

CANYON GOLD & GRAVEL INC.

(THE "COMPANY")

SUBSCRIPTION AGREEMENT FOR FLOW-THROUGH COMMON SHARES

**INSTRUCTIONS FOR ALL SUBSCRIBERS**

1. Please read this Subscription Agreement carefully, including the attached Schedules.
2. Complete and sign:
  - a. page 2 of this Subscription Agreement;
  - b. Schedule "A" - *Statement of Accredited Investor* and Exhibit "1" thereto, if applicable; and
  - c. Schedule "D" Family, Friends and Business Associates Certification and Exhibit "1" hereto, if applicable

The Company is relying on your representations about you and your relationship to the Company in the applicable Schedules that an exemption is available from the requirement of the Company to file and provide you with a prospectus under the Securities Laws (as defined herein). If an exemption is not available, the Company will not be able to accept your offer to purchase the securities hereunder.

3. Where the FT Shares (as defined herein) are to be registered jointly in the names of two or more persons, all persons must sign this Subscription Agreement on page 2 (in duplicate), and each person must complete and deliver Schedules "A", and, if applicable, Exhibit "1" to Schedule "A".
4. **Please deliver:**
  - a. the signed Subscription Agreement, including page 2 and the applicable Schedules (with the applicable sections completed) as follows:

**Canyon Gold & Gravel Inc.**  
**31 – 2216 Folkestone Way**  
**West Vancouver, BC V3X 3H3**  
**Attention: Brian L. Hauff**  
[canyongoldgravel@gmail.com](mailto:canyongoldgravel@gmail.com)

- b. payment of the "Subscription Funds" set out on page 2 by wire transfer to the Company **with the wire instructions attached to this document as Schedule "C"**.

The funds received as the Subscription Funds will be held in trust until closing. **Failure to deliver this Subscription Agreement and Subscription Funds in accordance with these instructions may result in the Company not being able to accept your subscription.**

### SUBSCRIPTION AGREEMENT

**TO: CANYON GOLD & GRAVEL INC. (THE "COMPANY")**

The undersigned (hereinafter referred to as the "**Subscriber**") hereby irrevocably subscribes for and offers to purchase from the Company the number of common shares in the capital of the Company (a "**Common Share**"), to be issued on a flow-through basis ("**FT Shares**") for **\$0.20 per FT Share** set forth below upon and subject to the Conditions of this Subscription Agreement of the Company attached hereto.

|  |  |
|--|--|
| <p>_____</p> <p>(Name of Subscriber(s) – please print)</p> <p>By: _____</p> <p>Signature(s) of Subscriber or Authorized Signature</p> <p>_____</p> <p>(Official Capacity or Title – please print)</p> <p>_____</p> <p>Please print name of individual whose signature appears above if different than the name of the subscriber printed above.</p> <p>_____</p> <p>(Subscriber's Residential Address)</p> <p>_____</p> <p>_____</p> <p>(Telephone Number)</p> | <p>Number of FT Shares: _____ x <b>CAD\$0.20</b></p>   |
| <p>_____</p> <p>(Name of Subscriber(s) – please print)</p> <p>By: _____</p> <p>Signature(s) of Subscriber or Authorized Signature</p> <p>_____</p> <p>(Official Capacity or Title – please print)</p> <p>_____</p> <p>Please print name of individual whose signature appears above if different than the name of the subscriber printed above.</p> <p>_____</p> <p>(Subscriber's Residential Address)</p> <p>_____</p> <p>_____</p> <p>(Telephone Number)</p> | <p>Aggregate Subscription Price: \$ _____</p> <p>(the "<b>Subscription Funds</b>")</p> <p>State whether the Subscriber is a resident of Québec:</p> <p style="text-align: center;">Yes <input type="checkbox"/>      No <input type="checkbox"/></p> |
| <p>_____</p> <p>(Name of Subscriber(s) – please print)</p> <p>By: _____</p> <p>Signature(s) of Subscriber or Authorized Signature</p> <p>_____</p> <p>(Official Capacity or Title – please print)</p> <p>_____</p> <p>Please print name of individual whose signature appears above if different than the name of the subscriber printed above.</p> <p>_____</p> <p>(Subscriber's Residential Address)</p> <p>_____</p> <p>_____</p> <p>(Telephone Number)</p> | <p>SIN:</p> <p>_____</p> <p>Business No.:</p> <p>_____</p> <p>Corporate Tax Account No.:</p> <p>_____</p>  |
| <p><u>Register the FT Shares as set forth below:</u></p> <p>_____</p> <p>Name</p> <p>_____</p> <p>Account reference, if applicable</p> <p>_____</p> <p>Address</p> <p>_____</p>  | <p><u>Deliver the FT Shares as set forth below:</u></p> <p>_____</p> <p>Name</p> <p>_____</p> <p>Account reference, if applicable</p> <p>_____</p> <p>Contact Name</p> <p>_____</p> <p>Address</p> <p>_____</p>                                      |

**Securities Owned:**

Number and kind of securities (including options, warrants, etc.) of the Company directly or indirectly owned, controlled, or directed,

**(if none, confirm by checking the appropriate box below):**

\_\_\_\_\_

**OR**

I do not directly or indirectly own, control or direct any kind of securities of the Company.

