



## Shoal Games Ltd.

### Subscription Agreement Instructions

Please carefully review this one page guide to completing the attached Subscription Agreement for common shares of Shoal Games Ltd.

#### **To be completed by all Subscribers:**

- **Face Page of Subscription Agreement:** Please complete all applicable information on the face page of the Subscription Agreement, including the particulars of the Subscriber, the number of Common Shares subscribed for and the aggregate subscription price.
- **Section 4(c) of the Subscription Agreement:** Please initial beside the applicable Offering Memorandum exemption identifying yourself as either a resident of Ontario **OR** a resident of British Columbia, Alberta, Saskatchewan or Manitoba. This information will be used to determine your eligibility to subscribe for and purchase Common Shares.

#### **To be completed by any Subscriber resident in Alberta, Manitoba, Saskatchewan or British Columbia and subscribing for Common Shares in reliance on the Offering Memorandum Exemption described in Section 4(c)(i) of the Subscription Agreement:**

- **Exhibit 1 to Subscription Agreement:** Please complete and sign the Risk Acknowledgement set forth in Exhibit 1 to the Subscription Agreement.

#### **To be completed by any Subscriber resident in Ontario and subscribing for Common Shares in reliance on the Offering Memorandum Exemption described in Section 4(c)(ii) of the Subscription Agreement:**

- **Exhibit 1 to Subscription Agreement:** Please complete and sign the Risk Acknowledgement set forth in Exhibit 1 to the Subscription Agreement.
- **Exhibit 2 to Subscription Agreement:** Please complete the Classification of Ontario Investors Under the Ontario Offering Memorandum Exemption set forth in Exhibit 2 to the Subscription Agreement.
- **Exhibit 3 to Subscription Agreement:** Please complete the Investment Limits for Ontario Investors Under the Ontario Offering Memorandum Exemption set forth in Exhibit 3 to the Subscription Agreement.
- **Note for Ontario Investors---***The Ontario Forms in Exhibit 2 and Exhibit 3 use the term “eligible investor” and ask you to confirm whether you are an “eligible investor” or “not an eligible investor”. This can be confusing. Selecting the option that you are “not an eligible investor” does not mean that you are not eligible to participate in Shoal Games Offering. It means that you do not meet the criteria necessary to invest more than \$10,000. Shoal Games is not accepting subscriptions of more than \$10,000 under the Offering Memorandum exemption and accordingly you can complete Exhibit 2 and Exhibit 3 by initialing section D in both forms which confirms that you are “not an eligible investor”.*

All completed and signed documents along with subscription funds made payable to “W.L. Macdonald Law Corporation – In Trust” (see details in Item 7 on Page 7 of this Subscription Agreement) should be delivered to:

Macdonald Tuskey  
Corporate and Securities Lawyers  
c/o Suite 1405  
1166 Alberni Street  
Vancouver, B.C. V6E 3Z3

**SUBSCRIPTION AGREEMENT FOR COMMON SHARES**

**TO: SHOAL GAMES LTD. (“SGL”)**

The undersigned (hereinafter referred to as the “**Subscriber**”) hereby irrevocably subscribes for and agrees to purchase the number of common shares in SGL (the “**Shares**”) set forth below (subject to a minimum subscription of \$900 or 1,500 Shares per Subscriber and a maximum subscription of \$10,000 or 16,667 Shares per Subscriber), for the aggregate subscription price set forth below (the “**Aggregate Subscription Price**”), representing a subscription price of \$0.60 per Share, upon and subject to the terms and conditions set forth in “*Terms and Conditions of Subscription for Common Shares of Shoal Games Ltd.*” attached hereto (collectively with this face page and the Exhibits hereto, the “**Subscription Agreement**”). **In addition to this face page, the Subscriber must also complete Exhibits 1, 2 and/or 3 attached hereto, if applicable.**

|  |
|--|
| _____  |
| (Name of Subscriber – please print)  |
| By: _____  |
| Authorized Signature   |
| _____  |
| (Official Capacity or Title – please print)  |
| _____  |
| (Please print name of individual whose signature appears above if different than the name of the Subscriber printed above) |
| _____  |
| (Subscriber’s Address)   |
| _____  |
| (Subscriber’s Address)   |
| _____  |
| (Subscriber’s Telephone Number and Email Address)  |

|  |
|--|
| Number of Shares: _____  |
| Aggregate Subscription Price: _____  |
| If the Subscriber is signing as agent for a principal and is not deemed to be purchasing as principal pursuant to NI 45-106 (as defined herein) by virtue of being either (i) a trust company or trust corporation acting on behalf of a fully managed account managed by the trust corporation; or (ii) a person acting on behalf of a fully managed account managed by it, and in each case satisfying the criteria set forth in NI 45-106, complete the following and ensure that the attached Exhibits are completed in respect of each such principal, if applicable (“Disclosed Beneficial Principal”) |
| _____  |
| (Name of Disclosed Beneficial Principal)   |
| _____  |
| (Disclosed Beneficial Principal’s Address)   |
| _____  |
| (Disclosed Beneficial Principal’s Address)   |
| _____  |
| (Disclosed Beneficial Principal’s Telephone No. and Email Address)   |

|  |
|--|
| <b>Register the Shares as set forth below:</b> |
| _____  |
| (Name)   |
| _____  |
| (Account reference, if applicable)             |
| _____  |
| (Address)                                      |
| _____  |

|   |
|---|
| <b>Deliver the Shares as set forth below:</b> |
| _____   |
| (Name)  |
| _____   |
| (Contact Name)                                |
| _____   |
| (Address)                                     |
| _____   |

