

NAIKUN WIND ENERGY GROUP INC.
(the "Issuer")

SUBSCRIPTION AGREEMENT
Units
Up to 18,000,000 Units at \$0.07 per Unit

The units (the "**Units**") will be sold at a price of \$0.07 per Unit. Each Unit will consist of one common share in the capital of the Issuer (each, a "**Share**"), and one half of one common share purchase warrant (each whole common share purchase warrant, a "**Warrant**"). Each whole Warrant entitles the holder thereof to purchase one common share in the capital of the Issuer (each a "**Warrant Share**") at \$0.15 per Warrant Share for a period of three (3) years from their date of issue.

The Units will be offered in Canada and such other jurisdictions as may be determined by the Issuer, pursuant to exemptions from the registration and prospectus requirements of applicable securities legislation.

INSTRUCTIONS FOR COMPLETING THIS SUBSCRIPTION PRIOR TO DELIVERY TO THE ISSUER

1. The subscriber (the "**Subscriber**") must complete the information required on page 2 and 3 with respect to the subscription amount, subscriber details and registration and delivery particulars.
2. The Subscriber must complete, for itself and any Disclosed Principal, the personal information required on page 4. The Subscriber acknowledges and agrees that this information will be provided to the TSX Venture Exchange (the "**Exchange**") and the securities regulatory authorities, as applicable.
3. The Subscriber, for itself and any Disclosed Principal, must complete the applicable forms (the "**Forms**") at the end of Schedule B:
 - (a) All Subscribers must complete **Form 1** – "**Certificate for Exemption**".
 - (b) All Subscribers who are individuals and subscribing pursuant to section (j), (k) or (l) of the definition of "accredited investor" in National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**") must complete and execute **Form 1, Schedule 1** – "**Form 45-106F9: Form for Individual Accredited Investors**".
 - (c) All Subscribers who are resident in Ontario and subscribing pursuant to the Friends, Family and Business Associates exemption in NI 45-106 must complete and execute **Form 1, Schedule 2** - "**Form 45-106F12: Risk Acknowledgment Form for Family, Friend and Business Associate Investors**".
 - (d) All Subscribers who are not individuals and will hold more than 5% of the Issuer's common shares on completion of the Offering on either an undiluted or diluted basis must complete **Form 2** – "**TSXV Form 4C – Corporate Placee Registration Form**" UNLESS the Subscriber has a current Corporate Placee Registration Form on file with the Exchange and has checked the appropriate box on page 4 confirming same.
 - (e) All Subscribers in Saskatchewan who are "family, friends and business associates" as disclosed in Form 1 must complete **Form 3** – "**Risk Acknowledgement – Saskatchewan Close Personal Friends and Close Business Associates**".
 - (f) All Subscribers that (i) are in the United States (as defined in Schedule "A" hereto) or "U.S. Persons" (as defined in Schedule "A" hereto), (ii) are subscribing on behalf of, of for the account or benefit of, a U.S. Person or a person in the United States, or (iii) were offered Units in the United States, must complete **Form 4**.
4. Return this subscription and all applicable Forms to the office of the Issuer at **Suite 615 – 1140 West Pender Street, Vancouver British Columbia, V6E 4G1**, with a certified cheque, money order or bank draft drawn on a chartered bank and made payable to "**NaiKun Wind Energy Group Inc.**" in the amount of the applicable subscription funds.

TO: NAIKUN WIND ENERGY GROUP INC.

1. The Subscriber irrevocably subscribes for and agrees to purchase from the Issuer the following securities:

No. of Units at \$0.07 each: _____

Total subscription price for the subscribed Units: \$ _____

2. The Subscriber and the Issuer agree that the Units shall have, and the offering thereof, shall be conducted, on the terms and conditions specified in Schedules A and B hereto. The Subscriber hereby makes the representations, warranties, acknowledgments and agreements set out in Schedules A and B hereto and in all applicable Forms, and acknowledges and agrees that the Issuer and its counsel will and can rely on such representations, warranties, acknowledgments and agreements should this subscription be accepted.

3. Identity of and execution by Subscriber:

BOX A: SUBSCRIBER INFORMATION AND EXECUTION	

(full legal name of subscriber)	

(address – include residential street address, city, province and postal code)	
_____	_____
(telephone number)	(country)
_____	_____
(email address)	X (signature of subscriber/authorized signatory)

(if applicable, print name of signatory and office)	

Execution hereof by the Subscriber shall constitute an offer and agreement to subscribe for the Units set out in Item 1 above pursuant to the provisions of Item 2 above, and acceptance by the Issuer shall effect a legal, valid and binding agreement between the Issuer and the Subscriber. This subscription may be executed and delivered by facsimile, and shall be deemed to bear the date of acceptance below.

4. If the Units are to be registered other than as set out in Box A, the Subscriber directs the Issuer to register the Units as follows:

BOX B: ALTERNATE REGISTRATION INSTRUCTIONS

(name of registered holder)

(address of registered holder – include city, province and postal code)

(registered holder: contact name, contact telephone number and contact email address)

5. If the Units are to be delivered other than as set out in Box A, the Subscriber directs the Issuer to deliver the Units as follows:

BOX C: ALTERNATE DELIVERY INSTRUCTIONS

(name of recipient)

(address of recipient – include city, province and postal code)

(recipient: contact name, contact telephone number and contact email address)

6. If the Subscriber is purchasing as agent for a principal, and is not a trust company or trust corporation purchasing as trustee or agent for accounts fully managed by it or is not a person acting on behalf of an account fully account managed by it (and in each such case satisfying the criteria set forth in NI 45-106), complete Box D below and provide as a separate attachment the personal information required on page 3 and all applicable Forms on behalf of such principal (a "**Disclosed Principal**") (If the Subscriber is subscribing under the Existing Security Holder Exemption (as defined herein) it must not purchase as agent for a principal):

BOX D: IDENTIFICATION OF PRINCIPAL

 (name of Disclosed Principal)

 (address of Disclosed Principal – include city, province and postal code)

 (Disclosed Principal: contact name, contact telephone number and contact email address)

ACCEPTANCE

This subscription is accepted and agreed to by the
 Issuer as of the _____ day of _____,
 2016.

)
)
)
)

NAIKUN WIND ENERGY GROUP INC.

Per: _____

Authorized Signatory

PERSONAL INFORMATION

Please check the appropriate box (and complete the required information, if applicable) in each section:

1. **Security Holdings.** The Subscriber and all persons acting jointly and in concert with the Subscriber own, directly or indirectly, or exercise control or direction over (provide additional details as applicable):
 - _____ **COMMON SHARES** of the Issuer and/or the following other kinds of shares and convertible securities (including but not limited to convertible debt, warrants and options) entitling the Subscriber to acquire additional common shares or other kinds of shares of the Issuer: _____
(type and number of other securities listed here)
 - No shares of the Issuer or securities convertible into shares of the Issuer.
2. **Insider Status.** The Subscriber either:
 - Is an "Insider" of the Issuer as defined in the *Securities Act* (British Columbia), by virtue of being:
 - (a) a director or an officer of the Issuer;
 - (b) a director or an officer of a person that is 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 of 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
 - Is not an Insider of the Issuer.
3. **Registrant Status.** The Subscriber either:
 - Is a "Registrant" by virtue of being a person registered or required to be registered under the *Securities Act* (British Columbia or similar laws in another Canadian jurisdiction); or
 - Is not a Registrant.
4. **Pro Group Status.** The Subscriber either:
 - Is a Member of the "Pro Group", which is defined in the TSX Venture Exchange Corporate Finance Manual, either individually or as a group:
 1. the member (i.e. a member of the Exchange under the Exchange requirements);
 2. employees of the member;
 3. partners, officers and directors of the member;
 4. affiliates of the member; and
 5. associates of any parties referred to in subparagraphs 1 through 4; or
 - Is not a member of the Pro Group.
5. **Corporate Placee Form.** If the Subscriber is not an individual, and will hold more than 5% of the Issuer's common shares on completion of the Offering, on either an undiluted or diluted basis, the Subscriber either:
 - has a current Form 4C - Corporate Placee Registration Form on file with the Exchange; or
 - has returned with this subscription a duly completed and executed Form 4C - Corporate Placee Registration Form (appended to this subscription as Form 2) for filing with the Exchange.