**Insider:**

State whether Subscriber is an Insider\* of the Company:

Yes  No

\*definition at Section **Error! Reference source not found.** of the attached Terms and Conditions

**Registrant:**

State whether Subscriber is a registrant:

Yes  No

“**registrant**” as defined in the *Securities Act* (Ontario), namely: “**registrant**” means a person that is registered or is required to be registered under the *Securities Act* (Ontario) because that person:

- (a) trades in a security or exchange contract;
- (b) acts as an adviser;
- (c) acts as an investment fund manager; or
- (d) acts as an underwriter.

**ACCEPTANCE:** The Company hereby accepts the above subscription for the FT Shares upon and subject to the Terms and Conditions of this Subscription Agreement (contained herein), and the Company represents and warrants to the Subscriber that the representations and warranties made by or on behalf of the Company are true and correct in all material respects as of this date and that the Subscriber is entitled to rely thereon.

Dated the \_\_\_\_ day of \_\_\_\_\_, 2023.

**CANYON GOLD & GRAVEL INC.**

Per: \_\_\_\_\_  
(Authorized Signatory)

## TERMS AND CONDITIONS OF THE SUBSCRIPTION FOR FT SHARES

1. **Definitions.** For the purposes of this Subscription Agreement, the terms set forth below shall have the following meanings:
- (a) “**Business Day**” a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Vancouver, British Columbia are not open for business;
  - (b) “**Canadian Exploration Expense(s)**” or “**CEE**” means an expense of the nature referred to in paragraph (f) of the definition of “Canadian exploration expense” in subsection 66.1(6) of the Tax Act, other than amounts which are prescribed to be “Canadian exploration and development overhead expense” for the purposes of the Tax Act, the cost of acquiring or obtaining the use of seismic data described in paragraph 66(12.6)(b.1) of the Tax Act, or any expenses for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition of “expense” in paragraph 66(15) of the Tax Act.
  - (c) “**Closing**” means the completion of the Offering, which may occur in stages on different dates;
  - (d) “**Closing Date**” has the meaning ascribed thereto in section 11 hereof;
  - (e) “**Closing Time**” has the meaning ascribed thereto in section 11 hereof;
  - (f) “**Common Shares**” has the meaning given to such term on the face page of this Subscription Agreement;
  - (g) “**Company**” means Canyon Gold & Gravel Inc., and includes any successor Company to or of the Company;
  - (h) “**Control Person**” means a person, company or combination of persons or companies described in clause (c) of the definition of “distribution” in subsection 1(1) of the *Securities Act* (Ontario);
  - (i) “**CRA**” means Canada Revenue Agency;
  - (j) “**Concurrent Offering**” means the concurrent non-brokered private placement of Common Shares;
  - (k) “**DRS**” means direct registration system;
  - (l) “**Expenditure Period**” means the period beginning on the Closing Date and ending on the Termination Date;
  - (m) “**Flow-Through Mining Expenditure**” means an expense which is a “flow-through mining expenditure” as defined in subsection 127(9) of the Tax Act;
  - (n) “**FT Shares**” has the meaning given to such term on the face page of this Subscription Agreement;
  - (o) “**Indemnified Person**” has the meaning ascribed thereto in Section 14 hereof