ACCEPTANCE: SGL hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

**SHOAL GAMES LTD.**

Per: \_\_\_\_\_  
Authorized Signatory

## DEFINITIONS

In this Agreement, the following words have the following meanings unless otherwise indicated:

**"1933 Act"** means the United States Securities Act of 1933, as amended.

**"Agent"** means Waverley Corporate Financial Service Ltd.

**"BC Act"** means the *Securities Act* (British Columbia), as amended, the regulations and rules made thereunder and all administrative policy statements, rules, instruments, blanket orders, notices, directions, and orders issued by the British Columbia Securities Commission.

**"Business Day"** means any day except Saturday, Sunday, or a statutory holiday in Vancouver, British Columbia.

**"Common Shares"** or **"Shares"** means the common shares in the capital of SGL, as currently constituted.

**"Disclosure Record"** means, without limitation, the prospectuses, annual information forms, material change reports, press releases and other documents or reports filed by the Issuer with any applicable securities regulatory authority in Canada during the 24 months preceding the date hereof.

**"Exchange"** means the TSX Venture Exchange.

**"NI 45-106"** means the National Instrument 45-106 entitled "Prospectus and Registration Exemptions" published by the Canadian Securities Administrators.

**"Offering"** means the offering of Common Shares pursuant to the terms of SGL's Offering Memorandum.

**"Regulation S"** means Regulation S promulgated under the 1933 Act.

**"Shoal Games" or "SGL"** means Shoal Games Ltd.

**"Subscriber(s)"** means parties who subscribe for Shares pursuant to this Offering.

**"Subscription Agreement"** means the Subscription Agreement entered into between a Subscriber and Shoal Games with respect to the purchase of Shares by a Subscriber under this Offering.

**"United States"** means the United States of America, its territories and possessions and any State of the United States and the District of Columbia.

**"U.S. Person"** means a U.S. Person as that term is defined in Rule 902(o) of Regulation S, and includes (i) any natural person resident in the United States and (ii) any partnership or corporation organized or incorporated under the laws of United States, among other persons specified in such Rule.

## **TERMS AND CONDITIONS OF SUBSCRIPTION FOR COMMON SHARES OF SHOAL GAMES LTD.**

### **Terms of the Offering**

1. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that this subscription is subject to rejection or allotment by SGL in whole or in part.
2. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that:
  - (a) the Shares subscribed for by it form part of a larger issuance and sale by SGL (the “**Offering**”) of up to 3,333,333 Shares for aggregate gross proceeds of up to \$2,000,000;
  - (b) the minimum subscription per Subscriber under the Offering is \$900 or 1,500 Shares and the maximum subscription is \$10,000 or 16,667 Shares per Subscriber;
  - (c) the Offering is not subject to an aggregate minimum subscription level;
  - (d) the Subscriber’s subscription for Shares pursuant hereto is conditional upon such sale being exempt from the prospectus requirements under applicable securities legislation;
  - (e) the Closing (as defined herein) will occur on such date as may be determined by SGL, following which there may be one or more subsequent Closings occurring on such later dates as may be determined by SGL; and
  - (f) SGL intends to make a rights offering to its shareholders following closing of this Offering which will result in up to 10% dilution of its issued share capital.
3. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that it has received a copy of the offering memorandum (the “**Offering Memorandum**”) of SGL with respect to the Offering to which this Subscription Agreement is attached as Schedule B, it has carefully reviewed the Offering Memorandum and it has had an opportunity to ask questions and consult with its own legal counsel with respect to the Offering Memorandum and the Offering contemplated hereby and thereby. The Offering Memorandum contains important information about SGL, the Shares and the Offering.

### **Representations, Warranties, Covenants and Acknowledgments of the Subscriber**

4. The Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting and for the purpose of the following representations, warranties, acknowledgements and covenants, any reference to “Subscriber” or “it” includes the Subscriber and each person on whose behalf the Subscriber is contracting) represents, warrants, acknowledges and covenants, as applicable, to SGL, the Agent and its counsel (and acknowledges that SGL and its counsel are relying thereon) that both at the date hereof and at the Closing Time (as defined herein) that:
  - (a) it has been advised as to restrictions with respect to trading in the Shares imposed by applicable securities laws in the jurisdiction in which it resides; it confirms that no representation (written or oral) has been made to it by or on behalf of SGL with respect thereto; it acknowledges that it is aware of the characteristics of the Shares, the risks relating to an investment therein and of the fact that it may not be able to resell the Shares except in accordance with limited exemptions under applicable securities laws and regulatory policy until expiry of the applicable hold period or restricted period and

compliance with the other requirements of applicable securities laws; **and it acknowledges that any certificates representing the Shares may bear a legend indicating that the resale of such securities is restricted, and, the Subscriber further acknowledges that it is solely responsible and neither SGL, nor any of its representatives is responsible whatsoever, for compliance with applicable resale restrictions and it has been advised to consult its own legal counsel in its jurisdiction of residence or to which it is otherwise subject for full particulars of the resale restrictions applicable to it;**