SCHEDULE A

1. Interpretation

1.1 Unless the context otherwise requires, reference in this subscription to:

- (a) "Applicable Securities Laws" means the Securities Act or analogous legislation of the Reporting Jurisdictions and the Selling Jurisdictions and all rules, regulations, policies, orders, notices and other instruments incidental thereto;
- (b) "Business Day" means a day which is not a Saturday, Sunday, or civic or statutory holiday in the city of Vancouver, British Columbia;
- (c) "Closing" refers to the completion of the purchase and sale of the Units, and if the purchase and sale occurs in two or more tranches, the completion of each shall be a "Closing";
- (d) "Existing Security Holder Exemption" means the prospectus exemption available in British Columbia, pursuant to BC Instrument 45-534; in Alberta, pursuant to Alberta Securities Commission Rule 45-516; in Saskatchewan, pursuant to General Order 45-926; in Manitoba, pursuant to Blanket Order 45-501; in Ontario, pursuant to Ontario Securities Commission Rule 45-501; in Quebec, pursuant to Regulation 45-513; in New Brunswick, Blanket Order 45-505; in Nova Scotia, Blanket Order 45-525; in Prince Edward Island, Blanket Order 45-511; and in Newfoundland and Labrador, Blanket Order Number 88;
- (e) "Gross Proceeds" means the amount equal to the number of Units sold in the Offering multiplied by the purchase price;
- (f) "NI 45-102" and "NI 45-106" refer to National Instrument 45-102 and National Instrument 45-106, respectively, of the Canadian Securities Administrators;
- (g) "Public Record" refers to all public information which has been filed by the Issuer pursuant to the Applicable Securities Laws of the Reporting Jurisdictions and otherwise pursuant to the Applicable Securities Laws of any additional Selling Jurisdictions;
- (h) "Reporting Jurisdictions" refers to the Provinces of British Columbia and Alberta;
- (i) "Securities" refers collectively to the Units, the Shares, the Warrants and the Warrant Shares;
- (j) "Selling Jurisdictions" refers to British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Newfoundland and Labrador, New Brunswick, Nova Scotia, Prince Edward Island, Yukon, Northwest Territories and Nunavut and all other jurisdictions where the Units may be sold;
- (k) "Shares" means the previously unissued common shares of the Issuer comprising part of the Units;
- (l) "subscription" means this subscription agreement and includes all schedules hereto and the Forms;
- (m) "United States" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
- (n) "Units" means the units of the Issuer, as further described on the face page of this subscription;
- (o) "U.S. Person" means a U.S. Person as that term is defined in Rule 902(k) of Regulation S promulgated under the U.S. Securities Act, and includes (i) any natural person resident in the United States and (ii) any partnership or corporation organized or incorporated under the laws of the United States, among other persons specified in such Rule;
- (p) "U.S. Purchaser" means a Subscriber that (i) is in the United States or a "U.S. Person", (ii) is subscribing on behalf of, or for the account or benefit of, a U.S. person or a person in the United States, or (iii) was offered Units in the United States.

- (q) "U.S. Securities Act" means the United States Securities Act of 1933, as amended;
- (r) "Warrants" means each whole transferable common share purchase warrant of the Issuer issued as part of the Units, with each Warrant entitling the holder thereof to purchase one Warrant Share at a price of \$0.15 per Warrant Share for a period of three (3) years from their date of issue; and
- (s) "Warrant Shares" mean the previously unissued common shares of the Issuer issuable upon the due exercise of the Warrants in accordance with the terms set out therein including payment therefore.

1.2 Unless otherwise stated, all dollar figures herein expressed are in Canadian Dollars.

1.3 References imputing the singular shall include the plural and vice versa; references imputing individuals shall include corporations, partnerships, societies, associations, trusts and other artificial constructs and vice versa; and references imputing gender shall include the opposite gender.

2. Description of Offering and Securities

2.1 The Issuer is offering (the "**Offering**") up to 18,000,000 Units at a price of \$0.07 per Unit. Subject to the approval from the Exchange, the Issuer may, in its discretion, increase the size of the Offering. The Closing of the Offering is subject to the acceptance of the Exchange. At the Closing, the Issuer shall deliver certificates representing such number of Shares and Warrants comprising the Units as is set forth above, duly registered in accordance with the instructions of the Subscriber.

2.2 Each Unit will consist of one Share and one half of one Warrant, with each whole Warrant entitling the holder to purchase one Warrant Share at a price of \$0.15 per Warrant Share, if exercised on or before 5:00 p.m. (Vancouver time) on the first Business Day that is three (3) years after their date of issue.

2.3 The certificates representing the Warrants will refer to the terms and conditions which govern the Warrants and will include, among other things, provisions for the appropriate adjustment in the class, number, and price of the Warrant Shares issued on exercise of the Warrants if certain events occur, including any subdivision, consolidation, or reclassification of the Issuer's common shares, the payment of stock dividends, and the amalgamation of the Issuer. If a Warrant holder exercises any Warrants, the Issuer will, in accordance with the certificates representing the Warrants, issue to the holder the number of Warrant Shares equal to the number of Warrants exercised, and deliver to the holder a share certificate representing the Warrant Shares.

3. Eligibility and Subscription Procedure

3.1 The Offering is being made pursuant to exemptions (the "**Exemptions**") from the registration and prospectus requirements of Applicable Securities Laws, the U.S. Securities Act and applicable state securities laws. The Subscriber and any Disclosed Principal acknowledges and agrees that the Issuer and its counsel will and can rely on the representations, warranties, acknowledgments and agreements of the Subscriber and any Disclosed Principal contained in this subscription and otherwise provided by the Subscriber to the Issuer to determine the availability of Exemptions should this subscription be accepted.

3.2 No offering memorandum or other disclosure document has been or will be prepared or distributed in connection with the Offering.

3.3 The Offering is not, and under no circumstances is to be construed as, a public offering of the Securities. The Offering is not being made, and this subscription does not constitute, an offer to sell or the solicitation of an offer to buy the Securities in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation.

3.4 Subscribers must duly complete and execute this subscription together with all applicable Forms hereto (**please see the instructions listed on the face page hereof**) and return them to the Issuer with payment for the total subscription price for the subscribed Units by way of a certified cheque, money order or bank draft made payable to "**NaiKun Wind Energy Group Inc.**".

- 3.5 The offer made by this subscription by the Subscriber is irrevocable and requires only acceptance by the Issuer (which may be granted in whole or in part) and conditional approval from the Exchange.
- 3.6 A subscription will only be effective upon its acceptance by the Issuer. Subscriptions will only be accepted if the Issuer is satisfied that, and will be subject to a condition for the benefit of the Issuer that, the Offering can lawfully be made in the jurisdiction of residence of the Subscriber and any Disclosed Principal pursuant to an available Exemption and that all other Applicable Securities Laws and United States federal and state securities laws have been and will be complied with in connection with the proposed distribution.
- 3.7 If a subscriber holds common shares of the Issuer, a Subscriber is only eligible to purchase up to 200% of his/her currently held common shares in the capital of the Issuer, should such number of Shares be available for purchase.

4. Closing Procedure

- 4.1 The Offering will be completed at one or more Closings at such time or times, on such date or dates, and at such place or places, as the Issuer may determine. At each Closing, the Issuer will deliver certificates representing the Shares and certificates representing the Warrants to those Subscribers whose subscriptions have been accepted, against the duly completed and executed subscriptions and applicable subscription price in respect thereof.
- 4.2 In the event that the purchase and sale of the Units contemplated by this subscription is not completed, the Issuer shall immediately return this subscription and the total subscription price for the subscribed Units without interest or deduction.