- (p) “**Insider**” means (a) a director or senior officer of the Company, (b) a director or senior officer of a company that is an insider or subsidiary of the Company, or (c) any person who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all voting securities of the Company for the time being outstanding;
- (q) “**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions*;
- (r) “**Offering**” means the offering of the FT Shares pursuant to this Subscription Agreement;
- (s) “**Other Agreements**” has the meaning given to such term in Section 5(m);
- (t) “**PCMLTFA**” has the meaning given to such term in Section 7(o);
- (u) “**person**” means any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), Company, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning;
- (v) “**Prescribed Forms**” means forms prescribed from time to time under subsection 66(12.7) of the Tax Act filed or to be filed by the Company within the prescribed times renouncing to the Subscriber the Qualifying Expenditures incurred pursuant to this Subscription Agreement and all parts or copies of such forms required by the CRA to be delivered to the Subscriber;
- (w) “**Qualifying Expenditures**” means expenses that on or after the Closing Date and or before the Termination Date, (i) qualify as CEE at the date they are incurred and are expenses which may be renounced by the Company pursuant to subsection 66(12.6) of the Tax Act with an effective date not later than the Renunciation Date; and (ii) qualify as Flow-Through Mining Expenditure at the date they are incurred;
- (x) “**Renunciation Date**” means December 31, 2023;
- (y) “**Securities**” means the FT Shares subscribed for and purchased by the Subscriber pursuant to this Subscription Agreement;
- (z) “**Securities Laws**” means, the securities laws, regulations, rules, rulings and orders in each of the provinces of Canada and elsewhere as may be applicable, and the applicable published policy statements, instruments and blanket orders and rulings issued or adopted by the securities regulators in each of the provinces of Canada, the Canadian Securities Administrators, and elsewhere as may be applicable;
- (aa) “**Subscriber**” means the subscriber for the FT Shares as set out on page 2 of this Subscription Agreement;
- (bb) “**Subscription Agreement**” means this agreement (including the schedules hereto) resulting from acceptance by the Company of the offer herein to purchase the FT Shares and any instrument amending this Subscription Agreement;
- (cc) “**Subscription Funds**” shall be the aggregate Subscription Price for the FT Shares in the amount set out on page 2 of this Subscription Agreement;

- (dd) “**Subscription Price**” means the subscription price set out on page 2 of this Subscription Agreement;
- (ee) “**Tax Act**” means the *Income Tax Act* (Canada), as amended, re-enacted or replaced from time to time, and any amendments that are announced publicly and to have effect prior to the date hereof;
- (ff) “**Termination Date**” means **December 31, 2023**;
- (gg) “**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (hh) “**U.S. Person**” has the meaning given to such term in Rule 902(k) of Regulation S under the U.S. Securities Act; and
- (ii) “**U.S. Securities Act**” means the *United States Securities Act of 1933*, as amended.

2. **Schedules.** The following Schedules are attached to and incorporated into this Subscription Agreement and thereby form part of this Subscription Agreement:

Schedule “A” – Statement of Accredited Investor (including Exhibit “1” if applicable).  
 Schedule “B” – Securities Regulator’s Indirect Collection Information  
 Schedule “C” – Wire Instructions  
 Schedule “D” -Family, Friends and Business Associates Certification

3. **Subscription for the FT Shares.** The Subscriber hereby confirms his/her/its irrevocable subscription for and offer to purchase the number of FT Shares set out on page 2 of this Subscription Agreement from the Company, on and subject to the terms and conditions set out in this Subscription Agreement, for the Subscription Funds.
4. **Terms of the Offering.** Concurrent with the execution and delivery of this Subscription Agreement (in duplicate) to the Company, the Subscriber agrees to deliver to the Company the Subscription Funds as set forth and described on page 2 of this Subscription Agreement for the FT Shares so subscribed for herein, in the full amount of the Subscription Funds for the FT Shares in accordance with Section 11 herein.

The Subscriber acknowledges and agrees that the Company reserves the right, in its absolute discretion, to reject this subscription for FT Shares, in whole or in part, at any time prior to the Closing Time. If this subscription is rejected in whole, any payment delivered to the Company representing the Subscription Funds will be promptly returned to the Subscriber without interest or deduction. If this subscription is accepted only in part, a refund of the Subscription Funds for that portion of the subscription for the FT Shares that is not accepted will be promptly delivered to the Subscriber without interest or deduction. Subject to the terms hereof, this subscription will be effective upon its acceptance by the Company.

Each FT Share is composed of one Common Share issued on a flow-through basis.

5. **Representations, Warranties and Covenants of the Company.** By executing this Subscription Agreement, the Company represents, warrants and covenants to the Subscriber (and acknowledges that the Subscriber is relying thereon) that:
- (a) the Company is duly organized and validly existing under the laws of British Columbia. The Company has the requisite corporate power and authority to own and operate its

properties and assets and to carry on its business as currently conducted and as proposed to be conducted;

