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**OFFERING DOCUMENT
UNDER THE LISTED ISSUER FINANCING EXEMPTION**

June 28, 2023



**HELIOSTAR METALS LTD.
(the "Issuer")**

SUMMARY OF OFFERING

WHAT ARE WE OFFERING?

OFFERING

Units ("**Units**") of the Issuer, with each Unit being comprised of one common share of the Issuer (each, a "**Common Share**") and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant will be exercisable to purchase one Common Share for a period of 18 months following the Closing Date (as defined below), at an exercise price of \$0.50 for the six month period following the Closing Date, after which time the exercise price will increase to \$0.70 for the remaining term of the Warrants.

Each Common Share carries one vote at all meetings of shareholders, is entitled to receive dividends as and when declared by the board of directors of the Issuer and is entitled to participate in the remaining property and assets of the Issuer upon dissolution or winding-up. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights.

Additional terms and conditions of the Warrants will be set out in a warrant indenture to be dated on or about the Closing Date, in form and substance to be agreed to by the Issuer and the Agents (as defined herein), a copy of which will be made available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com under the Issuer's profile.

OFFERING PRICE \$0.37 per Unit.

OFFERING AMOUNT	There is no minimum amount. The Issuer is offering, on a “best efforts” private placement basis, a maximum of 13,513,513 Units for maximum gross proceeds of approximately \$5,000,000 (the “Offering”).
CLOSING DATE	The Offering is expected to close on or about July 11, 2023 (the “Closing Date”).
EXCHANGES	The Common Shares are listed and posted for trading on the TSX Venture Exchange (the “TSXV”) under the symbol “HSTR”, on the OTCQX® by OTC Markets Group (the “OTCQX”) under the symbol “HSTXF” and on the Frankfurt Stock Exchange (“FRA”) under the symbol “RGG1”.
LAST CLOSING PRICE	The closing price of the Common Shares on the TSXV, OTCQX and FRA on June 27, 2023 was \$0.38, US\$0.27 and €0.268, respectively.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This Offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

The Issuer is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions*. In connection with the Offering, the Issuer represents the following is true:

- The Issuer has active operations and its principal asset is not cash, cash equivalents or its exchange listing.
- The Issuer has filed all periodic and timely disclosure documents that it is required to have filed.
- The total dollar amount of the Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this Offering Document, will not exceed \$5,000,000.
- The Issuer will not close the Offering unless the Issuer reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.
- The Issuer will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Issuer seeks security holder approval.

ABOUT THIS OFFERING DOCUMENT

Readers should rely only on the information contained in this Offering Document in respect of the Issuer. We have not authorized any other person to provide additional or different information. If anyone provides additional or different or inconsistent information, including information or statements in media articles about the Issuer, prospective purchasers should not rely on it.

MEANING OF CERTAIN REFERENCES

Unless otherwise noted or the context otherwise shall state, the “Issuer”, “we”, “us”, and “our” refers to Heliostar Metals Ltd.

References to “management” in this Offering Document refer to the management of the Issuer. Any statements in this Offering Document made by or on behalf of management are made in such persons’ capacities as officers of the Issuer, and not in their personal capacities.

Words importing the singular number include the plural, and vice versa, and words importing any gender include all genders.

All currency amounts in this Offering Document are expressed in Canadian dollars, unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

This Offering Document contains “forward-looking information” within the meaning of applicable Canadian securities laws (referred to herein as “**forward-looking information**”). Forward-looking information includes statements that use forward-looking terminology such as “may”, “could”, “would”, “should”, “will”, “intend”, “plan”, “expect”, “budget”, “estimate”, “anticipate”, “believe”, “continue”, “potential” or the negative or grammatical variation thereof or other variations thereof or comparable terminology. Such forward-looking information includes, without limitation, statements with respect to the expected closing date of the Offering, the availability of the proceeds from the Offering, the intended use of the proceeds from the Offering and the allocation and anticipated timing thereof, raising the minimum or maximum proceeds of the Offering, and the Issuer’s plans with respect to exploration and development of the Ana Paula Project.

Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management, in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances, as of the date of this Offering Document including, without limitation, assumptions about: favourable equity and debt capital markets; the ability to raise any necessary capital on reasonable terms to advance the development of the Ana Paula Project and pursue planned exploration; expectations about the ability to acquire resources and/or reserves through acquisition and/or development; future prices of gold and other metals; the timing and results of exploration and drilling programs; the accuracy of budgeted exploration and development costs and expenditures; expectations regarding inflation; future currency exchange rates and interest rates; operating conditions being favourable, including whereby the Issuer is able to operate in a safe, efficient and effective manner; political and regulatory stability; the receipt of governmental and third party approvals, licences and permits on favourable terms; obtaining required renewals for existing approvals, licences and permits and obtaining all other required approvals, licences and permits on favourable terms;

sustained labour stability; stability in financial and capital goods markets; the absence of any material adverse effects arising as a result of terrorism, sabotage, natural disasters, public health concerns, equipment failures or adverse changes in government legislation or the socio-economic conditions in Mexico and the surrounding area with respect to the Ana Paula Project and operations; and the availability of drilling and other mining equipment, energy and supplies. While the Issuer considers these assumptions to be reasonable, the assumptions are inherently subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual actions, events, conditions, results, performance or achievements to be materially different from those projected in the forward-looking information. Many assumptions are based on factors and events that are not within the control of the Issuer and there is no assurance they will prove to be correct.

Furthermore, such forward-looking information involves a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Issuer to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking information. Such risks include, without limitation: general business, social, economic, political, regulatory and competitive uncertainties; differences in size, grade, continuity, geometry or location of mineralization from that predicted by geological modelling and the subjective and interpretative nature of the geological modelling process; the speculative nature of mineral exploration and development, including the risk of diminishing quantities or grades of mineralization; fluctuations in the spot and forward price of gold; inflationary pressures; a failure to achieve commercial viability, despite an acceptable gold price, or the presence of cost overruns which render the Ana Paula Project uneconomic; geological, hydrological and climatic events which may adversely affect infrastructure, operations and development plans, and the inability to effectively mitigate or predict with certainty the occurrence of such events; risks associated with costs and administration of reclamation; the Issuer's limited operating history; the Issuer's history of losses and expectation of future losses; credit and liquidity risks associated with the Issuer's financing activities, including constraints on the Issuer's ability to raise and expend funds; delays in the performance of the obligations of the Issuer's contractors and consultants, the receipt of governmental and third party approvals, licences and permits in a timely manner or to complete and successfully operate mining and processing components; the Issuer's failure to accurately model and budget future capital and operating costs associated with the further development and operation of the Ana Paula Project; adverse fluctuations in the market prices and availability of commodities and equipment affecting the Issuer's business and operations; title defects to the Issuer's mineral properties; the Issuer's management being unable to successfully apply their skills and experience to attract and retain highly skilled personnel; the Issuer's dependence on certain key executives and outside consultants; the cyclical nature of the mining industry and increasing prices and competition for resources and personnel during mining cycle peaks; the Issuer's failure to comply with laws and regulations or other regulatory requirements; the Issuer's failure to comply with existing approvals, licences and permits, and the Issuer's inability to renew existing approvals, licences and permits or obtain required new approvals, licences and permits on timelines required to support development plans; the risks related to equipment shortages, road and water access restrictions and inadequate infrastructure; the Issuer's failure to comply with environmental regulations, the tendency of such regulations to become more strict over time, and the costs associated with maintaining and monitoring compliance with such regulations; changes to mining laws and regulations; the adverse influence of third party stakeholders including social and environmental non-governmental organizations; risks related to natural disasters, terrorism, civil unrest, public health concerns (including health epidemics or pandemics or outbreaks of communicable diseases) and other geopolitical uncertainties; satisfactory labour relations and the risk of labour disruptions or changes in legislation relating to labour; changes in