5. Reporting and Consent

- 5.1 The Subscriber, on its own behalf and on behalf of any Disclosed Principal, expressly consents and agrees to:
- (a) the Issuer collecting personal information regarding the Subscriber and any Disclosed Principal for the purpose of completing the transactions contemplated by this subscription; and
 - (b) the Issuer releasing personal information regarding the Subscriber, any Disclosed Principal and this Subscription, including the Subscriber's and any Disclosed Principal's name, residential address, telephone number, email address and registration and delivery instructions, the number of Securities purchased, the number of securities of the Issuer held by the Subscriber and any Disclosed Principal, the status of the Subscriber and any Disclosed Principal as an insider, as a Pro Group member or as otherwise represented herein, and, if applicable, information regarding the beneficial ownership or the principals of the Subscriber and any Disclosed Principal, to securities regulatory authorities in compliance with Applicable Securities Laws, to other authorities as required by law and to the registrar and transfer agent of the Issuer for the purpose of arranging for the preparation of the certificates representing the Securities in connection with the Offering.

The purpose of the collection of the information is to ensure the Issuer and its advisors will be able to issue Securities to the Subscriber in accordance with the instructions of the Subscriber and in compliance with applicable Canadian corporate and securities laws (including for the purposes described in Appendix 6A of the TSX Venture Exchange Corporate Finance Manual), and to obtain the information required to be provided in documents required to be filed with securities regulatory authorities under Applicable Securities Laws and with other authorities as required by law. The Subscriber, on its own behalf and on behalf of any Disclosed Principal, further expressly consents and agrees to the collection, use and disclosure of all such personal information by securities regulatory authorities and other authorities in accordance with their requirements, including the provision of all such personal information to third party service providers from time to time.

The contact information for the officer of the Issuer who can answer questions about the collection of information by the Issuer is as follows:

Name & Title: Michael O'Connor, President and Chief Executive Officer
Issuer Name: NaiKun Wind Energy Group Inc.
Address: 615 – 1140 West Pender Street, Vancouver, British Columbia V6E 4G1
Telephone No: 604-631-4483
Email Address: MOConnor@naikun.ca

5.2 The Subscriber, on its own behalf and on behalf of any Disclosed Principal, expressly acknowledges and agrees that:

- (a) the Issuer may be required to provide applicable securities regulators, or otherwise under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* of Canada, a list setting forth the identities of the purchasers of the Securities and any personal information provided by the Subscriber, and the Subscriber hereby represents and warrants that to the best of the Subscriber's knowledge, none of the funds representing the subscription proceeds to be provided by the Subscriber (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; the Subscriber hereby further covenants that it shall promptly notify the Issuer if the Subscriber discovers that any of such representations ceases to be true, and shall provide the Issuer with appropriate information in connection therewith; and
- (b) it shall complete, sign and return such additional documentation as may be required from time to time under Applicable Securities Laws or any other applicable laws in connection with the Offering and this subscription.

5.3 Furthermore, the Subscriber and any Disclosed Principal is hereby notified and acknowledges that:

- (a) the Issuer may deliver to the applicable securities regulators certain personal information pertaining to the Subscriber, including such Subscriber's full name, residential address, telephone number and email address, the number of Securities purchased by the Subscriber and the total purchase price paid for such Securities, the prospectus exemption relied on by the Issuer and the date of distribution of the Securities,
- (b) such information is being collected indirectly by the applicable securities regulators under the authority granted to them in securities legislation,
- (c) such information is being collected for the purposes of the administration and enforcement of the securities legislation of the applicable Selling Jurisdiction, and
- (d) the Subscriber may contact the following public official in the applicable Selling Jurisdiction with respect to questions about the Commission's indirect collection of such information at the following address and telephone number:

Alberta Securities Commission
Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Telephone: (403) 297-6454
Toll free in Canada: 1-877-355-0585
Facsimile: (403) 297-2082

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Inquiries: (604) 899-6854
Toll free in Canada: 1-800-373-6393
Facsimile: (604) 899-6581
Email: inquiries@bcsc.bc.ca

Government of Nunavut
Department of Justice
Legal Registries Division
P.O. Box 1000, Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: (867) 975-6590
Facsimile: (867) 975-6594

**Administrative Assistant to the Director of
Corporate Finance**
Ontario Securities Commission
Suite 1903, Box 55, 20 Queen Street West
Toronto, Ontario, M5H 3S8
Telephone: (416) 593-8086

The Manitoba Securities Commission

500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: (204) 945-2548
Toll free in Manitoba 1-800-655-5244
Facsimile: (204) 945-0330

Financial and Consumer Services Commission (New Brunswick)

85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: (506) 658-3060
Toll free in Canada: 1-866-933-2222
Facsimile: (506) 658-3059
Email: info@fcnb.ca

**Government of Newfoundland and Labrador
Financial Services Regulation Division**

P.O. Box 8700
Confederation Building
2nd Floor, West Block
Prince Philip Drive
St. John's, Newfoundland and Labrador A1B 4J6
Attention: Director of Securities
Telephone: (709) 729-4189
Facsimile: (709) 729-6187

**Government of the Northwest Territories
Office of the Superintendent of Securities**

P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9
Attention: Deputy Superintendent, Legal & Enforcement
Telephone: (867) 920-8984
Facsimile: (867) 873-0243

Nova Scotia Securities Commission

Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: (902) 424-7768
Facsimile: (902) 424-4625

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: (416) 593- 8314
Toll free in Canada: 1-877-785-1555
Facsimile: (416) 593-8122
Email: exemptmarketfilings@osc.gov.on.ca
Public official contact regarding indirect collection of
information: Inquiries Officer

Prince Edward Island Securities Office

95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: (902) 368-4569
Facsimile: (902) 368-5283

Autorité des marchés financiers

800, Square Victoria, 22e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: (514) 395-0337 or 1-877-525-0337
Facsimile: (514) 873-6155 (For filing purposes only)
Facsimile: (514) 864-6381 (For privacy requests
only)
Email: financementdassocietes@lautorite.qc.ca
(For corporate finance issuers);
fonds_dinvestissement@lautorite.qc.ca (For
investment fund issuers)

**Financial and Consumer Affairs Authority of
Saskatchewan**

Suite 601 - 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

Government of Yukon**Department of Community Services**

Law Centre, 3rd Floor
2130 Second Avenue
Whitehorse, Yukon Y1A 5H6
Telephone: (867) 667-5314
Facsimile: (867) 393-6251

6. Finders Fee

- 6.1 The Subscriber acknowledges that the Issuer may pay a finder's fee in respect of the Offering outside of the United States, in accordance with applicable law and the rules and policies of the Exchange. For certainty, a finder's fee may not be paid in respect of sales made to U.S. Purchasers.

7. Resale Restrictions and Legending of Securities

- 7.1 The Subscriber hereby acknowledges and agrees that the Offering is being made pursuant to Exemptions and, as a result, the Securities will be subject to a number of statutory restrictions on resale and trading. Until these restriction expire, the Subscriber will not be able to sell or trade the Securities unless the Subscriber complies with an exemption from the prospectus and registration requirements under Applicable Securities Laws, the U.S. Securities Act and applicable state securities laws. In general, unless permitted under securities legislation, the Subscriber cannot trade the Securities in Canada before the date that is four months and a day after the date of the applicable Closing. In addition to any statutory hold period imposed by Applicable Securities Laws, the Securities may be subject to a hold period imposed by the Exchange of 4 months and a day after the date of the applicable Closing. **See also section 7.3 below.** U.S. Purchasers will also be subject to transfer restrictions imposed under the U.S. Securities Act that are described in Form 4.