- (b) the Company will have at the Closing Date all requisite legal and corporate power and authority to execute and deliver this Subscription Agreement, to sell and issue the FT Shares, and to carry out and perform its obligations under the terms of this Subscription Agreement;
- (c) all corporate action on the part of the Company, its directors, and its shareholders necessary for the authorization, execution, delivery and performance of this Subscription Agreement by the Company will be taken prior to the Closing;
- (d) the Company is not a party to any actions, suits or proceedings which could materially affect its business or financial condition, and to the best of the Company's knowledge no such actions, suits or proceedings are contemplated or have been threatened;
- (e) there are no judgments against the Company which are unsatisfied, nor are there any consent decrees or injunctions to which the Company is subject;
- (f) the Company is not in default of any of the requirements of the Securities Laws;
- (g) the execution and delivery of, and the performance of the terms of, this Subscription Agreement by the Company does not and will not constitute a breach of or default under the constating documents of the Company;
- (h) upon issue, the FT Shares will be "flow-through shares" as defined in subsection 66(15) of the Tax Act and are not and will not be "prescribed shares" within the meaning of section 6202.1 of the regulations to the Tax Act;
- (i) the Company is a "principal-business Company" as defined in subsection 66(15) of the Tax Act and will continue to be a "principal-business Company" until such time as all of the Qualifying Expenditures required to be renounced under this Subscription Agreement have been incurred and validly renounced pursuant to the Tax Act;
- (j) to the best of its knowledge, being the actual knowledge of its directors and senior officers after due enquiry, the Company has no reason to believe that it will be unable to incur, on or after the Closing Date and on or before the Termination Date or that it will be unable to renounce to the Subscriber effective on or before the Renunciation Date, Qualifying Expenditures in an aggregate amount equal to the Subscription Funds and the Company has no reason to expect any reduction of such amount by virtue of subsection 66(12.73) of the Tax Act;
- (k) the Company hereby agrees to incur Qualifying Expenditures in an amount equal to the Subscription Funds on or before the Termination Date in accordance with this Subscription Agreement and agrees to renounce to the Subscriber, with an effective date no later than the Renunciation Date, pursuant to subsection 66(12.6) of the Tax Act, Qualifying Expenditures in an amount equal to the Subscription Funds;
- (l) the Company shall deliver to the Subscriber, on or before February 28, 2023, the relevant Prescribed Forms, fully completed and executed, renouncing to the Subscriber Qualifying Expenditures in an amount equal to the Subscription Funds with an effective date of no later than the Renunciation Date, such delivery constituting the authorization of the Company to the Subscriber to file such Prescribed Forms with the relevant taxation authorities.



- (m) the Company shall incur and renounce Qualifying Expenditures pursuant to this Subscription Agreement, and all other agreements with other persons providing for the issue of FT Shares entered into by the Company pursuant to the Offering (collectively the “**Other Agreements**”) pro rata by number of Common Shares which are FT Shares issued or to be issued pursuant thereto. If the Company is required under the Tax Act to reduce Qualifying Expenditures previously renounced to the Subscriber, the reduction shall be made pro rata by the number of FT Shares issued, or to be issued, pursuant to this Subscription Agreement to the reduction made under the Other Agreements, and the Company will, as sole recourse for the failure to renounce, indemnify each Subscriber for the additional taxes payable by such Subscriber as a result of the Company’s failure to renounce the Qualifying Expenditures;
- (n) the expenses to be renounced by the Company to the Subscriber:
  - (i) will constitute CEE on the effective date of the renunciation and will constitute a Flow-Through Mining Expenditure on the effective date of the renunciation;
  - (ii) will not include expenses that are “Canadian exploration and development overhead expenses” (as defined in the regulations to the Tax Act for purposes of paragraph 66(12.6)(b) of the Tax Act) of the Company, the amount of any assistance described in paragraph 66(12.6)(a) of the Tax Act, amounts which constitute specified expenses for seismic data described in paragraph 66(12.6)(b.1) of the Tax Act or any expenses for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition of “expense” in subsection 66(15) of the Tax Act;
  - (iii) will qualify as expenses which are “flow-through mining expenditures” as defined in subsection 127(9) of the Tax Act;
  - (iv) will not include any amount that has previously been renounced by the Company to the Subscriber or to any other person;
  - (v) would be deductible by the Company in computing its income for the purposes of Part I of the Tax Act but for the renunciation to the Subscriber; and
  - (vi) will not be subject to any reduction under subsection 66(12.73) of the Tax Act;
- (o) the Company shall not reduce the amount renounced to the Subscriber pursuant to subsection 66(12.6) of the Tax Act.
- (p) the Company shall not be subject to the provisions of subsection 66(12.67) of the Tax Act in a manner which impairs its ability to renounce Qualifying Expenditures to the Subscriber in an amount equal to the Subscription Funds.
- (q) if the Company receives, becomes entitled to receive or may reasonably be expected to receive, any “assistance” as defined in subsection 66(15) of the Tax Act and the receipt of or entitlement to receive such assistance has or will have the effect of reducing the amount of Qualifying Expenditures validly renounced to the Subscriber hereunder to an amount less than the Subscription Funds, the Company will incur additional Qualifying Expenditures using funds from other sources in an amount equal to any such assistance so that it may renounce Qualifying Expenditures in an amount not less than the Subscription Funds pursuant to this Subscription Agreement.