national and local government legislation, taxation, controls, regulations and other political or economic developments in the jurisdictions in which the Issuer operates; risks of violence and other criminal activities in Mexico; limits of insurance coverage and uninsurable risk; the adverse effect of currency fluctuations on the Issuer's financial performance; difficulties associated with enforcing judgments against directors residing outside of Canada; conflicts of interest; reduction in the price of Common Shares as a result of sales of Common Shares by existing shareholders; the dilutive effect of future acquisitions or financing activities and the failure of future acquisitions to deliver the benefits anticipated; trading and volatility risks associated with equity securities and equity markets in general; the Issuer's not paying dividends in the foreseeable future or ever; failure of the Issuer's information technology systems or the security measures protecting such systems; the costs associated with legal proceedings should the Issuer become the subject of litigation or regulatory proceedings; volatility of global capital markets; costs associated with complying with public company regulatory reporting requirements; the ongoing military conflict in Ukraine; and other risks involved in the exploration and development business generally, including, without limitation, environmental risks and hazards, cave-ins, flooding, rock bursts and other acts of God or natural disasters or unfavourable operating conditions; and those risk factors discussed in the Issuer's current annual information form, annual management's discussion and analysis and interim management's discussion and analysis, which readers are advised to carefully review and consider. Although the Issuer has attempted to identify important factors that could cause actual actions, events, conditions, results, performance or achievements to differ materially from those described in forward-looking information, there may be other factors that cause actions, events, conditions, results, performance or achievements to differ from those anticipated, estimated or intended.

The Issuer cautions that the foregoing lists of important assumptions and factors are not exhaustive. Other events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking information contained herein. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, investors should not place undue reliance on forward-looking information.

Forward-looking information contained herein is made as of the date of this Offering Document and the Issuer disclaims any obligation to update or revise any forward-looking information, whether as a result of new information, future events or results or otherwise, except as and to the extent required by applicable securities laws.

SUMMARY DESCRIPTION OF BUSINESS

WHAT IS OUR BUSINESS?

The Issuer is a growth-focused gold exploration and development company. The Issuer's principal focus is currently on the exploration and development of its wholly-owned Ana Paula project, which is located in the north central part of the State of Guerrero in southern Mexico (the "**Ana Paula Project**").

Further information regarding the Ana Paula Project and the business and operations of the Issuer can be found in the Issuer's current annual information form dated April 28, 2023.

RECENT DEVELOPMENTS

On August 2, 2022, the Issuer announced that it had closed a previously announced non-brokered private placement for aggregate gross proceeds of \$3,005,000 (the “**2022 Private Placement**”).

On December 5, 2022, the Issuer announced it had entered into a binding share purchase agreement dated December 5, 2022, with Argonaut Gold Inc. (“**Argonaut**”) for the acquisition (the “**Ana Paula Transaction**”) of all of the issued and outstanding shares of Aurea Mining Inc. (“**Aurea**”), a wholly owned subsidiary of Argonaut, which through Aurea’s wholly owned subsidiary, Minera Aurea SA de CV, holds a 100% indirect interest in and to the Ana Paula Project, and had also entered into a binding option agreement with Argonaut and its wholly owned subsidiary, Compania Minera Pitalla SA de CV, pursuant to which the Issuer was granted an option to acquire a 100% interest in the San Antonio gold project.

On January 17, 2023, the Issuer announced a non-brokered private placement for aggregate gross proceeds of up to \$16,280,000 (the “**2023 Private Placement**”).

On February 2, 2023, the Issuer announced the adoption of an equity incentive plan, which has a 10% rolling stock option component and fixed restricted share unit, performance share unit and deferred share unit components reserving an aggregate of 4,403,707 Common Shares for issuance.