- 7.2 The Subscriber acknowledges and agrees that the Securities have not been and will not be registered under the U.S. Securities Act or any state securities laws, and are being offered and sold to the Subscriber pursuant to an exemption from the registration requirements of the U.S. Securities Act and exemptions under applicable state securities laws.
- 7.3 **The foregoing discussion on hold periods and resale restrictions is a general summary only and is not intended to be comprehensive or exhaustive, or to apply in all circumstances.** Subscribers are advised to consult with their own advisors concerning their particular circumstances and the particular nature of the restrictions on transfer, the extent of the applicable hold period and the possibilities of utilizing any further Exemptions or the obtaining of a discretionary order to transfer any Securities. Subscribers are further advised against attempting to resell or transfer any Securities until they have determined that any such resale or transfer is in compliance with the requirements of all Applicable Securities Laws, the U.S. Securities Act and applicable state securities laws, including but not limited to compliance with restrictions on certain pre-trade activities and the filing with the appropriate regulatory authority of reports required upon any resale of the Securities.
- 7.4 In the event that any of the Securities are subject to a hold period or any other restrictions on resale and transferability, the Issuer will place a legend on the certificates representing the Securities as are required under Applicable Securities Laws, the U.S. Securities Act, applicable state securities laws, the Exchange or as it may otherwise deem necessary or advisable.
- 8. Miscellaneous**
- 8.1 If the Subscriber is not resident in British Columbia, the Subscriber certifies that the Subscriber is not resident in British Columbia and 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;
 - (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, as a consequence of acquiring the Securities pursuant to this exemption, certain protections, rights and remedies provided by the applicable securities laws, including statutory rights of rescission or damages, will not be available to the Subscriber;
- 8.2 The Subscriber acknowledges and agrees that all costs and expenses incurred by the Subscriber, including any fees and disbursements of any counsel retained by the Subscriber, relating to the purchase, resale or transfer of the Securities shall be borne by the Subscriber.
- 8.3 Each party to this subscription covenants that it will, from time to time both before and after the Closing, at the request and expense of the requesting party, promptly execute and deliver all such other notices, certificates, undertakings, escrow agreements and other instruments and documents, and shall do all such other acts and other things, as may be necessary or desirable for purposes of carry out the provisions of this subscription.
- 8.4 Except as expressly provided for in this subscription and in any agreements, instruments and other documents contemplated or provided for herein, this subscription contains the entire agreement between the parties with respect to the sale of the Units and there are no other terms, conditions, representations, warranties, acknowledgments and agreements, whether expressed or implied, whether written or oral, and whether made by statute, common law, the parties hereto or anyone else. This subscription may only be amended by instrument in writing signed by the parties hereto.

- 8.5 The invalidity or unenforceability of any particular provision of this subscription shall not affect or limit the validity or enforceability of the remaining provisions of this subscription.
- 8.6 This subscription, including without limitation the terms, conditions, representations, warranties, acknowledgments and agreements contained herein, shall survive and continue in full force and effect and be binding upon the Subscriber and the Issuer notwithstanding the completion of the purchase and sale of the Securities, the conversion or exercise thereof and any subsequent disposition thereof by the Subscriber.
- 8.7 This subscription is not transferable or assignable. This subscription shall enure to the benefit of and be binding upon the parties hereto and its respective successors and permitted assigns.
- 8.8 This subscription is governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Subscriber, in his personal or corporate capacity, irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia.
- 8.9 Time shall be of the essence hereof.
- 8.10 This subscription may be executed in as many counterparts as may be necessary and delivered by facsimile, and such counterparts and facsimiles shall be deemed to constitute one and the same original instrument. Without limiting the foregoing, the Issuer may rely on facsimile or other electronic delivery of this subscription, and acceptance of such facsimile or other electronic form shall be effective to create a valid and binding agreement between the Subscriber and the Issuer.

SCHEDULE B

1. Representations, Warranties, Acknowledgments and Agreements of the Subscriber

1.1 The Subscriber, on its own behalf and on behalf of any Disclosed Principal, hereby represents, warrants, certifies, acknowledges and agrees for the benefit of the Issuer and its respective counsel that:

- (a) the Subscriber and any Disclosed Principal is resident in the jurisdiction set out on page 2 above, and if such address is not located in British Columbia, the Subscriber expressly certifies that it and/or any Disclosed Principal, as the case may be, is not resident in British Columbia;
- (b) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Securities, and in particular no governmental agency or authority, stock exchange or other regulatory body or any other entity has made any finding or determination as to the merit for investment of, nor have any such agencies, authorities, exchanges, bodies or other entities made any recommendation or endorsement with respect to, the Securities;
- (c) there is no government or other insurance covering the Securities;
- (d) there are risks associated with the purchase of the Securities and the subscribers investment is speculative which involves a substantial degree of risk;
- (e) there are restrictions on the Subscriber's ability to resell the Securities and it is solely the responsibility of the Subscriber (and not the Issuer) to find out what those restrictions are and to comply with them before selling the Securities;
- (f) the Issuer has advised the Subscriber that it is relying on one or more Exemptions from the requirements to provide the Subscriber with a prospectus and to sell securities through a person registered to sell securities under the Applicable Securities Laws, and as a consequence of acquiring the Securities pursuant to such Exemptions, certain protections, rights and remedies provided in applicable securities legislation, including statutory rights of rescission or damages, may not be available to it;
- (g) the Subscriber has been further advised that due to the fact that no prospectus or registration statement has been or is required to be filed with respect to any of the Securities under Applicable Securities Laws or the U.S. Securities Act (i) the Subscriber may not receive information that might otherwise be required to be provided to it under such legislation, (ii) the Issuer is relieved from certain obligations that would otherwise apply under applicable legislation, and (iii) the Subscriber is restricted from using certain of the civil remedies available under such legislation;
- (h) the Subscriber has had access to all information regarding the Issuer and the Securities that the Subscriber has considered necessary in connection with its investment decision, and, in particular, the Subscriber's decision to execute this subscription and purchase Units has been based entirely upon its review of the Public Record, including the Issuer's financial statements, and has not been based upon any written or oral representation or warranty as to fact or otherwise made by or on behalf of the Issuer;
- (i) 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;
- (j) the Subscriber is capable by reason of knowledge and experience in financial and business matters in general, and investments in particular, of assessing and evaluating the merits and risks of an investment in the Securities, and is and will be able to bear the economic loss of its entire investment in any of the Securities and can otherwise be reasonably assumed to have the capacity to protect its own interest in connection with the investment;
- (k) the Subscriber has been advised to consult its own investment, legal and tax advisors with respect to the merits and risks of an investment in the Securities and Applicable Securities Laws and resale restrictions, and in all cases the Subscriber has not relied upon the Issuer or its respective

counsel or advisors for investment, legal or tax advice, always having, if desired, in all cases sought the advice of the Subscriber's own personal investment advisor, legal counsel and tax advisors, and in particular, the Subscriber has been advised and understands that it is solely responsible, and neither the Issuer nor its respective counsel or advisors are in any way responsible, for the Subscriber's compliance with Applicable Securities Laws and resale restrictions regarding the holding and disposition of the Securities;

- (l) to the knowledge of the Subscriber, the Offering was not advertised or solicited in any manner in contravention of Applicable Securities Laws, and has not been made through or as a result of any general solicitation or general advertising or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
- (m) except for this subscription, no other documents, including any offering memorandum or other similar document, were delivered or otherwise furnished to the Subscriber in connection with the Offering;
- (n) the Subscriber has no knowledge of a "material fact" or "material change", as those terms are defined in the Applicable Securities Laws applicable in its jurisdiction of residence, in respect of the affairs of the Issuer that has not been generally disclosed to the public;
- (o) the Subscriber is not an investment club;
- (p) the Subscriber has the legal capacity and competence to enter into and execute this subscription and to take all actions required pursuant hereto, and if the Subscriber is not an individual, it is also duly formed and validly subsisting under the laws of its jurisdiction of formation and all necessary approvals by its directors, shareholders, partners and others have been obtained to authorize the entering into and execution of this subscription and the taking of all actions required hereto on behalf of the Subscriber;
- (q) the Subscriber has duly and validly entered into, executed and delivered this subscription and it constitutes a legal, valid and binding obligation of the Subscriber enforceable against it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the enforcement of creditors' rights generally and as limited by laws relating to the availability of equitable remedies;
- (r) the entering into of this subscription and the transactions contemplated hereby does not and will not, conflict with, result in a violation or breach of, or constitute a default under, any of the terms and provisions of any law, regulation, order or ruling applicable to the Subscriber or any Disclosed Principal, or of any agreement, contract or indenture, written or oral, to which it or any Disclosed Principal is or may be a party or by which it or any Disclosed Principal is or may be bound, and, if the Subscriber or any Disclosed Principal is a corporation, its constituting documents or any resolutions of its or the Disclosed Principal's directors or shareholders;
- (s) if the Subscriber is resident in the United States or a U.S. Person, the Subscriber is an "accredited investor" within the meaning of Rule 501(a) of Regulation D under the U.S. Securities Act, as set forth in **Form 4**, and the Subscriber has concurrently delivered herewith to the Issuer a duly completed **Form 4**;