- (r) the Company shall use the proceeds of the FT Shares for CEE related to the exploration of the Company's exploration projects.
- (s) the Company shall file with the CRA the form prescribed by subsection 66(12.68) of the Tax Act, together with a copy of this Subscription Agreement, within the time period prescribed by the Tax Act.

6. **Acknowledgments and Covenants of the Subscriber.** The Subscriber acknowledges and covenants that:

- (a) the FT Shares are being offered for sale only on a 'private placement' basis and the Company has advised the Subscriber that the Company is relying on exemptions (and such sales are conditional upon the existence of such exemptions or the receipt of such orders, consents and approvals as are necessary to make such sales exempt) from the requirements to provide the Subscriber with a prospectus and to sell securities through a person registered to sell securities under Securities Laws and, as a consequence of acquiring securities pursuant to these exemptions:
  - (i) certain protections, rights and remedies applicable to offerings by way of prospectus provided by such securities legislation will not be available to the Subscriber,
  - (ii) information that would otherwise be provided to the Subscriber under such securities legislation will not be provided to it, and
  - (iii) the Company is relieved from various obligations under such securities legislation that would otherwise apply to it;
- (b) the Company is relying on the representations, warranties and covenants contained herein and in the applicable Schedules attached hereto to determine the Subscriber's eligibility to subscribe for the FT Shares under the applicable Securities Laws, and the Subscriber agrees to indemnify the Company, and each of its directors and officers against all losses, claims, costs, expenses, damages or liabilities which any of them may suffer or incur as a result of or arising from reliance thereon. The Subscriber undertakes to immediately notify the Company of any change in any statement or other information relating to the Subscriber set forth in the Subscriber's representations, warranties and covenants contained herein or in such applicable Schedules which takes place prior to the Closing Time;
- (c) the Subscriber is solely responsible for obtaining such legal, tax and other advice that it considers appropriate in connection with the execution, delivery and performance of this Subscription Agreement and the transactions contemplated hereunder, and the Company's legal counsel are acting solely for the Company in connection with the Offering and the Subscriber may not rely upon such counsel in any respect;
- (d) no securities commission, agency, governmental authority, regulatory body, stock exchange or other regulatory body has reviewed or passed on the merits of the Offering of the FT Shares;
- (e) the Company is not a "reporting issuer" under the securities laws of any province or territory of Canada, the Company has no obligation to become a reporting issuer, and there is no guarantee that it will become a reporting issuer in the future. The Subscriber further acknowledges that as a result of the Company not being a reporting issuer, the FT Shares will be subject to an indefinite "hold period" under applicable Canadian Securities Laws of four (4) months and one (1) day from the later of the Closing Date and the date the

Company becomes a reporting issuer under the Securities Laws of any province or territory of Canada, unless a final prospectus is filed and a final receipt is obtained therefor in accordance with applicable Canadian Securities Laws qualifying their distribution. The Subscriber further acknowledges that during such indefinite “hold period”, the Subscriber may not trade the FT Shares under applicable Canadian Securities Laws without filing a prospectus in accordance with such laws or being able to rely on one of the limited exemptions under applicable Canadian Securities Laws;

- (f) there are restrictions on the Subscriber’s ability to resell the Securities pursuant to, among other things, Securities Laws, and the Subscriber has been advised to consult its own legal advisers with respect to applicable resale restrictions, and it is the responsibility of the Subscriber to find out what those restrictions are and to comply with the applicable resale restrictions and other applicable laws before selling the Securities, and the Company is not in any way responsible for compliance with the applicable resale restrictions;
- (g) the Subscriber is aware of the risks and other characteristics of the Securities and of the fact that the Subscriber may not resell the Securities except in accordance with applicable Securities Laws until expiry of the applicable hold periods; acknowledges that certificates representing the Securities may contain legends denoting the applicable resale restrictions; and it will not resell the Securities except in accordance with the provisions of applicable Securities Laws and other applicable laws;
- (h) The certificates or DRS statements representing the FT Shares will bear, as of the Closing Date, a legend substantially in the following form and with the necessary information inserted:
 

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR (4) MONTHS AND ONE (1) DAY AFTER THE LATER OF (I) [INSERT CLOSING DATE], AND (II) THE DATE THE COMPANY BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY.”
- (i) The FT Shares will be subject to statutory resale restrictions under the Securities Laws of the province in which the Subscriber resides and under other applicable securities laws, and the Subscriber covenants that it will not resell the FT Shares except in compliance with such laws and the Subscriber acknowledges that it is solely responsible (and Company is not in any way responsible) for such compliance;
- (j) The ability to transfer the FT Shares is limited by, among other things, applicable Securities Laws and the Company shall refuse, and shall instruct its transfer agent to refuse, to register any transfer that does not comply with the Securities Laws;
- (k) the Subscriber shall execute, deliver, file and otherwise assist the Company with filing all documentation required by the applicable Securities Laws to permit the subscription for the FT Shares;
- (l) this Subscription Agreement has been entered into by the Subscriber for valuable consideration and may not be revoked or withdrawn by the Subscriber except pursuant to applicable statutory rights of cancellation;
- (m) the Company is not in the business of trading securities or advising on securities, and is not registered under any securities legislation for the purposes of selling the FT Shares;