On March 3, 2023, the Issuer announced that it had increased the size of the 2023 Private Placement for aggregate gross proceeds of up to \$20,400,000.

On March 17, 2023, the Issuer announced that it had closed the 2023 Private Placement for gross proceeds of approximately \$20,400,000.

On March 22, 2023, the Issuer announced that the Common Shares would resume trading on the TSXV effective March 22, 2023.

On March 27, 2023, the Issuer announced the grant of 8,651,250 stock options at an exercise price of \$0.30 and 2,218,750 restricted share units to directors, officers, employees and consultants.

On March 28, 2023, the Issuer announced it had closed the Ana Paula Transaction.

On April 3, 2023, the Issuer announced a detailed plan for the re-scoping of the Ana Paula Project to focus on the high-grade panel at the core of the Ana Paula Project and targeting improved financial outcomes, increases in reserves and resources, and incorporation of underground mining and simplification of the mill flowsheet.

On April 6, 2023, the Issuer announced the filing of a technical report on the Ana Paula Project.

On April 19, 2023, the Issuer announced it had commenced drilling at the Ana Paula Project.

On May 18, 2023, the Issuer announced the appointment of Samuel Anderson as Vice President of Projects, that it had retained the services of Swiss Resource Capital AG to undertake European-focused investor relations activities on behalf of the Issuer and provided a drilling updated on the Ana Paula Project.

On May 23, 2023, the Issuer announced results from the first two holes drilled at the Ana Paula Project as part of the on-going drill program targeting the high grade panel at the core of the Ana Paula Project, that it had intersected 101.12 metres at 8.35 grams per tonne (“g/t”) gold including 53.2 metres at 11.0 g/t in drill hole AP-23-292, and that it had intersected 118.55 metres at 5.4 g/t gold including 44.5 metres at 11.0 g/t at drill hole AP-23-291.

On May 23, 2023, the Issuer announced its reinstatement to the OTCQX market under the symbol “HSTXF”.

On June 12, 2023, the Issuer announced results from a further four holes drilled at the Ana Paula Project, and specifically that assay results for AP-23-293 showed 46 metres at 13.4 g/t gold within 129.2 metres at 6.0 g/t gold, which represented a 139% increase over the resource modeled grades and widths at a 5 g/t gold cut-off grade. At its lower priority drill holes, the Issuer announced that it had intersected 13.95 metres at 6.4 g/t gold within 67.2 metres at 2.1 g/t gold in drill hole AP-23-294, that drill hole AP-23-295 contained 5.5 metres at 4.9 g/t gold within 41.5 metres at 2.6 g/t gold, and that drill hole AP-23-296 returned 2.0 metres grading 13.6 g/t gold.

On June 14, 2023, the Issuer clarified certain of its previous technical disclosure regarding the Ana Paula Project.

MATERIAL FACTS

There are no material facts about the securities being distributed that have not been disclosed in this Offering Document or in any other document filed by the Issuer in the 12 months preceding the date of this Offering Document.

WHAT ARE THE BUSINESS OBJECTIVES THAT WE EXPECT TO ACCOMPLISH USING THE AVAILABLE FUNDS?

The Issuer intends to use the proceeds raised from the Offering for exploration and development of the Ana Paula Project and for general corporate and working capital purposes. With the funds available to the Issuer upon closing of the Offering, the Issuer expects to change the Ana Paula Project mine plan from an open pit to a high grade, underground gold mine, deliver re-scoping milestones (drilling results, mine sequencing, metallurgy and resource upgrade) and continue exploration and development of the Ana Paula Project.

USE OF AVAILABLE FUNDS

WHAT WILL OUR AVAILABLE FUNDS BE UPON THE CLOSING OF THE OFFERING?