1.2 The Subscriber hereby represents, warrants, acknowledges and agrees for the benefit of the Issuer that it is:

- (a) purchasing the Units as principal for investment purposes only, for its own account and not for the benefit of any other person and not with a view to, or for resale in connection with, any distribution thereof in violation of any Applicable Securities Laws; or
- (b) deemed to be purchasing as principal pursuant to NI 45-106 by virtue of the Subscriber being an "accredited investor" as such term is defined in paragraphs (p) or (q) of the definition of "accredited investor" in NI 45-106 (reproduced in Form 1 attached hereto) and provided, however, that the Subscriber is not a trust company or trust corporation registered under the laws of Prince Edward Island that is not registered or authorized under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in another jurisdiction in Canada, and that the

Subscriber has concurrently executed and delivered Form 1 and under the heading of Category 1: Accredited Investor therein checked off paragraphs (p) or (q); or

- (c) acting as agent for a Disclosed Principal (whose name and residential address are disclosed on page 2 of this subscription) who is purchasing the Units as principal for investment purposes only, that the Subscriber is duly authorized and empowered to enter into this subscription, make all requisite representations, warranties, certifications, acknowledgments and agreements and execute all documentation in connection therewith on behalf of the Disclosed Principal, and that the Subscriber has concurrently completed, executed and delivered Form 1 and Forms 2, 3, 4 and 5, as applicable, on behalf of such Disclosed Principal in compliance with this subscription.

1.3 If the Subscriber is not a resident in the United States or not a U.S. Person, the Subscriber, on its own behalf and on behalf of any Disclosed Principal, hereby represents, warrants, acknowledges and agrees for the benefit of the Issuer and its respective counsel that:

(a) **in respect of all Subscribers, and any Disclosed Principals for which the Subscriber is acting, who are resident in or otherwise subject to the securities laws of a Province of Canada, it is (please initial the appropriate line):**

- _____ (i) **Accredited Investor.** A person described in section 2.3 of NI 45-106 by virtue of being an "accredited investor" as defined in NI 45-106, and provided that it is not a person that is or has been created or used solely to purchase or hold securities as an "accredited investor" as described in paragraph (m) of the definition of "accredited investor" in NI 45-106;
- _____ (ii) **Friends, Family and Business Associates.** A person described in section 2.5 of NI 45-106 by virtue of being (A) a director, executive officer or control person of the Issuer or of an affiliate of the Issuer; (B) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer or control person of the Issuer, or an affiliate of the Issuer; (C) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer; (D) a close personal friend or close business associate of a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer; (E) a founder of the Issuer or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the Issuer; (F) a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the Issuer; (G) 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 1.3(a)(ii)(A) to 1.3(a)(ii)(F); or (H) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs 1.3(a)(ii)(A) to 1.3(a)(ii)(F);
- _____ (iii) **Minimum Amount Invested.** A person described in section 2.10 of NI 45-106 by virtue of the Units having an acquisition cost to the purchaser of not less than \$150,000 paid in cash, and provided that it is a non-individual investor and not a person that is or has been created or used solely to purchase or hold securities in reliance on the exemption provided by section 2.10 of NI 45-106, and further provided no document purporting to describe the business and affairs of the Issuer, which has been prepared for review by prospective purchasers to assist such prospective purchasers in making an investment decision in respect of the Units, has been delivered to or summarized for or seen by or requested by the Subscriber in connection with the Offering;
- _____ (iv) **Employee, Executive Officer, Director and Consultant.** A person described in section 2.24 of NI 45-106 by virtue of being an employee, "executive officer", "director" or "consultant" of the Issuer or of a "related entity" of the Issuer or by virtue of being a "permitted assign" of the foregoing persons, as those terms are defined in sections 1.1 or 2.22 of NI 45-106, and its participation in the Offering is voluntary; or

- _____ (v) **Existing Security Holder Exemption.** A person described in the applicable Existing Security Holder Exemption by virtue of acquiring, on or before July 19, 2016 and continuing to hold a common share of the Issuer, and having obtained advice regarding the suitability of the above subscribed for number of Units from a person that is registered as an Investment Dealer in the Subscriber's applicable Selling Jurisdiction or the aggregate acquisition cost of the above subscribed for number of Units, when combined with the acquisition cost to the Subscriber of all securities of the Issuer distributed pursuant to the Existing Security Holder Exemption in the last 12 months, does not exceed \$15,000,

and the Subscriber has **certified** same by marking the applicable boxes and signing and returning **Form 1** herein; **and**

- (b) **in respect of all Subscribers, and any Disclosed Principals for which the Subscriber is acting, who are resident outside of Canada or the United States:**

- (i) it is knowledgeable of, or has been independently advised as to, the applicable securities laws of the securities regulatory authorities (the "**Authorities**") having application to the Offering and the Issuer in the jurisdiction (the "**International Jurisdiction**") in which the Subscriber is resident;
- (ii) it is purchasing Securities pursuant to an applicable exemption from any prospectus, registration or similar requirements under the applicable securities laws of the International Jurisdiction, or the Subscriber is permitted to purchase the Securities under the applicable securities laws of the International Jurisdiction without the need to rely on such exemptions;
- (iii) the applicable securities laws of the International Jurisdiction do not require the Issuer to make any filings or seek any approvals of any nature whatsoever with or from any of the Authorities in connection with the Offering or the Securities, including any resale thereof;
- (iv) the Offering and the completion of the offer and sale of the Securities to the Subscriber as contemplated herein complies in all respects with the applicable securities laws of the International Jurisdiction, and does not trigger:
- (A) any obligation to prepare and file a prospectus or similar or other offering document, or any other report with respect to such purchase in the International Jurisdiction; or
- (B) any continuous disclosure reporting obligation of the Issuer in the International Jurisdiction; and
- (v) it will, if requested by the Issuer, deliver to the Issuer a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters referred to in subparagraphs (ii), (iii) and (iv) above to the satisfaction of the Issuer, acting reasonably.

2. Representations, Warranties and Covenants of the Issuer (Existing Security Holder Exemption)

2.1 In the event that the Subscriber fully complies with and solely relies upon subsection 1.3(a)(v) of this Schedule B to the subscription, then by accepting this subscription, the Issuer represents and warrants to the Subscriber as follows:

- (a) the Issuer's "core documents" and "documents", as those terms are defined in Section 140.1 of the *Securities Act* (British Columbia), Part 17.01 of the *Securities Act* (Alberta), Section 136.01 of the *Securities Act* (Saskatchewan), Section 174 of the *Securities Act* (Manitoba), Section 138.1 of the *Securities Act* (Ontario), Section 225.3 of the *Securities Act* (Quebec), Section 161.1 of the *Securities Act* (New Brunswick), Section 146A of the *Securities Act* (Nova Scotia), Section 140.1 of the *Securities Act* (Prince Edward Island), Section 138.1 of the *Securities Act* (Newfoundland and Labrador), Section 122 of the *Securities Act* (Yukon), Section 122 of the *Securities Act*

(Nunavut) or Section 122 of the *Securities Act* (Northwest Territories), as the case may be, depending upon the jurisdiction in which the Subscriber purchasing the securities is resident, do not contain a misrepresentation; and

- (b) there is no material fact or material change related to the Issuer which has not been generally disclosed.

2.2 **Statutory Right of Action against the Issuer For Subscribers in Alberta.** Part 17.01 of the *Securities Act* (Alberta) may result in liability on the part of the Issuer for certain secondary market disclosure in connection with any security distributed by the Issuer to a Subscriber resident in Alberta under the Existing Security Holder Exemption. The Subscriber is advised, and acknowledges that it has been advised, to seek its own legal counsel concerning the Subscriber's rights pursuant to Part 17.01 of the *Securities Act* (Alberta), which may be in addition to any other rights the Subscriber has as a purchaser of Common Shares under this subscription.