- (n) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Securities or the Offering;
- (o) a commission or finder's fee may be paid in connection with the transaction contemplated herein. There are no other arrangements or persons acting or purporting to act in connection with the transactions contemplated herein which creates any entitlement to any brokerage or commission or finder's fee. If any person establishes a claim that any fee or other compensation is payable in connection with this subscription for FT Shares other than as provided for herein, the Subscriber covenants to indemnify and hold harmless the Company with respect thereto and with respect to all costs reasonably incurred in the defence thereof.
- (p) there is no government or other insurance scheme covering the Securities;
- (q) the Company has not advised, recommended or otherwise represented to the Subscriber that the Securities are suitable to the Subscriber, with regard to the Subscriber's:
  - (i) investment needs and objectives,
  - (ii) financial circumstances, or
  - (iii) risk tolerance;
- (r) the Subscriber acknowledges that that the subscription for the FT Shares is not a result of any form of general solicitation or general advertising, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, television or telecommunications, including electronic display, with respect to the Offering, or "general solicitation" or "general advertising" within the meaning of Regulation D under the U.S. Securities Act;
- (s) the Subscriber acknowledges that the FT Shares are not currently listed for trading on any stock exchange and the Company is not, and may never be, a reporting issuer in any province, territory or jurisdiction of Canada and there currently is no public market for any of the securities of the Company, and one may never develop;
- (t) the Subscriber acknowledges that no fractional FT Shares shall be issued and that the FT Shares issued shall be rounded down to the nearest whole FT Share based on the Subscription Funds received;
- (u) the Subscriber acknowledges that this subscription is part of other financings by the Company, which will be carried out at the sole discretion of the Company;
- (v) this subscription is subject to the acceptance of the Company;
- (w) the Company may complete additional financings in the future in order to develop the business of the Company and fund its ongoing development, and such future financings may have a dilutive effect on current shareholders or securityholders of the Company, including the Subscriber;
- (x) the FT Shares are being offered pursuant to an exclusion from the registration requirements of the U.S. Securities Act pursuant to Regulation S promulgated thereunder. The FT Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or to U.S. Persons unless registered under such act or an exemption from the registration requirements of such act is available;

- (y) there is no government or other insurance covering the FT Shares;
- (z) there are risks associated with the purchase of the FT Shares, and the Subscriber acknowledges that it has had access to such information concerning the Company as it has considered necessary in connection with its investment decisions to invest in the FT Shares;
- (aa) the Subscriber has had an opportunity to ask questions of and receive answers from the Company, or a person acting on the Company's behalf, concerning the terms and conditions of an investment in the FT Shares and the business and affairs of the Company, and all such questions have been answered to the full satisfaction of the Subscriber;
- (bb) this Subscription Agreement and the Schedules hereto require the Subscriber to provide certain personal information to the Company. Such information is being collected by the Company for the purposes of completing the Offering, which includes, without limitation, determining the Subscriber's eligibility to purchase the FT Shares under the Securities Laws and other applicable securities laws, preparing and registering the FT Shares to be issued to the Subscriber and completing filings required by any stock exchange or securities regulatory authority. The Subscriber's personal information may be disclosed by the Company and its advisors to: (a) stock exchanges or securities regulatory authorities, (b) the CRA, and (c) any of the other parties involved in the Offering, including legal counsel and may be included in record books in connection with the Offering. By executing this Subscription Agreement, the Subscriber is deemed to be consenting to the foregoing collection, use and disclosure of the Subscriber's personal information. The Subscriber also consents to the filing of copies or originals of this Subscription Agreement (including all Schedules) and any other document relating to the Offering as may be required to be filed with any stock exchange or securities regulatory authority in connection with the transactions contemplated hereby. The Subscriber represents and warrants that it has the authority to provide the consents and acknowledgements set out in this Section 6(dd) on behalf of each beneficial purchaser, as applicable;
- (cc) The information provided by the Subscriber on pages 2 and 3 of this Subscription Agreement identifying the name, address, telephone number and e-mail address of the Subscriber, the number of FT Shares being purchased hereunder, the Subscription Funds in respect of the FT Shares, Closing Date, exemption that the Subscriber is relying on in purchasing the Securities and Subscriber's registrant or insider status, if applicable, will be disclosed to the securities regulatory authority or regulator in each of the provinces of Canada in which FT Shares are distributed by the Company, and such information is being collected by such securities regulatory authorities and regulators under the authority granted to each of them under securities legislation. This information is being collected for the purposes of the administration and enforcement of the securities legislation of such Offering jurisdictions. Each Subscriber hereby authorizes the indirect collection of such information by such securities regulatory authorities and regulators. In the event the Subscriber has any questions with respect to the indirect collection of such information by such securities regulatory authorities and regulators, the Subscriber should contact the applicable securities regulatory authority or regulator using the contact information set out in Schedule "B".