- (b) it acknowledges that SGL is a “reporting issuer” in the Provinces of British Columbia and Alberta, that the Shares are listed on the TSX Venture Exchange; **and further acknowledges that it should consult its own legal counsel in its jurisdiction of residence for full particulars of applicable resale restrictions and that it is the Subscriber’s responsibility to comply with such restrictions before selling the Shares;**
- (c) unless it is purchasing under subsection 4(d), it is purchasing the Shares as principal for its own account, not for the benefit of any other person, for investment only and not with a view to the resale or distribution of all or any of the Shares, it is resident in or otherwise subject to applicable securities laws of the jurisdiction set out as the “**Subscriber’s Address**” on the face page hereof, and it is a person who meets one or more of the following requirements *[please initial beside the applicable category below]*:

*Offering Memorandum Exemption for Subscribers resident in Alberta, Manitoba, Saskatchewan or British Columbia*

- \_\_\_\_\_ (i) (A) the Subscriber is a resident of Alberta, Manitoba, Saskatchewan or British Columbia, (B) the Subscriber has received a copy of the Offering Memorandum from SGL, (C) the Aggregate Subscription Price of the Subscriber does not exceed \$10,000 and (D) the Subscriber has concurrently executed and delivered to SGL a Risk Acknowledgement in the form attached hereto as **Exhibit 1**; or

*Offering Memorandum Exemption for Subscribers resident in Ontario*

- \_\_\_\_\_ (ii) (A) the Subscriber is a resident of Ontario, (B) the Subscriber has received a copy of the Offering Memorandum from SGL, (C) the Aggregate Subscription Price of the Subscriber does not exceed \$10,000 and it has concurrently completed and delivered to SGL a Classification of Ontario Investors attached as **Exhibit 2** to this Subscription Agreement indicating that the Subscriber satisfies one of the categories of "eligible investor" set forth in such definition or is not an “Eligible Investor”, (D) the Subscriber has concurrently completed and delivered to SGL an Investor Limits for Ontario Investors attached as **Exhibit 3** to this Subscription Agreement, and (E) the Subscriber has concurrently executed and delivered to SGL a Risk Acknowledgement in the form attached hereto as **Exhibit 1**;

- (d) if it is not purchasing the Shares as principal, it is duly authorized to enter into this Subscription Agreement and to execute and deliver all documentation in connection with the purchase on behalf of each person for whom it is acting, each of whom is purchasing as principal for its own account, not for the benefit of any other person, for investment only, and not with a view to the resale or distribution of all or any of the Shares, it acknowledges that SGL may be required by law to disclose to certain regulatory authorities the identity of each person for whom it is acting, it is resident or otherwise subject to the applicable securities laws in the jurisdiction set out as the “**Subscriber’s Address**” on the face page hereof and subject to securities laws applicable to the Subscriber, it is acting as agent for one or more Disclosed Beneficial Principals and each such Disclosed Beneficial Principal is resident or otherwise subject to the applicable securities laws in the jurisdiction set out as the “**Disclosed Beneficial Principal’s Address**” on the face page hereof and each such Disclosed Beneficial Principal complies with the criteria set forth in subsection 4(c);

- (e) it (and any person for whom it is acting) acknowledges that:
- (i) no securities commission, stock exchange, governmental agency, regulatory body or similar regulatory authority has reviewed or passed on the merits of the Shares;
  - (ii) there is no government or other insurance covering the Shares;
  - (iii) there are risks associated with the purchase of the Shares, including as disclosed in the Offering Memorandum, and the Subscriber has considered such risks in deciding to acquire the Shares specifically including, but not limited to, the speculative nature of the investment and the risk of loss of the entire investment;
  - (iv) there are restrictions on the Subscriber's ability to resell the Shares and it is the responsibility of the Subscriber to find out what those restrictions are and to comply with them before selling the Shares; and
  - (v) SGL has advised the Subscriber that SGL is relying on an exemption from the requirements to provide the Subscriber with a prospectus and, as a consequence of acquiring the Shares pursuant to this exemption, certain protections, rights and remedies provided by the *Securities Act* (British Columbia) and other applicable securities laws will not be available to the Subscriber;
- (f) it and, if applicable, each person for whom it is contracting hereunder, is aware that the Shares have not been and will not be registered under the United States Securities Act of 1933, as amended ("**U.S. Securities Act**") or the securities laws of any state of the United States and that these securities may not be offered or sold, directly or indirectly, in the United States without registration under the U.S. Securities Act or compliance with requirements of an exemption from registration and the applicable laws of all applicable states and acknowledges that SGL has no present intention of filing a registration statement under the U.S. Securities Act in respect of the Shares;
- (g) the Shares have not been offered to the Subscriber in the United States, and the individuals making the order to purchase the Shares and executing and delivering this Subscription Agreement on behalf of the Subscriber were not in the United States when the order was placed and this Subscription Agreement was executed and delivered;
- (h) it is not a U.S. Person (as defined in Regulations under the U.S. Securities Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United States) or a person in the United States and is not acquiring the Shares on behalf of, or for the account or benefit of, a person in the United States or a U.S. Person;
- (i) it undertakes and agrees that it will not offer or sell the Shares in the United States unless such securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States or an exemption from such registration requirements is available and further it will not resell the Shares except in accordance with the provisions of applicable securities legislation, regulations, rules, policies and stock exchange rules;
- (j) the Subscriber and, if applicable, any person for whom it is contracting hereunder, has not been created solely or primarily to use exemptions from the prospectus requirements under applicable securities laws and has a pre-existing purpose other than the use of such exemptions;