2.3 **Statutory Right of Action against the Issuer For Subscribers in Ontario.** Part XXIII.1 of the *Securities Act* (Ontario) may result in liability on the part of the Issuer for certain secondary market disclosure in connection with any security distributed by the Issuer to a Subscriber resident in Ontario under the Existing Security Holder Exemption. The Subscriber is advised, and acknowledges that it has been advised, to seek its own legal counsel concerning the Subscriber's rights pursuant to Part XXIII.1 of the *Securities Act* (Ontario), which may be in addition to any other rights the Subscriber has as a purchaser of Common Shares under this subscription.

2.4 **Statutory Right of Action against the Issuer For Subscribers in Quebec.** Division II of Chapter II of the *Securities Act* (Quebec) may result in liability on the part of the Issuer for certain secondary market disclosure in connection with any security distributed by the Issuer to a Subscriber resident in Quebec under the Existing Security Holder Exemption. The Subscriber is advised, and acknowledges that it has been advised, to seek its own legal counsel concerning the Subscriber's rights pursuant to Division II of Chapter II of the *Securities Act* (Quebec), which may be in addition to any other rights the Subscriber has as a purchaser of Common Shares under this subscription.

2.5 **Contractual Right of Action against the Issuer For Certain Subscribers.** Notwithstanding anything else herein contained, in the event that the Subscriber fully complies with and solely relies upon 1.3(a)(v) of this Schedule B to the subscription and the Subscriber is resident in a Selling Jurisdiction in Canada (other than Alberta, Ontario or Quebec), as set on page 2 of the subscription hereof, then by its acceptance of this subscription, the Issuer hereby grants to the Subscriber a contractual right of action against the Issuer for rescission or damages that:

- (a) is available to the Subscriber if a "core document" or "document" of the Issuer, each as defined under Section 140.1 of the *Securities Act* (British Columbia), Section 136.01 of the *Securities Act* (Saskatchewan), Section 174 of the *Securities Act* (Manitoba), Section 161.1 of the *Securities Act* (New Brunswick), Section 146A of the *Securities Act* (Nova Scotia), Section 140.1 of the *Securities Act* (Prince Edward Island), Section 138.1 of the *Securities Act* (Newfoundland and Labrador), Section 122 of the *Securities Act* (Yukon), Section 122 of the *Securities Act* (Nunavut) or Section 122 of the *Securities Act* (Northwest Territories), as applicable, contains a misrepresentation which is not corrected before the Subscriber acquires a Unit, without regard to whether the Subscriber relied on the misrepresentation;
- (b) is enforceable by the Subscriber delivering a notice to the Issuer:
 - (i) in the case of an action for rescission, within 180 days after the Subscriber signs this subscription; or
 - (ii) in the case of an action for damages, before the earlier of:
 - (A) 180 days after the Subscriber first has knowledge of the facts giving rise to the cause of action; or
 - (B) 3 years after the date the Subscriber signs this subscription;

- (c) is subject to the defence that the Subscriber had knowledge of the misrepresentation;
- (d) in the case of an action for damages, provides that the amount recoverable:
 - (i) must not exceed the price at which the Unit was offered; and
 - (ii) does not include all or any part of the damages that the Issuer proves does not represent the depreciation in value of the Unit from the misrepresentation; and
- (e) is in addition to, and does not detract from, any other right of the Subscriber.

3. Reliance, Notification, Indemnity and Survival

- 3.1 The Subscriber acknowledges and agrees that the Issuer and its respective counsel will and can rely on the representations, warranties, certifications, acknowledgments and agreements of the Subscriber contained in this subscription and otherwise provided by the Subscriber to and with the Issuer to determine the availability of Exemptions should this subscription be accepted, and otherwise in completing the offering, issue and sale of the Securities to the Subscriber in accordance with applicable laws.
- 3.2 The Subscriber undertakes to notify the Issuer immediately of any change in any representation, warranty or other information pertaining to the Subscriber herein or otherwise provided in connection with this subscription which takes place prior to Closing.
- 3.3 The Subscriber hereby agrees to indemnify and hold harmless the Issuer against all actions, claims, damages, costs, expenses, losses and liabilities which it may suffer or incur as a result of this subscription.
- 3.4 The representations, warranties, acknowledgments and agreements made by the Subscriber in this subscription and otherwise provided by the Subscriber and the Issuer shall be true and correct as of the date of execution of this subscription and as of Closing as if repeated thereat, and shall survive the Closing.

FORM 1

CERTIFICATE FOR EXEMPTION

In addition to the representations, warranties, acknowledgments and agreements contained in the subscription to which this Form 1 – Certificate for Exemption is attached, the Subscriber hereby represents, warrants and certifies to the Issuer (and acknowledges that the Issuer is entitled to rely thereon) that the Subscriber is purchasing the Securities set out in the subscription as principal, it is resident in the jurisdiction set out in Box A of page 2 of the subscription and: **[check all appropriate boxes]**

All capitalized terms not otherwise defined herein shall have the meaning given to those terms in the attached subscription.

Category 1: Accredited Investor

The Subscriber is **[check appropriate box and complete related blanks]**:

- (a) (i) except in Ontario, a Canadian financial institution, or a Schedule III bank; or
(ii) in Ontario, a financial institution described in paragraph 73.1(1) of the *Securities Act* (Ontario) (as detailed below),
- (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);
- (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person 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 registered under the securities legislation of a jurisdiction of Canada, as an adviser or dealer;
- (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);
- (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada;
- (g) 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 Québec;
- (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government;
- (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction of Canada;
- (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds Cdn\$1,000,000. **The Subscriber is required to complete Schedule 1.**
(Provide details of financial assets: _____);
- (j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes, but net of any related liabilities exceeds \$5,000,000;
(Provide details of financial assets: _____);

- (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. **The Subscriber is required to complete Schedule 1.**
- (Provide details of net income: _____);
- (l) an individual who, either alone or with a spouse, has net assets of at least Cdn\$5,000,000. **The Subscriber is required to complete Schedule 1.**
- (Provide details of net income: _____);
- (m) a person, 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;
- (n) an investment fund that distributes or has distributed its securities only to:
- (i) a person that is or was an accredited investor at the time of the distribution;
 - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 and 2.19 of NI 45-106, or
 - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 of NI 45-106;
- (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Quebec, the securities regulatory authority, has issued a receipt;
- (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;
- (q) a person acting on behalf of a fully managed account 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;
- (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
- (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;
- (t) a person in respect of which all of the owner of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- (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,
- (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Quebec, the regulator as an accredited investor; or
- (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.

Additional Instruction: If the Subscriber is an individual and qualifies under Category 1 pursuant to paragraphs (j), (k) or (l), it must also complete and sign Schedule 1 attached hereto entitled "*Form 45-106F9: Form for Individual Accredited Investors*".

Definitions:

"**Canadian financial institution**" means

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
- (b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

"**EVCC**" means an employee venture capital corporation that does not have a restricted constitution, and is registered under Part 2 of the *Employee Investment Act* (British Columbia), R.S.B.C. 1996 c. 112, and whose business objective is making multiple investments;

"**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;

"**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;

"**investment fund**" means a mutual fund or a non-redeemable investment fund, and, for greater certainty in British Columbia, includes an EVCC and a VCC;

"**person**" includes

- (a) an individual,
- (b) a corporation,
- (c) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
- (d) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;

"**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;

"**Schedule III bank**" means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

"**spouse**" means, an individual who,

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual; or
- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta);

"**subsidiary**" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary;

"**VCC**" means a venture capital corporation registered under Part 1 of the *Small Business Venture Capital Act* (British Columbia), R.S.B.C. 1996 c. 429, whose business objective is making multiple investments.