7. **Representations, Warranties and Covenants of the Subscriber.** The Subscriber covenants, represents and warrants to the Company (and acknowledges that the Company is relying on such representations, warranties and covenants) as follows:

- (a) the Subscriber is resident in the jurisdiction stated on page 2 of this Subscription Agreement as "Subscriber's Residential Address" and such address was not created and is not used solely for the purpose of acquiring FT Shares. The purchase by and sale to the

Subscriber of the FT Shares, and any act, solicitation, conduct or negotiation directly or indirectly in furtherance of such purchase or sale has occurred only in such jurisdiction;

- (b) If the Subscriber is:
- (i) a company, the Subscriber 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 execute and deliver this Subscription Agreement, to subscribe for the FT Shares as contemplated herein and to carry out and perform its obligations under the terms of this Subscription Agreement;
  - (ii) a partnership, syndicate or other form of unincorporated organization, the Subscriber has the necessary legal capacity and authority to execute and deliver this Subscription Agreement and to observe and perform its covenants and obligations hereunder and has obtained all necessary approvals in respect thereof; or
  - (iii) an individual, the Subscriber is nineteen (19) years of age or older and is legally competent to execute this Subscription Agreement and to observe and perform his or her covenants and obligations hereunder;
- (c) the Subscriber is purchasing the FT Shares as principal for its own account and no other person, Company, firm or other organization will have a beneficial interest in the FT Shares;
- (d) the Subscriber is an “accredited investor” as defined in NI 45-106, the Subscriber satisfies one or more of the categories included in the definition of “accredited investor” as set out in Schedule “A” hereto and has executed and delivered herewith a copy of Schedule “A”, including Exhibit “1” thereto, if applicable;
- (e) if the Subscriber is an accredited investor pursuant to subsection 2.3(j), (k) or (l) of NI 45-106, the Subscriber has the documentary evidence necessary to demonstrate the Subscriber satisfies the criteria in any of subsections 2.3(j), (k) or (l) of NI 45-106 and shall, upon request by the Company, deliver copies of such documents as the Company deems necessary, in its sole discretion, to verify that the Subscriber has satisfied such criteria, and the Subscriber has executed and delivered a Form 45-106F9 – *Form for Individual Accredited Investors* as attached hereto as Exhibit “1” to Schedule “A”
- (f) the Subscriber was not created, established, formed or incorporated solely, or is used primarily, to acquire securities or to permit the purchase of the FT Shares without a prospectus in reliance on an exemption from the prospectus requirements of applicable Securities Laws;
- (g) the execution and delivery of this Subscription Agreement, the performance and compliance with the terms hereof, the subscription for the FT Shares and the completion of the transactions described herein by the Subscriber 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, by-laws or resolutions of the Subscriber, the Securities Laws or any other laws applicable to the Subscriber, any agreement to which the Subscriber is a party, or any judgment, decree, order, statute, rule or regulation applicable to the Subscriber;

- (h) the Subscriber has duly authorized, executed and delivered this Subscription Agreement and it constitutes a legal, valid and binding agreement of the Subscriber enforceable against the Subscriber in accordance with its terms;
- (i) the Subscriber has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Securities as a result of the Subscriber's own experience or as a result of advice received from a person registered under applicable Securities Laws, and fully understands the restrictions on resale of an investment in the Securities and is able to bear the economic risk of loss of its investment;
- (j) this subscription by the Subscriber has not been induced by any representations or warranties by any person whatsoever with regard to the future value of the Securities, that any person will resell or repurchase the Securities, or that the Securities will be listed and posted for trading on any stock exchange;
- (k) the Subscriber is not acting jointly or in concert with any other subscriber for the purposes of the acquisition of the Securities;
- (l) the Subscriber understands that the sale and delivery of the FT Shares is conditional upon such sale being exempt from the requirements as to the filing of a prospectus by the Company or upon the issuance of such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus, and the Subscriber has properly completed, executed and delivered to the Company the applicable certificate(s) (dated as of the date hereof) set forth in Schedule "A", and the information contained therein is true and correct as of the date of execution of this Subscription Agreement and as of the Closing Time;
- (m) the Subscriber is not a "U.S. Person" under the meaning set forth in Rule 902(k) of Regulation S under the U.S. Securities Act;
- (n) the Subscriber covenants to immediately notify the Company if any of its representations and warranties contained herein would be inaccurate if made after the date this Subscription Agreement is signed;
- (o) the Subscription Funds that will be advanced by the Subscriber to the Company 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") and the Subscriber acknowledges that the Company or its advisors 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 its knowledge (a) none of the Subscription Price to be provided by the Subscriber (i) has been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States, or any other jurisdiction, or (ii) is being tendered on behalf of a person or entity who has not been identified to the Subscriber, and (b) it shall promptly notify the Company if the Subscriber discovers that any of such representations ceases to be true, and to provide the Company with appropriate information in connection therewith;
- (p) with respect to subscription for the FT Shares:
  - (i) neither the Subscriber, nor any beneficial purchaser, as the case may be, has or will knowingly enter into any agreement or arrangement which will cause the flow-through common shares to be or become "prescribed shares" for purposes of the Tax Act;

