriber discovers that any of such representations ceases to be true, and to provide the Issuer with appropriate information in connection therewith.

The funds representing the purchase price for the Securities which will be advanced by the undersigned to the Issuer will not and do not represent proceeds of crime for the purposes of the United States *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (the "**PATRIOT Act**"), and the undersigned acknowledges that the Issuer may in the future be required by law to disclose the undersigned's name and other information relating to the undersigned's subscription for Securities, on a confidential basis, pursuant to the PATRIOT Act. No portion of the purchase price to be provided by the undersigned: (i) has been or will be derived from or related to any activity that is deemed criminal under the laws of the United States, or any other jurisdiction; or (ii) is being tendered on behalf of a person or entity who has not been identified to or by the undersigned, and the undersigned shall promptly notify the Issuer if the undersigned discovers that any of such representations ceases to be true and provide the Issuer with appropriate information in connection therewith.

26. **Risks of Private Placement and Offshore Purchaser.** The Subscriber acknowledges that:
- (a) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Securities;
 - (b) there is no government or other insurance covering the Securities;
 - (c) there are risks associated with the purchase of the Securities;
 - (d) there are restrictions on the Subscriber's ability to resell the Securities and it is the responsibility of the Subscriber to find out what those restrictions are and to comply with them before selling the Securities; and

- (e) the Issuer has advised the Subscriber that the Issuer is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell the Securities through a person registered to sell securities under the *Securities Act* (British Columbia) (the "**Act**") and such other applicable laws and no prospectus will be filed by the Issuer with any securities commission or regulatory authority in Canada and, as a consequence of acquiring the Securities pursuant to these exemptions, certain protections, rights and remedies provided by the Act and such other applicable laws, including statutory rights of rescission or damages, will not be available to the Subscriber and the Subscriber will not receive information that would otherwise be required to be provided to it under the Act and the Issuer is relieved from certain obligations that would otherwise apply under the Act.
27. **Survival of Representations and Warranties.** The Subscriber agrees that the representations, warranties, covenants and acknowledgements contained in this Subscription Agreement will be true and correct both as of the execution of this subscription and as of the day of Closing.
28. **Notice.** Documents will be considered to have been delivered (i) on the date of transmission, if delivered by fax, (ii) the date of delivery, if delivered by hand during normal business hours or by prepaid courier, (iii) on the date of transmission, if delivered by e-mail or (iv) five business days after the date of mailing, if delivered by mail, to the Issuer at the address set forth on the instruction page hereof and to the Subscriber at the residential address of the Subscriber set forth on the first page of this Subscription Agreement.
29. **Entire Agreement.** This Subscription Agreement constitutes the entire agreement between the parties in respect of the subject matter hereof and supersedes any and all prior agreements, representations, warranties or covenants, express or implied, written or verbal, except as may be expressed herein.
30. **Currency.** All references to currency herein are to lawful money of Canada, unless otherwise stated herein.
31. **Survival of Terms.** All representations, warranties, agreements and covenants made or deemed to be made by the Subscriber herein will survive the execution and delivery, and acceptance, of this offer and the closing of the issue of the Securities contemplated hereby, notwithstanding the completion of the purchase and sale of the Securities, the conversion or exercise thereof and any subsequent disposition thereof by the Subscriber.
32. **Instrument in Writing.** Subject to the terms hereof, neither this Subscription Agreement nor any provision hereof shall be modified, changed, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, change, discharge or termination is sought.
33. **Enurement.** This Subscription Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators and successors, but otherwise cannot be assigned without the written consent of the parties.
34. **Counterparts.** This Subscription Agreement may be executed in any number of counterparts, each of which when delivered, either in original or facsimile or other electronic form, shall be deemed to be an original and all of which together shall constitute one and the same document. If less than a complete copy of this Subscription Agreement is delivered to the Issuer by the Subscriber (other than the execution pages of this Subscription Agreement required to be executed by the Subscriber), the Issuer and its advisers are entitled to assume, and the Subscriber shall be deemed to have represented and warranted to the Issuer, that the Subscriber accepts and agrees to all of the terms and conditions of the pages of this Subscription Agreement that are not delivered, without any alteration. This Subscription Agreement may be executed by electronic signature, and may be delivered by electronic transmission.
35. **Language.** The parties hereto confirm their express wish that this Subscription Agreement and all documents and agreements directly or indirectly relating hereto be drawn up in the English language. Les parties reconnaissent leur volonté expresse que la présente convention de souscription ainsi que tous les documents et contrats s'y rattachant directement ou indirectement soient rédigés en anglais.
36. **Amendment.** This Subscription Agreement may not be modified, changed, discharged, terminated or amended except by written instrument executed by the parties.

37. **Headings.** The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof.
38. **Independent Legal, Tax, and Investment Advice.** The Subscriber acknowledges that it has been encouraged to and should obtain independent legal, income tax and investment advice with respect to its subscription for the Securities and accordingly, has been independently advised as to the meanings of all terms contained herein relevant to the Subscriber for the purposes of giving representations, warranties and covenants under this Subscription Agreement. The Subscriber (and the disclosed principal) is not relying on the Issuer, or their respective affiliates or counsel in this regard. The Subscriber acknowledges that the Issuer's counsel is acting as counsel to the Issuer and not as counsel to the Subscriber.
39. **Closing Date.** The Subscriber hereby confirms the truth and accuracy of all statements made herein by the Subscriber and that such statements will be true and accurate on the Closing Date.

END OF APPENDIX I

APPENDIX II - WIRE INSTRUCTIONS

Below are the banking details of McMillan LLP, legal counsel to EMD Financial Inc., in order to wire transfer funds into the McMillan LLP **Trust account** in **CAD dollars** as part of the Private Placement contemplated in this Agreement:

Royal Bank of Canada
1 Place Ville Marie
Ground Floor
Montreal, QC, Canada
H3C 3B5

Bank No.: 0003
Transit No.: 00001
Account No.: 111-998-1
Swift Code: ROYCCAT2
Account Name: McMillan LLP - CAD Montreal Trust
1000 Sherbrooke Street West
Suite 2700
Montréal, Quebec H3A 3G4

NOTE: Please include a reference to "Kosta Kostic - EMD Financial Inc." in the "Payments Detail" section of the wire transfer. Thank you.