		ASSUMING 100% OF THE OFFERING
A	AMOUNT TO BE RAISED BY THE OFFERING	\$5,000,000
B	SELLING COMMISSIONS AND FEES	\$250,000
C	ESTIMATED OFFERING COSTS (E.G. LEGAL, ACCOUNTING, AUDIT)	\$160,000

		ASSUMING 100% OF THE OFFERING
D	NET PROCEEDS OF OFFERING: D = A – (B + C)	\$4,590,000
E	WORKING CAPITAL AS AT MOST RECENT MONTH END (DEFICIENCY)	\$2,100,000
F	ADDITIONAL SOURCES OF FUNDING	\$Nil
G	TOTAL AVAILABLE FUNDS: G = D + E + F	\$6,690,000

HOW WILL WE USE THE AVAILABLE FUNDS?

DESCRIPTION OF INTENDED USE OF AVAILABLE FUNDS LISTED IN ORDER OF PRIORITY	ASSUMING 100% OF THE OFFERING
Exploration and development of the Ana Paula Project	\$3,500,000
General and administrative expenses	\$2,200,000
Unallocated working capital	\$990,000
TOTAL: EQUAL TO G IN THE AVAILABLE FUNDS TABLE ABOVE	\$6,690,000

The above-noted allocation and anticipated timing represents the Issuer's current intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Issuer. Although the Issuer intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Issuer's ability to execute on its business plan.

The most recent audited annual financial statements and interim financial report of the Issuer included a going-concern note. The Issuer is still in the exploration stage and the Issuer has not yet generated positive cash flows from its operating activities, which may cast doubt on the Issuer's ability to continue as a going concern. The Offering is intended to permit the Issuer to continue to explore and develop the Ana Paula Project, and is not expected to affect the decision to include a going concern note in the next annual financial statements of the Issuer.

HOW HAVE WE USED THE OTHER FUNDS WE HAVE RAISED IN THE PAST 12 MONTHS?

PREVIOUS FINANCING ACTIVITY	INTENDED USE OF FUNDS	USE OF FUNDS TO DATE
<u>March 17, 2023</u> : Private placement for gross proceeds of approximately \$24,000,000, being the 2023 Private Placement	To purchase and subsequently exploration advancement of the Ana Paula Project as well as for general working capital purposes	\$21,900,000 ⁽¹⁾
<u>August 2, 2022</u> : Private placement for gross proceeds of approximately \$3,005,000, being the 2022 Private Placement	To advance the Issuer's Alaskan and Mexican projects, as well as for working capital and general corporate purposes	\$3,005,000

Note:

(1) Variance relates to expenditures used in exploration activities, corporate development and general working capital purposes used from previous working capital. The Issuer does not expect this variance to impact its ability to achieve its business objectives and milestones.

FEES AND COMMISSIONS**WHO ARE THE DEALERS OR FINDERS THAT WE HAVE ENGAGED IN CONNECTION WITH THIS OFFERING, IF ANY, AND WHAT ARE THEIR FEES?**

Clarus Securities Inc. will act as lead agent and bookrunner and shall be entitled to invite one or more investment dealers including PI Financial Corp. and Roth Canada, Inc. to form a syndicate of agents (the "**Agents**") in the soliciting of offers to purchase Units. As consideration for their services, the Agents will receive a cash commission of 6% of the gross proceeds of the Offering, excepting that portion of the Offering which is the subject of a "president's list" (the "**President's List**"), in respect of which a cash fee equal to 2% shall be payable, subject to a minimum aggregate cash commission payable of \$200,000. In addition, the Agents shall receive compensation options of the Issuer (the "**Compensation Options**"), exercisable for a period of 18 months following the closing date, to acquire in aggregate that number of Common Shares which is equal to 6% of the number of Units sold under the Offering, excepting that portion of the offering which is the subject of the President's List in respect of which no Compensation Options will be issued, at an exercise price equal to \$0.37 per Common Share.

DO THE AGENTS HAVE A CONFLICT OF INTEREST?