- (k) if it is not an individual, the Subscriber has the requisite power, authority, legal capacity and competence to execute and deliver and be bound by this Subscription Agreement and to undertake all actions required of the Subscriber hereunder, and all necessary approvals of its directors, trustees, fiduciaries, shareholders, partners, stakeholders, holders of voting securities or otherwise have been given and obtained;
- (l) if the Subscriber is a body corporate, partnership, unincorporated association or other entity, the Subscriber has been duly incorporated or created and is validly subsisting under the laws of its jurisdiction of incorporation or creation;
- (m) the entering into of this Subscription Agreement and the transactions contemplated hereby will not result in a violation of any of the terms or provisions of any law applicable to the Subscriber (or any person on whose behalf the Subscriber is contracting), or if the Subscriber (or any person on whose behalf the Subscriber is contracting) is not a natural person, any of such person's constating documents, or any agreement to which such person is a party or by which it is bound;
- (n) if an individual, it is of the full age of majority in the jurisdiction in which it is resident and is legally capable and competent to execute and deliver and be bound by this Subscription Agreement and take all actions pursuant hereto;
- (o) this Subscription Agreement has been duly and validly authorized, executed and delivered by and constitutes a legal, valid, binding and enforceable obligation of the Subscriber;
- (p) where it is acting as agent for a principal, it is duly authorized to execute and deliver this Subscription Agreement and all other necessary documentation in connection with such subscription on behalf of such principal and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid, binding and enforceable agreement of, such principal;
- (q) it has such knowledge of financial and business affairs as to be capable of evaluating the merits and risks of its investment and is able to bear the economic risk of loss of its investments or, where it is not purchasing as principal, each person for whom it is contracting hereunder is able to bear the economic risk of loss of its investment;
- (r) it acknowledges and agrees that neither this Subscription Agreement nor any offer to subscribe for Shares made by SGL constitutes financial advice and that SGL has not had regard to the Subscriber's and, if applicable, any principal's particular objectives, financial situation or needs;
- (s) the Subscriber has evaluated SGL and its investment in the Shares independently and in no way has relied on any evaluation, review or diligence of any other subscriber, and is not relying upon any other person to conduct any due diligence investigations concerning SGL's business, affairs, financial position, condition or prospects;
- (t) it confirms that neither SGL nor any of its respective directors, officers, employees or representatives, have made any representations (oral or written) to the Subscriber:
  - (i) that any person will resell or repurchase the Shares;
  - (ii) that any person will refund the purchase price of the Shares; or
  - (iii) as to the future price or value of any of the Shares;
- (u) it acknowledges that SGL's counsel is acting as counsel to SGL and not as counsel to the Subscriber;

- (v) it acknowledges that SGL may complete additional financings in the future in order to develop the business of SGL and to fund its ongoing development; that there is no assurance that such financings will be available and, if available, on reasonable terms; any such future financings may have a dilutive effect on current security holders, including the Subscriber; that if such future financings are not available, SGL may be unable to fund its ongoing development;
  - (w) if required by applicable securities laws, regulations, rules, policies or orders or by any securities commission, stock exchange or other regulatory authority, the Subscriber will, in a timely manner, execute, deliver, file and otherwise assist SGL in filing such reports, undertakings and other documents with respect to the issue of the Shares, as may be required;
  - (x) neither the Subscriber nor any party on whose behalf it is acting is an investment club;
  - (y) the Subscriber does not act jointly or in concert with any other person for the purposes of acquiring securities of SGL;
  - (z) the Subscriber acknowledges that it or SGL may be required to provide the applicable securities regulatory authorities with a list setting forth the identities of each person for whom it is contracting hereunder and notwithstanding that the Subscriber may be purchasing the Shares as agent for a principal, it will provide, on request, particulars as to the identity of such principal as may be required by SGL (in order to comply with the foregoing); and
  - (aa) the Subscriber acknowledges that it has been encouraged to and has obtained independent legal, income tax and investment advice with respect to its subscription for the Shares and accordingly, has had the opportunity to acquire an understanding of the meanings of all terms contained herein relevant to the Subscriber for purposes of giving representations, warranties, covenants and acknowledgments under this Subscription Agreement and SGL shall not bear any responsibility whatsoever for such matters.
5. The Subscriber (for itself and, if applicable, on behalf of each person for whom it is contracting hereunder) agrees that the representations, warranties, acknowledgements and covenants of the Subscriber herein will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time and will survive the completion of the issuance of the Shares. The representations, warranties, acknowledgements and covenants of the Subscriber herein are made with the intent that they be relied upon by SGL and its counsel in determining the eligibility of a purchaser of Shares and the Subscriber agrees to indemnify and hold harmless SGL and its affiliates, shareholders, directors, officers, partners, employees and agents, (including their respective legal counsel) from and against all losses, claims, costs, expenses and damages or liabilities whatsoever which any of them may suffer or incur which are caused or arise from a breach thereof. The Subscriber undertakes to immediately notify SGL at Suite 1405, 1166 Alberni Street, Vancouver, B.C., V6E 3Z3, Attention: Mr. Henry Bromley, of any change in any statement or other information relating to the Subscriber set forth herein which takes place prior to the Closing Time.