Category 2: Family, Friends and Business Associates

The Subscriber is [check appropriate box and complete related blanks]:

- (a) a director, executive officer or control person of the Issuer or of an affiliate of the Issuer;
- (b) a spouse, parent, grandparent, brother, sister, grandchild or child of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer;
- (c) a parent, grandparent, brother, sister, grandchild or child of the spouse of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer;
- (d) a close personal friend* of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer;
- (e) a close business associate** of a director, executive officer or control person of the Issuer or of an affiliate of the Issuer;
- (f) a founder of the Issuer or a spouse, parent, grandparent, brother, sister, grandchild, child, close personal friend or close business associate of a founder of the Issuer;
- (g) a parent, grandparent, brother, sister, grandchild or child of a spouse of a founder of the Issuer,
- (h) a person of which **a majority** of the voting securities are beneficially owned by persons described in paragraphs (a) to (g);
- (i) a person of which **a majority** of the directors are persons described in paragraphs (a) to (g);
- (j) a trust or estate of which **all** of the beneficiaries are persons described in paragraphs (a) to (g); or
- (k) a trust or estate of which **a majority** of the trustees or executors are persons described in paragraphs (a) to (g),

of which the relevant director, executive officer, control person or founder of the Issuer or affiliate thereof referred to in paragraphs (b) to (k) above is:

State name: _____

State the length of your relationship with this person: _____

Additional Instruction: If the Subscriber qualifies under Category 2 and is a resident of Ontario, it must also complete and sign Schedule 2 attached hereto entitled "Form 45-106F12: Risk Acknowledgment Form for Family, Friend and Business Associate Investors".

Notes:

* **"close personal friend"** means an individual who has known the named director, executive officer, control person or founder well enough and for a sufficient period of time to be in a position to assess the capabilities and trustworthiness of that person. The term "close personal friend" can include a family member who is not already specifically identified in paragraphs (b), (c), (f) or (g) if the family member otherwise meets the criteria described above. An individual's relationship with the named director, executive officer, control person or founder must be direct. An individual is not a "close personal friend" solely because that individual is a relative, 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.

** **"close business associate"** means an individual who has had sufficient prior business dealings with the named director, executive officer, control person or founder to be in a position to assess the capabilities and trustworthiness of that person. An individual's relationship with the named director, executive officer, control person or founder must be direct. An individual is not a "close business associate" solely because that 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.

Category 3: \$150,000 Purchaser

The Subscriber is not an individual and has an acquisition cost for the Units of not less than \$150,000 paid in cash, and is not a person that is or has been created or used solely to purchase or hold securities in reliance on the exemption provided by section 2.10 of NI 45-106.

Category 4: Employees, Officers, Directors and Consultants

The Subscriber is **[check appropriate box]**:

- (a) an employee of the Issuer or of a "related entity" of the Issuer;
- (b) an executive officer of the Issuer or of a "related entity" of the Issuer;
- (c) a director of the Issuer or of a "related entity" of the Issuer;
- (d) a consultant of the Issuer or of a "related entity" of the Issuer; or
- (e) a "permitted assign" of a person described in paragraphs (a) to (d),

and its participation in the Offering is voluntary.

Category 5: Existing Security Holder Exemption

All of the following describes the Subscriber **[check appropriate box and complete related blanks]**:

- (a) on or before **July 19, 2016** the Subscriber acquired and continues to hold a common share of the Issuer;
- (b) the Subscriber has obtained advice regarding the suitability of the above subscribed for number of Units from _____ **[print name of advisor]**, a person that is registered as an Investment Dealer in the Subscriber's applicable Selling Jurisdiction with _____ **[print name of advisor's firm]; OR;**
- (a) on or before **July 19, 2016** the Subscriber acquired and continues to hold a common share of the Issuer; and
- (b) the aggregate acquisition cost of the above subscribed for number of Units, when combined with the acquisition cost to the Subscriber of all securities of the Issuer distributed pursuant to the Existing Security Holder Exemption in the last 12 months, does not exceed \$15,000.

* * * * *

The representations, warranties, statements and certification made in this Certificate are true and accurate as of the date of this Certificate and will be true and accurate as of the Closing. If any such representation, warranty, statement or certification becomes untrue or inaccurate prior to the Closing, the Subscriber shall give the Issuer immediate written notice thereof.

The Subscriber acknowledges and agrees that the Issuer will and can rely on this Certificate in connection with the Subscriber's subscription.

IN WITNESS, the undersigned has executed this Certificate as of the _____ day of _____, 20_____.

If a corporation, partnership or other entity: **If an individual:**

Print Name of Subscriber

Print Name of Subscriber

Signature of Authorized Signatory

Signature

Name and Position of Authorized Signatory

Jurisdiction of Residence of Subscriber

Jurisdiction of Residence of Subscriber

**SCHEDULE 1
OF FORM 1**

FORM 45-106F9 - FORM FOR INDIVIDUAL ACCREDITED INVESTORS

WARNING!

This investment is risky. Don't 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

Issuer: NaiKun Wind Energy Group Inc. (the "Corporation")

Purchased from: NaiKun Wind Energy Group Inc.

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 \$_____. *[Instruction: Insert the total dollar amount of the investment.]*

Liquidity risk – You may not be able to sell your investment 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

If you are relying on a prospectus exemption contained in any of sections (j), (k), or (l) of Category 1 "Accredited Investor" in Form 1, 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**

- 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.)

- 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.

- 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.

- 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):	
SECTION 6 TO BE COMPLETED BY THE CORPORATION OR SELLING SECURITY HOLDER	
6. For more information about this investment	
<p><i>Naikun Wind Energy Group Inc.</i> <i>Suite 615, 1140 West Pender Street</i> <i>Vancouver, BC, V6E 4G1</i></p> <p><i>Attention: President and/or Chief Executive Officer</i></p> <p><i>Telephone: 604-631-4483-</i> <i>Facsimile: 604-685-4215</i></p> <p><i>Email: moconnor@naikun.ca</i> <i>Website: naikun.ca</i></p>	
<p>For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.</p>	

Form instructions:

1. This form does not mandate the use of a specific font size or style but the font 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 must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form signed by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.

**SCHEDULE 2
OF FORM 1**

**FORM 45-106F12 - RISK ACKNOWLEDGEMENT FORM FOR FAMILY, FRIEND AND
BUSINESS ASSOCIATE INVESTORS**

WARNING!

This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.

SECTION 1 TO BE COMPLETED BY THE CORPORATION

1. About your investment

Type of securities: *UNITS*

Issuer: *NaiKun Wind Energy Group Inc. (the "Corporation")*

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 \$_____. *[Instruction: Insert the total dollar amount of the investment.]*

Liquidity risk – You may not be able to sell your investment quickly – or at all.

Lack of information – You may receive little or 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

A) You are:

1) *[check all applicable boxes]*

- a director of the issuer or an affiliate of the issuer
- an executive officer of the issuer or an affiliate of the issuer
- a control person of the issuer or an affiliate of the issuer
- a founder of the issuer

OR

2) *[check all applicable boxes]*

- 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
- 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>B) You are a family member of _____ [Instruction: Insert the name of the person who is your relative either directly or through his or her spouse], 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. [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.]</p>	
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<p>C) You are a close personal friend of _____ [Instruction: Insert the name of your close personal friend], who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>	
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<p>D) You are a close business associate of _____ [Instruction: Insert the name of your close business associate], who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>	
--	--

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. 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.

First and last name (please print):

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

5. Contact person of 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:
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Signature:	Date:
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SECTION 6 TO BE COMPLETED BY THE ISSUER

6. For more information about this investment

NaiKun Wind Energy Group Inc.

*Suite 615, 1140 West Pender Street
Vancouver, BC, V6E 4G1*

Attention: President and/or Chief Executive Officer

Telephone: 604-631-4483-

Facsimile: 604-685-4215

Email: moconnor@naikun.ca

Website: naikun.ca

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:

Form instructions:

- 1 This form does not mandate the use of a specific font size or style but the font 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.*

FORM 2

TSXV FORM 4C – CORPORATE PLACEE REGISTRATION FORM

**TSX venture
EXCHANGE**



FORM 4C

CORPORATE PLACEE REGISTRATION FORM

This Form will remain on file with the Exchange and must be completed if required under section 4(b) of Part II of Form 4B. The corporation, trust, portfolio manager or other entity (the “Placee”) need only file it on one time basis, and it will be referenced for all subsequent Private Placements in which it participates. If any of the information provided in this Form changes, the Placee must notify the Exchange prior to participating in further placements with Exchange listed Issuers. If as a result of the Private Placement, the Placee becomes an Insider of the Issuer, Insiders of the Placee are reminded that they must file a Personal Information Form (2A) or, if applicable, Declarations, with the Exchange.