To the knowledge of the Issuer, it is not a "related issuer" or "connected issuer" of or to the Agents, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

PURCHASERS' RIGHTS

RIGHTS OF ACTION IN THE EVENT OF A MISREPRESENTATION

If there is a misrepresentation in this offering document, you have a right

- (a) to rescind your purchase of these securities with the Issuer, or
- (b) to damages against the Issuer and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION

WHERE CAN YOU FIND MORE INFORMATION ABOUT US?

Security holders can access the Issuer's continuous disclosure filings on SEDAR at www.sedar.com under the Issuer's profile.

For further information regarding the Issuer, visit our website at www.heliostarmetals.com.

Please refer to Appendix "A" – "Acknowledgements, Covenants, Representations and Warranties of the Investor" and Appendix "B" – "Indirect Collection of Personal Information" attached hereto.

Investors should read this offering document and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment of Units.

SCIENTIFIC AND TECHNICAL INFORMATION

The scientific and technical information contained in this Offering Document has been reviewed and approved by Stewart Harris, P.Geo., a Qualified Person within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators.

DATE AND CERTIFICATE

Dated: June 28, 2023

This Offering Document, together with any document filed under Canadian securities legislation on or after June 28, 2022, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

“Charles Funk”

Charles Funk
Chief Executive Officer

“Mahesh Liyanage”

Mahesh Liyanage
Chief Financial Officer

APPENDIX A
ACKNOWLEDGEMENTS, COVENANTS, REPRESENTATIONS AND WARRANTIES
OF THE INVESTOR

Each purchaser of the Units (the “Investor”) makes, and is deemed to make, the following acknowledgements, covenants, representations and warranties to the Issuer and the Agents, as at the date hereof, and as of the Closing Date:

- (a) the Investor confirms that it (i) has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Units (including the potential loss of his, her or its entire investment); (ii) is aware of the characteristics of the Units (and the underlying securities) and understands the risks relating to an investment therein; and (iii) is able to bear the economic risk of loss of its investment in the Units and understands that it may lose its entire investment in the Units;
- (b) the Investor is resident in the jurisdiction disclosed to the Agents or the Issuer and the Investor was solicited to purchase in such jurisdiction;
- (c) the Investor has not received, nor has the Investor requested, nor does the Investor have any need to receive, any prospectus, sales or advertising literature, offering memorandum or any other document describing or purporting to describe the business and affairs of the Issuer which has been prepared for delivery to, and review by, prospective purchasers in order to assist them in making an investment decision in respect of the purchase of the Units pursuant to the Offering;
- (d) the subscription for the Units by the Investor does not contravene any of the applicable securities legislation in the jurisdiction in which the Investor resides and does not give rise to any obligation of the Issuer to: (i) prepare and file a prospectus or similar document or to register the Units (or underlying securities) or to be registered with or to file any report or notice with any governmental or regulatory authority; or (ii) be subject to any ongoing disclosure requirements under the securities legislation of such jurisdiction;
- (e) unless the Investor has separately delivered to the Issuer and the Agents a U.S. Representation Letter (in which case the Investor makes the representations, warranties and covenants set forth therein), the Investor (i) is not in the United States, its territories or possessions, any State of the United States or the District of Columbia (collectively, the “**United States**”), (ii) was outside of the United States at the time the buy order for the Units was originated, (iii) is not subscribing for the Units for the account of a person in the United States, (iv) is not subscribing for the Units for resale in the United States, and (v) was not offered the Units in the United States;
- (f) the Investor is aware that the Common Shares and Warrants have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) or the securities laws of any state of the United States and that the Common Shares and Warrants may not be offered, sold or otherwise disposed of, directly or indirectly, in the United States, any state or territory of the United States or the District of Columbia, without registration under the U.S. Securities Act and all applicable state securities laws or compliance with the requirements of an exemption from such registration and it acknowledges that the Issuer has no obligation or present intention of filing a registration statement under the U.S. Securities Act in respect of the sale or resale of the Common Shares and Warrants;