#### **SGL's Covenants, Representations and Warranties**

6. a. SGL covenants, represents and warrants to and with the Purchaser and the Agent as follows:
- (i) SGL will promptly comply with all filing and other requirements under all applicable securities laws in connection with the Offering;
  - (ii) on Closing, SGL will have taken all necessary steps to duly and validly create and issue the Shares;



- (iii) SGL is a valid and subsisting corporation incorporated and in good standing under the laws of Anguilla, British West Indies;
  - (iv) SGL is duly registered and licensed to carry on business in the jurisdiction in which it carries on business or owns property where required under the laws of the jurisdiction;
  - (v) this Subscription Agreement has been or will be by Closing, duly authorized by all necessary corporate action on the part of SGL, and SGL has or will have by Closing full corporate power and authority to undertake the Offering;
  - (vi) The Shares will, upon issue and delivery, be validly authorized and issued as fully paid and non-assessable upon receipt by SGL of full payment therefor;
  - (vii) SGL has filed all forms, reports, documents and information required to be filed by it, whether pursuant to applicable securities laws or otherwise, with the Exchange (or one of its predecessors) or the applicable securities regulatory authorities (the "Disclosure Documents"). As of the time the Disclosure Documents were filed with the applicable securities regulators and on SEDAR (System for Electronic Document Analysis and Retrieval) (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing): (i) each of the Disclosure Documents complied in all material respects with the requirements of the applicable securities laws; and (ii) none of the Disclosure Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;
  - (viii) The financial statements of SGL contained in the Disclosure Documents: (i) complied as to form in all material respects with the published rules and regulations under the applicable securities laws; (ii) were reported in accordance with Canadian generally accepted accounting principles or International Financial Reporting Standards, as the case may be; and (iii) present fairly the consolidated financial position of SGL and its subsidiaries, if any, as of the respective dates thereof and the consolidated results of operations of SGL and its subsidiaries, if any, for the periods covered thereby;
  - (ix) There is no "material fact" or "material change" (as those terms are defined in the BC Act) in the affairs of SGL that has not been generally disclosed to the public; and
  - (x) This Subscription Agreement constitutes a binding and enforceable obligation of SGL, enforceable in accordance with its terms.
- (b) Survival of Representations and Warranties

The representations and warranties of SGL contained in this section will survive the Closing.

## Closing

7. The Subscriber agrees to deliver to legal counsel of SGL (a) this duly completed and executed Subscription Agreement; (b) if the Subscriber is purchasing the Shares on the basis of the representations set forth in Section 4(c)(i), a fully executed and completed Risk Acknowledgement in the form of **Exhibit 1** hereto; (c) if the Subscriber is purchasing the Shares on the basis of the representations set forth in Section 4(c)(ii), a fully completed Classification of Ontario Investors in the form of **Exhibit 2** hereto, a fully completed Investor Limits for Ontario Investors in the form of **Exhibit 3** hereto and a fully executed and completed Risk Acknowledgement in the form of **Exhibit 1** hereto; , (d) a certified cheque, or bank draft payable to "**W.L. Macdonald Law Corporation – In Trust**" or by wire transfer (**see details below**) for the Aggregate

Subscription Price; and (e) any other documents required by applicable securities laws which SGL may request. If this Subscription Agreement is rejected in whole or in part, or the Subscriber exercises the right to cancel its agreement to purchase the Shares as described in the Offering Memorandum, the Aggregate Subscription Price will be promptly returned to the Subscriber without interest.

Instructions for wire transfer to CDN trust account of W.L. Macdonald Law Corporation:

|  |   |
|--|---|
| <b>Bank:</b>   | BMO Bank of Montreal<br>595 Burrard Street<br>Vancouver, B.C. V7X 1L7 |
| <b>SWIFT Code:</b>   | BOFMCAM2  |
| <b>Routing No.:</b>  | CC000100040   |
| <b>Institution No.</b>   | 001   |
| <b>Branch/Transit No.</b>  | 00040   |
| <b>Beneficiary:</b>  | W.L. Macdonald Law Corporation  |
| <b>Address:</b>  | 400 – 570 Granville Street<br>Vancouver B.C., V6C 3P1                 |
| <b>Account No.</b>   | 1748-699  |
| <i>Note: Please add \$15 to cover bank wire charges and provide your reference for your wire transfer.</i> |   |

8. The sale of the Shares pursuant to this Subscription Agreement will be completed (the “**Closing**”) at the offices of Macdonald Tuskey, legal counsel of SGL, in Vancouver, B.C., at such time or times as SGL may determine (the “**Closing Time**”) on such date or dates as SGL may determine (the “**Closing Date**”).
9. SGL shall be entitled to rely on delivery of a facsimile copy or portable document format (PDF) of executed Subscription Agreements, and acceptance by SGL of such facsimile or PDF subscriptions shall be legally effective to create a valid and binding agreement between the Subscriber and SGL in accordance with the terms hereof. In addition, this Subscription Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. If less than a complete copy of this Subscription Agreement is delivered to SGL at the Closing Time, SGL shall be entitled to assume that the Subscriber accepts and agrees with all of the terms and conditions of this Subscription Agreement on the pages not delivered at the Closing Time unaltered.