1. Placee Information:

- (a) Name: _____
- (b) Complete Address: _____
- (c) Jurisdiction of Incorporation or Creation: _____

2. (a) Is the Placee purchasing securities as a portfolio manager: (Yes/No)? _____
- (b) Is the Placee carrying on business as a portfolio manager outside of Canada: (Yes/No)? _____

3. If the answer to 2(b) above was “Yes”, the undersigned certifies that:

- (a) it is purchasing securities of an Issuer on behalf of managed accounts for which it is making the investment decision to purchase the securities and has full discretion to purchase or sell securities for such accounts without requiring the client’s express consent to a transaction;
- (b) it carries on the business of managing the investment portfolios of clients through discretionary authority granted by those clients (a “portfolio manager” business) in _____ [jurisdiction], and it is permitted by law to carry on a portfolio manager business in that jurisdiction;
- (c) it was not created solely or primarily for the purpose of purchasing securities of the Issuer;
- (d) the total asset value of the investment portfolios it manages on behalf of clients is not less than \$20,000,000; and
- (e) it has no reasonable grounds to believe, that any of the directors, senior officers and other insiders of the Issuer, and the persons that carry on investor relations activities for the Issuer has a beneficial interest in any of the managed accounts for which it is purchasing.

4. If the answer to 2(a). above was “No”, please provide the names and addresses of Control Persons of the Placee:

Name *	City	Province or State	Country

* If the Control Person is not an individual, provide the name of the individual that makes the investment decisions on behalf of the Control Person.

5. Acknowledgement - Personal Information and Securities Laws

- (a) "Personal Information" means any information about an identifiable individual, and includes information contained in sections 1, 2 and 4, as applicable, of this Form.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

- (i) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to this Form; and
- (ii) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.
- (b) The undersigned acknowledges that it is bound by the provisions of applicable Securities Law, including provisions concerning the filing of insider reports and reports of acquisitions.

Dated and certified (if applicable), acknowledged and agreed, at _____
on _____

(Name of Purchaser - please print)

(Authorized Signature)

(Official Capacity - please print)

(Please print name of individual whose signature appears above)

THIS IS NOT A PUBLIC DOCUMENT

FORM 3

**RISK ACKNOWLEDGMENT – FORM 45-106F5
SASKATCHEWAN CLOSE PERSONAL FRIENDS AND CLOSE BUSINESS ASSOCIATES**

WARNING

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 or regulator 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 am investing \$ _____ [total consideration] 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 —founder, director, executive officer or control person] of _____ [state name of issuer or its affiliate - if an affiliate state “an affiliate of the issuer” and give the issuer’s name].

I acknowledge that I am purchasing based on my close relationship with _____ [state title - founder, director, executive 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 and return one copy.

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>.

FORM 4

CERTIFICATE OF U.S. ACCREDITED INVESTOR

Capitalized terms not specifically defined in this Certificate have the meaning ascribed to them in the Subscription Agreement to which this Form 4 is attached. In the event of a conflict between the terms of this Certificate and such Subscription Agreement, the terms of this Certificate shall prevail.

In addition to the covenants, representations and warranties contained in the Subscription Agreement to which this Form 4 is attached, the undersigned Subscriber covenants, represents and warrants to the Issuer that:

- (a) It is authorized to consummate the purchase of the Units.
- (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 owning 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, 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 2 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 Units.
- (f) It understands that (i) the Securities have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States, and will therefore be "restricted securities", as defined in Rule 144 under the U.S. Securities Act and may be offered, sold, pledged or otherwise transferred, directly or indirectly, only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws; and (ii) the offer and sale of Securities contemplated hereby is being made in reliance on an exemption from the registration requirements of the U.S. Securities Act and similar exemptions under state securities laws.
- (g) It 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 initial the criteria the Subscriber meets**):

- (501(a)(1)) any bank as defined in Section 3(a)(2) of the U.S. Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of such Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the *Securities Exchange Act of 1934*; any insurance company as defined in Section 2(a)(13) of the U.S. Securities Act; any investment company registered under the *Investment Company Act of 1940* or a business development company as defined in Section 2(a)(48) of the *Investment Company Act of 1940*, any small business investment company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the *Small Business Investment Act of 1958*; any 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, if such plan has total assets in excess of U.S.\$5,000,000, any employee benefit plan within the meaning of the *Employee Retirement Income Security Act of 1974*; if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of the *Employee Retirement Income Security Act of 1974*, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee

benefit plan has total assets in excess of U.S.\$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

- (501(a)(2)) any private business development company as defined in Section 202(a)(22) of the *Investment Advisers Act of 1940*;
- (501(a)(3)) any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of U.S.\$5,000,000;
- (501(a)(4)) any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;
- (501(a)(5)) any natural person whose individual net worth, or joint net worth with that person's spouse, excluding the value of his or her primary residence, exceeds U.S.\$1,000,000 at the time of the sale of securities to the person. For purposes of calculating net worth: (i) 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 of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale of securities 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 (ii) 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;
- (501(a)(6)) any natural person who had an individual income in excess of U.S.\$200,000 in each of the two most recent years or joint income with that person's spouse in excess of U.S.\$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
- (501(a)(7)) any trust, with total assets in excess of U.S.\$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D promulgated under the U.S. Securities Act;
- (501(a)(8)) any entity in which all of the equity owners meet the requirements of at least one of the above categories.

(h) It has not purchased the Units as a result of any form of general solicitation or general advertising (as those terms are used in Regulation D under the U.S. Securities Act), including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the internet, or broadcast over radio or television or the internet, 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 it decides to offer, sell, pledge or otherwise transfer any of the Securities, it will not offer, sell or otherwise transfer any of such Securities, directly or indirectly, unless:

- (i) the sale is to the Issuer;
- (ii) the sale is made outside the United States in a transaction meeting the requirements of Rule 904 of Regulation S under the U.S. Securities Act and in compliance with applicable local laws and regulations;
- (iii) the sale is 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) the securities are sold 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) (and, if required by the transfer agent for the applicable Securities, (ii)) 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 the U.S. Securities Act and applicable state securities.

- (j) It understands and acknowledges that 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 certificates, the following legend:

"THE SECURITIES REPRESENTED HEREBY 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, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE ISSUER; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 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 AND ANY APPLICABLE STATE SECURITIES LAWS, AFTER, IN THE CASE OF PARAGRAPH (C) OR (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE GOOD DELIVERY IN SETTLEMENT OF TRANSACTIONS ON CANADIAN STOCK EXCHANGES."

- (k) In addition, it understands and acknowledges that the certificates representing the Warrants, as well as all certificates issued in exchange for or in substitution thereof, will bear, on the face of such certificates, a legend to the effect that the Warrants may be exercised only pursuant to an exemption or exclusion from the registration requirements of the U.S. Securities Act and applicable state securities laws, and that prior to any such exercise the delivery of evidence to such effect may be required.
- (l) It understands and agrees that there may be material tax consequences to the Subscriber of an acquisition, disposition or exercise 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, disposition or exercise of such Securities, including, without limitation, with respect to the potential applicability of United States federal income taxation rules relating to "passive foreign investment companies" and "qualified electing fund" elections. The Subscriber understands and acknowledges that if the Issuer were to be deemed to be a "passive foreign investment company" in respect of any year in which the Subscriber owns Securities, there may be material adverse tax consequences to the Subscriber, and the Subscriber may not be permitted to, or may not otherwise be able to, mitigate such adverse tax consequences.
- (m) It understands and acknowledges that the Issuer is incorporated outside the United States and most, if not all, of its assets are located outside the United States. Consequently, it may be difficult to provide service of process on the Issuer, and it may be difficult to enforce any judgment against the Issuer.
- (n) It understands that (i) if the Issuer is ever determined 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, Rule 144 under the U.S. Securities Act may not be available for resales of the Securities and (ii) the Issuer is not obligated to take, and has no present intention of taking, any action to make Rule 144 under the U.S. Securities Act (or any other exemption) available for resales of the Securities.

- (o) It understands and agrees that the financial statements of the Issuer have been prepared in accordance with International Financial Reporting Standards 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.
- (p) It consents to the Issuer making a notation on its records or giving instructions to any transfer agent for the Securities in order to implement the restrictions on transfer set forth and described in this Certificate and the Subscription Agreement to which it is attached.

Dated _____ 20__.

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**)