- (g) the funds representing the aggregate subscription funds which will be advanced by the Investor to the Issuer hereunder, as applicable, will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the “**PCMLTFA**”) or for the purposes of the United States *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act*, as may be amended from time to time (the “**PATRIOT Act**”) and the Investor acknowledges that the Issuer may in the future be required by law to disclose the Investor’s name and other information relating to the Investor’s subscription of the Units, on a confidential basis, pursuant to the PCMLTFA and the PATRIOT Act, and that, to the best of its knowledge: (i) none of the subscription funds to be provided by the Investor (A) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, the United States or any other jurisdiction; or (B) are being tendered on behalf of a person who has not been identified to the Investor; and (ii) it will promptly notify the Issuer if the Investor discovers that any of such representations ceases to be true, and to provide the Issuer with appropriate information in connection therewith;
- (h) neither the Issuer, the Agents, nor any of their respective directors, employees, officers, affiliates or agents has made any written or oral representations to the Investor: (i) that any person will resell or repurchase the Common Shares or Warrants comprising the Units; (ii) that any person will refund all or any part of the subscription amount; (iii) as to the future price or value of the Common Shares or Warrants comprising the Units; or (iv) that the Common Shares or Warrants comprising the Units will be listed on any exchange or quoted on any quotation and trade reporting system, or that application has been or will be made to list any such security on any exchange or quote the security on any quotation and trade reporting system;
- (i) the Investor is not purchasing the Units with knowledge of any material information concerning the Issuer that has not been generally disclosed. The Investor’s Units are not being purchased by the Investor as a result of, nor does the Investor, if any, have knowledge of, any material fact (as defined in securities laws, regulations and rules, and the blanket rulings and policies and written interpretations of, and multilateral or national instruments adopted by, the securities regulatory authorities in the jurisdiction in which the Investor is resident or subject to (the “**Securities Laws**”)) or material change (as defined in Securities Laws) concerning the Issuer that has not been generally disclosed and the decision of the Investor, to tender this offer and acquire the Investor’s Units has not been made as a result of any oral or written representation as to fact or otherwise made by, or on behalf of, the Issuer or any other person and is based entirely upon the offering document;
- (j) the Investor will not become a “control person” within the meaning of Canadian Securities Laws by virtue of the purchase of the Units, and does not intend to act in concert with any other person to form a control group of the Issuer in connection with the acquisition of the Units;
- (k) the Investor has not received, nor does it expect to receive, any financial assistance from the Issuer, directly or indirectly, in respect of the Investor’s subscription for Units;
- (l) if required by applicable Securities Laws or the Issuer, the Investor will execute, deliver and file or assist the Issuer in filing such reports, undertakings and other documents with

respect to the issue and/or sale of the Units as may be required by any securities commission, stock exchange or other regulatory authority;