## General

10. Whether or not explicitly stated in this Subscription Agreement, any acknowledgement, representation, warranty, undertaking, covenant or agreement made by the Subscriber in this Subscription Agreement, including the Exhibits hereto, will be treated as if, and be deemed to have been, also made by each person for whom the Subscriber is contracting.
11. The Subscriber, on its own behalf and, if applicable, on behalf of each person for whom it is contracting hereunder, acknowledges and consents to the fact that SGL is collecting its personal information (as that term is defined under applicable privacy legislation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time), or that of each beneficial purchaser for whom it is contracting hereunder, for the purpose of completing this Subscription Agreement. The Subscriber, on its own behalf and, if applicable, on behalf of each beneficial purchaser for whom it is contracting hereunder, acknowledges and consents to SGL retaining such personal information for as long as permitted or required by law or business practices. The Subscriber, on its own behalf and, if applicable, on

behalf of each beneficial purchaser for whom it is contracting hereunder, further acknowledges and consents to the fact that SGL may be required by the securities laws of the applicable jurisdictions, the rules and policies of any stock exchange or the rules of the Investment Industry Regulatory Organization of Canada to provide regulatory authorities with any personal information provided by the Subscriber in this Subscription Agreement. The Subscriber represents and warrants, as applicable, that it has the authority to provide the consents and acknowledgements set out in this Section 11 on behalf of each beneficial purchaser for whom it is contracting hereunder. In addition to the foregoing, it agrees and acknowledges that SGL may use and disclose its personal information, or that of each person for whom it is contracting hereunder, as follows:

- (i) for internal use with respect to managing the relationships between, and contractual obligations of, SGL and the Subscriber or any person for whom it is contracting hereunder;
- (ii) for use and disclosure for income tax related purposes, including without limitation, where required by law, disclosure to the Canada Revenue Agency;
- (iii) disclosure to securities regulatory authorities and other regulatory bodies with jurisdiction with respect to reports of trades and similar regulatory filings;
- (iv) disclosure to governmental or other authorities to which the disclosure is required by court order or subpoena compelling such disclosure and where there is no reasonable alternative to such disclosure;
- (v) disclosure to professional advisers of SGL in connection with the performance of their professional services;
- (vi) disclosure to any person where such disclosure is necessary for legitimate business reasons and is made with the Subscriber's prior written consent;
- (vii) disclosure to a court determining the rights of the parties under this Subscription Agreement; or
- (viii) for use and disclosure as otherwise required or permitted by law.

The Subscriber also consents to the filing of copies or originals of any of the Subscriber's documents described in Section 7 hereof as may be required to be filed with any securities regulatory authority in connection with the transactions contemplated hereby.

12. The Subscriber, on its own behalf and, if applicable, on behalf of each person for whom it is contracting hereunder, represents and warrants that the funds representing the Aggregate Subscription Price which will be advanced by the Subscriber to SGL hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* (the "PCMLTFA") and the Subscriber acknowledges that SGL may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of the Subscriber's knowledge none of the subscription funds to be provided by the Subscriber (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 of America, or any other jurisdiction, or (b) are being tendered on behalf of a person or entity who has not been identified to the Subscriber. The Subscriber shall promptly notify SGL if it discovers that any of such representations ceases to be true, and will provide SGL with appropriate information in connection therewith.
13. The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any counsel retained by the Subscriber) relating to the sale of the Shares to the Subscriber shall be borne by the Subscriber.

14. The contract arising out of this Subscription Agreement and all documents relating thereto shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of British Columbia.
15. Time shall be of the essence hereof.
16. This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.
17. The terms and provisions of this Subscription Agreement shall be binding upon and enure to the benefit of the Subscriber and SGL and their respective heirs, executors, administrators, successors and assigns; provided that, except for the assignment by a Subscriber who is acting as nominee or agent for the beneficial owner and as otherwise herein provided, this Subscription Agreement shall not be assignable by any party without prior written consent of the other parties.
18. The Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder, agrees that this subscription is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder.
19. Neither this Subscription Agreement nor any provision hereof shall be modified, changed, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, change, discharge or termination is sought.
20. The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.
21. The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof.
22. The covenants, representations and warranties contained herein shall survive the Closing of the transactions contemplated hereby.
23. In this Subscription Agreement (including the Exhibits), unless otherwise indicated, references to "\$" are to Canadian dollars.
24. The parties hereto acknowledge and confirm that they have requested that this Subscription Agreement as well as all notices and other documents contemplated hereby be drawn up in the English language.

EXHIBIT 1

Offering Memorandum – Risk Acknowledgement

**Risk Acknowledgement**

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- 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 am investing \$\_\_\_\_\_ [total consideration] in total; this includes any amount I am obliged to pay in future. Shoal Games Ltd. will not pay a fee or commission out of this amount to any party.

**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.**

**WARNING**

**You have 2 business days to cancel your purchase.**

To do so, send a notice to Shoal Games Ltd. stating that you want to cancel your purchase. You must send the notice before midnight on the 2<sup>nd</sup> business day after you sign the agreement to purchase the securities. You can send the notice by email or deliver it in person to Shoal Games Ltd. at its business address. Keep a copy of the notice for your records.

Issuer Name and Address:                    Macdonald Tuskey  
    c/o 1405 – 1166 Alberni Street  
    Vancouver, B.C. V6E 3Z3  
    Email: [Henry@shoalgames.com](mailto:Henry@shoalgames.com)

**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 will receive an offering memorandum.** Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

**You will not receive advice.**

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from a registered adviser or registered dealer.

For more information on the exempt market, call your local securities regulatory authority or regulator.

**British Columbia Securities Commission**

Telephone: (604) 899-6500

[www.bcsc.bc.ca](http://www.bcsc.bc.ca)

**Alberta Securities Commission**

Telephone: (403) 297-6454

[www.albertasecurities.com](http://www.albertasecurities.com)

**Saskatchewan Financial Services Commission**

Telephone: (306) 787-5879

[www.fcaa.gov.sk.ca](http://www.fcaa.gov.sk.ca)

**The Manitoba Securities Commission**

Telephone: (204) 945-2548

Toll free in Manitoba 1-800-655-5244

[www.mbsecurities.ca](http://www.mbsecurities.ca)

**Ontario Securities Commission**

Telephone: (416) 593- 8314

Toll free in Canada: 1-877-785-1555

[www.osc.gov.on.ca](http://www.osc.gov.on.ca)

*[Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.]*

## EXHIBIT 2

### Classification of Ontario Investors Under the Ontario Offering Memorandum Exemption

**Instructions:** This Exhibit must be completed together with the Risk Acknowledgement Form (Exhibit 1) and Investment Limits for Ontario Investors Under the Ontario Offering Memorandum (Exhibit 3) by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 Prospectus Exemptions (NI 45-106) in Ontario.

|   |
|---|
| <b>How you qualify to buy securities under the offering memorandum exemption.</b> |
|---|

|   |
|---|
| Initial the statement under A, B, C or D containing the criteria that applies to you. (You may initial more than one statement.) If you initial a statement under B or C, you are not required to complete A. |
|---|

| <b>A. You are an eligible investor because:</b> |  | <b>Your initials</b> |
|---|--|----------------------|
| <b>Eligible Investor</b>                        | Your net income before taxes was more than \$75,000 in each of the 2 most recent calendar years, and you expect it to be more than \$75,000 in this 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 \$125,000 in each of the 2 most recent calendar years, and you expect your combined net income to be more than \$125,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.) |                      |
|   | Either alone or with your spouse, you have net assets worth more than \$400,000. (Your net assets are your total assets, including real estate, minus your total debt including any mortgage on your property.)  |                      |

| <b>B. You are an eligible investor, as a person described in section 2.3 [Accredited investor] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the <i>Securities Act</i> (Ontario), because:</b> |  | <b>Your initials</b> |
|--|--|----------------------|
| <b>Accredited Investor</b>   | 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 this 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.)  |                      |

| C. You are an eligible investor, as a person described in section 2.5 [Family, friends and business associates) of NI 45-106, because: |  | Your initials |
|--|--|---------------|
| <b>Family, Friends and Business Associates</b>   | <p>You are:</p> <p style="padding-left: 20px;">1) <i>[check all applicable boxes]</i></p> <p style="padding-left: 20px;"><input type="checkbox"/> a director of the issuer or an affiliate of the issuer</p> <p style="padding-left: 20px;"><input type="checkbox"/> an executive officer of the issuer or an affiliate of the issuer</p> <p style="padding-left: 20px;"><input type="checkbox"/> a control person of the issuer or an affiliate of the issuer</p> <p style="padding-left: 20px;"><input type="checkbox"/> a founder of the issuer</p> <p style="text-align: center;">OR</p> <p style="padding-left: 20px;">2) <i>[check all applicable boxes]</i></p> <p style="padding-left: 20px;"><input type="checkbox"/> a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> <p style="padding-left: 20px;"><input type="checkbox"/> a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> |               |
|  | <p>You are a family member of _____ <i>[Instruction: Insert the name of the person who is your relative either directly or through his or her spouse]</i>, who holds the following position at the issuer or an affiliate of the issuer:</p> <p>_____.</p> <p>You are the _____ of that person or that person's spouse. <i>[Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse.]</i></p>   |               |
|  | <p>You are a close personal friend of _____ <i>[Instruction: Insert the name of your close personal friend]</i>, who holds the following position at the issuer or an affiliate of the issuer:</p> <p>_____.</p> <p>You have known that person for _____ years.</p>  |               |
|  | <p>You are a close business associate of _____ <i>[Instruction: Insert the name of your close business associate]</i>, who holds the following position at the issuer or an affiliate of the issuer:</p> <p>_____.</p> <p>You have known that person for _____ years.</p>  |               |

| D. You are not an eligible investor. |  | Your initials |
|--------------------------------------|--|---------------|
| <b>Not an Eligible Investor</b>      | You acknowledge that you are not an eligible investor. |               |



## **APPENDIX “A” TO EXHIBIT 2**

**“Eligible Investor”** – (defined in National Instrument 45-106) means:

- (a) A person whose:
  - (i) net assets, alone or with a spouse, in the case of an individual, exceed \$400 000;
  - (ii) net income before taxes exceeded \$75 000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or
  - (iii) income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125 000 in each of the 2 most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or
- (b) a person of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the directors are eligible investors, or
- (c) a general partnership of which all of the partners are eligible investors, or
- (d) a limited partnership of which the majority of the general partners are eligible investors, or
- (e) a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are eligible investors, or
- (f) an accredited investor, or
- (g) A person who is:
  - (i) a director, executive officer or control person of the issuer, or of an affiliate of the issuer,
  - (ii) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer or control person of the issuer, or of an affiliate of the issuer,
  - (iii) 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,
  - (iv) a close personal friend of a director, executive officer or control person of the issuer, or of an affiliate of the issuer,
  - (v) a close business associate of a director, executive officer or control person of the issuer, or of an affiliate of the issuer,
  - (vi) 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,
  - (vii) a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the issuer,
  - (viii) 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 (i) to (vii), or
  - (ix) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (i) to (vii), or
- (h) a person that has obtained advice regarding the suitability of the investment and, if the person is resident in a jurisdiction of Canada, that advice has been obtained from an eligibility adviser.