- (m) the Issuer is relying on an exemption from the requirement to provide the Investor with a prospectus under the Securities Laws and, as a consequence of acquiring the Units pursuant to such exemption, the Investor may not receive information that would otherwise be required to be given under the Securities Laws;
- (n) the Investor either (i) is not an “insider” of the Issuer or a “registrant” (each as defined under applicable securities laws of British Columbia); or (ii) has identified itself to the Issuer as either an “insider” or a “registrant” (each as defined under applicable securities laws of British Columbia);
- (o) if the Investor is: (i) a corporation, the Investor is duly incorporated and is validly subsisting under the laws of its jurisdiction of incorporation and has all requisite legal and corporate power and authority to subscribe for the Units pursuant to the terms set out in this offering document; (ii) a partnership, syndicate or other form of unincorporated organization, the Investor has the necessary legal capacity and authority to subscribe for the Units pursuant to the terms set out in this offering document and has obtained all necessary approvals in respect thereof; or (iii) an individual, the Investor is of the full age of majority and is legally competent to subscribe for the Units pursuant to the terms set out in this offering document;
- (p) the Investor is responsible for obtaining such legal and tax advice as it considers appropriate in connection with the performance of this offering document and the transactions contemplated under this offering document, and that the Investor is not relying on legal or tax advice provided by the Issuer or its counsel;
- (q) the subscription for the Units and the completion of the transactions described herein by the Investor will not result in any material breach of, or be in conflict with or constitute a material default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a material default under any term or provision of the constating documents, bylaws or resolutions of the Investor if the Investor is not an individual, the Securities Laws or any other laws applicable to the Investor, any agreement to which the Investor is a party, or any judgment, decree, order, statute, rule or regulation applicable to the Investor;
- (r) the Investor has obtained all necessary consents and authorities to enable it to agree to subscribe for the Units pursuant to the terms set out in this offering document and the Investor has otherwise observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in any territory in connection with the purchase of the Units and the Investor has not taken any action which will or may result in the Issuer acting in breach of any regulatory or legal requirements of any territory in connection with the Offering or the Investor’s subscription;
- (s) the Investor is purchasing the Units for investment purposes only and not with a view to resale or distribution; and
- (t) the Investor acknowledges that certain fees and commissions may be payable by the Issuer in connection with the Offering.

APPENDIX B**INDIRECT COLLECTION OF PERSONAL INFORMATION**

By purchasing Units, the Investor acknowledges that the Issuer and the Agents and their respective agents and advisers may each collect, use and disclose the Investor's name and other specified personally identifiable information (including his, her or its name, jurisdiction of residence, address, telephone number, email address and aggregate value of the Units that it has purchased) (the "**Information**"), for purposes of (i) meeting legal, regulatory, stock exchange and audit requirements and as otherwise permitted or required by law or regulation, and (ii) issuing ownership statements issued under a direct registration system or other electronic book-entry system, or certificates that may be issued, as applicable, representing the Common Shares and Warrants (underlying the Units) to be issued to the Investor. The Information may also be disclosed by the Issuer to: (i) stock exchanges, (ii) revenue or taxing authorities and (iii) any of the other parties involved in the Offering, including legal counsel, and may be included in record books in connection with the Offering. The Investor is deemed to be consenting to the disclosure of the Information.

By purchasing Units the Investor acknowledges (A) that Information concerning the Investor will be disclosed to the relevant Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable securities and freedom of information laws and the Investor consents to the disclosure of the Information; (B) the Information is being collected indirectly by the applicable Canadian securities regulatory authorities under the authority granted to them in securities legislation; and (C) the Information is being collected for the purposes of the administration and enforcement of the applicable Canadian securities legislation; and by purchasing the Units, the Investor shall be deemed to have authorized such indirect collection of personal information by the relevant Canadian securities regulatory authorities.

The Investor may contact the following public official in the applicable province with respect to questions about the commission's indirect collection of such Information at the following address, telephone number and email address (if any):

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

Public official contact regarding indirect collection of information: FOIP Coordinator

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: FOI-privacy@bcsc.bc.ca

Public official contact regarding indirect collection of information: FOI Inquiries

The Manitoba Securities Commission

500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: 204-945-2561
Toll free in Manitoba: 1-800-655-5244
Facsimile: 204-945-0330
Public official contact regarding indirect collection of information: Director

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@fcbn.ca
Public official contact regarding indirect collection of information: Chief Executive Officer and Privacy Officer

**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
Public official contact regarding indirect collection of information: Superintendent of Securities

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
Public official contact regarding indirect collection of information: Executive Director

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

Public official contact regarding indirect collection of information: Superintendent of Securities

Financial and Consumer Affairs Authority of Saskatchewan

Suite 601 - 1919 Saskatchewan Drive

Regina, Saskatchewan S4P 4H2

Telephone: 306-787-5842

Facsimile: 306-787-5899

Public official contact regarding indirect collection of information: Director