**“eligibility adviser”** means:

- (a) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed, and
- (b) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
  - (i) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and
  - (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months.

“accredited investor” – (defined in National Instrument 45-106 or the *Securities Act* (Ontario), as applicable) means:

- (a) except in Ontario, a Canadian financial institution, or a Schedule III bank;
- (a.1) in Ontario, a financial institution that is (i) a bank listed in Schedule I, II or III of the *Bank Act* (Canada); (ii) an association to which the *Cooperative Credit Associations Act* (Canada) applies or a central cooperative credit society for which an order has been made under subsection 473(1) of the *Securities Act* (Ontario); or (iii) a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be;
- (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), (a.1) 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 or company registered under the securities legislation of a jurisdiction (province or territory) of Canada as an adviser or dealer, except as otherwise prescribed by the regulations;
- (e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d);
- (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador);
- (f) the Government of Canada or a jurisdiction (province or territory) of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction (province or territory) of Canada;
- (g) a municipality, public board or commission in Canada or 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 an agency of that government;
- (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction (province or territory) 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 \$1,000,000;
- (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;
- (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$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;
- (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000;
- (m) a person, other than an individual or investment fund, that has net assets of at least \$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 of NI 45-106 [*Minimum amount investment*], or 2.19 of NI 45-106 [*Additional investment in investment funds*], or
  - iii. a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 of NI 45-106 [*Investment fund reinvestment*];
- (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator, or, in Québec, 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 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 owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- (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 Québec, 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.

### EXHIBIT 3

#### Investment Limits for Ontario Investors Under the Ontario Offering Memorandum Exemption

**Instructions:** This Exhibit must be completed together with the Risk Acknowledgement Form (Exhibit 1) and Classification of Ontario Investors Under the Ontario Offering Memorandum (Exhibit 2) by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 Prospectus Exemptions (NI 45-106) in Ontario.

|   |
|---|
| <b>SECTION 1 TO BE COMPLETED BY THE PURCHASER</b> |
|---|

|  |
|--|
| <b>1. Investment limits you are subject to when purchasing securities under the offering memorandum exemption.</b> |
|--|

|   |
|---|
| <p>You may be subject to annual investment limits that apply to all securities acquired under the offering memorandum exemption in a 12 month period, depending on the criteria under which you qualify as identified in Schedule 1. Initial the statement that applies to you.</p> |
|---|

|   |                      |
|---|----------------------|
| <b>A. You are an eligible investor.</b> | <b>Your initials</b> |
|---|----------------------|

|                          |  |  |
|--------------------------|--|--|
| <b>Eligible Investor</b> | <p>As an eligible investor that is an individual, you cannot invest more than <b>\$30,000</b> in all offering memorandum exemption investments made in the previous 12 months, unless you have received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule, that your investment is suitable.</p> <p>Initial one of the following statements:</p> |  |
|                          | <p>You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit of \$30,000 in all offering memorandum exemption investments made in the previous 12 months.</p>   |  |
|                          | <p>You confirm that you received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule that the following investment is suitable.</p>  |  |
|                          | <p>You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit in all offering memorandum exemption investments made in the previous 12 months of \$100,000.</p>  |  |

|   |                      |
|---|----------------------|
| <b>B. You are an eligible investor, as a person described in section 2.3 [Accredited Investor] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the <i>Securities Act</i> (Ontario).</b> | <b>Your initials</b> |
|---|----------------------|

|                            |  |  |
|----------------------------|--|--|
| <b>Accredited Investor</b> | <p>You acknowledge that, by qualifying as an eligible investor as a person described in section 2.3 [Accredited Investor], you are not subject to investment limits.</p> |  |
|----------------------------|--|--|

| <b>C. You are an eligible investor, as a person described in section 2.5 [Family, friends and business associates] of NI 45-106.</b> |   | <b>Your initials</b> |
|--|---|----------------------|
| <b>Family, Friends and Business Associates</b>   | You acknowledge that, by qualifying as an eligible investor as a person described in section 2.5 [Family, friends and business associates], you are not subject to investment limits. |                      |

| <b>D. You are not an eligible investor.</b> |   | <b>Your initials</b> |
|---|---|----------------------|
| <b>Not An Eligible Investor</b>             | <p>You acknowledge that you cannot invest more than <b>\$10,000</b> in all offering memorandum exemption investments made in the previous 12 months.</p> <p>You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit of \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p> |                      |

| <b>SECTION 2 TO BE COMPLETED BY THE REGISTRANT</b>   |
|--|
| <b>2. Registrant Information</b>   |
| <i>[Instruction: this section must only be completed if an investor has received advice from a portfolio manager, investment dealer or exempt market dealer concerning his or her investment.]</i> |
| First and last name of registrant (please print):  |
| Registered as:<br><i>[Instruction: indicate whether registered as a dealing representative or advising representative]</i>   |
| Telephone: _____ Email: _____  |
| Name of firm:<br><i>[Instruction: indicate whether registered as an exempt market dealer, investment dealer or portfolio manager.]</i>   |
| Date:  |