- (ii) the Subscriber or any beneficial purchaser, as the case may be, deals at arm's length with the Company within the meaning of the Tax Act and will continue to deal at arm's length with the Company during the Expenditure Period and at all material times;
  - (iii) neither the Subscriber nor any beneficial purchaser for whom it is acting is a non-resident of Canada for the purposes of the Tax Act; and
  - (iv) if the Subscriber or any beneficial purchaser for whom the Subscriber is contracting hereunder, as the case may be, is a Company, trust or partnership, it does not and will not have prior to the Termination Date a "prohibited relationship" with the Company within the meaning of subsection 66(12.671) of the Tax Act;
- (q) The Subscriber or any person for whom it is acting is neither a U.S. Person nor subscribing for the FT Shares for the account of a U.S. Person or for resale in the United States and the Subscriber confirms that the FT Shares have not been offered to the Subscriber in the United States and that this Subscription Agreement has not been signed in the United States;
- (r) Neither the Subscriber nor any person for whom it is acting will offer, sell or otherwise dispose of the FT Shares in the United States or to a U.S. Person unless the Company has consented to such offer, sale, or disposition, and such offer, sale, or disposition is made in accordance with an exemption from the registration requirements under the U.S. Securities Act and the securities laws of all applicable states of the United States or in accordance with the registration and prospectus delivery requirements of the U.S. Securities Act;
- (s) in the case of a subscription for the FT Shares by the Subscriber acting as principal, this Subscription Agreement has been duly authorized, executed and delivered by, and constitutes a legal, valid and binding agreement of, the Subscriber. This Subscription Agreement is enforceable in accordance with its terms against the Subscriber and any beneficial purchaser;
- (t) if required by applicable Securities Laws or the Company, the Subscriber will execute, deliver and file or assist the Company in filing such reports, undertakings and other documents with respect to the issue of the FT Shares as may be required by any securities commission, stock exchange or other regulatory authority;
- (u) the Subscriber is not, with respect to the Company or any of its affiliates, a Control Person;
- (v) the Subscriber covenants and agrees to comply with applicable securities legislation in Canada, and any other relevant securities legislation, rules, regulations, orders, or policies concerning the purchase, holding of, and resale of the Securities;
- (w) the Subscriber, and each beneficial purchaser, if any, has been advised to consult its own legal and tax advisors with respect to trading in the FT Shares and with respect to the resale restrictions imposed by the Securities Laws of the province in which the Subscriber resides and other applicable securities laws, and acknowledges that no representation has been made respecting the applicable hold periods imposed by the Securities Laws or other resale restrictions applicable to such securities which restrict the ability of the Subscriber (or others for whom it is contracting hereunder) to resell such securities, that the Subscriber (or others for whom it is contracting hereunder) is solely responsible to find out what these restrictions are and the Subscriber is solely responsible (and the Company is not in any way responsible) for compliance with applicable resale restrictions and the Subscriber is aware that it (or beneficial purchasers for whom it is contracting hereunder) may not be



able to resell such securities except in accordance with limited exemptions under the Securities Laws and other applicable securities laws;

- (x) the Subscriber has not received or been provided with a prospectus, offering memorandum, within the meaning of the Securities Laws, or any sales or advertising literature in connection with the Offering and the Subscriber's decision to subscribe for the Securities was not based upon, and the Subscriber has not relied upon, any verbal or written representations as to facts made by or on behalf of the Company;
- (y) the Subscriber is not purchasing the Securities with knowledge of material information concerning the Company which has not been generally disclosed;
- (z) no person has made any written or oral representations:
  - (i) that any person will resell or repurchase the FT Shares;
  - (ii) that any person will refund the Subscription Price; or
  - (iii) as to the future price or value of the FT Shares;
- (aa) the subscription for the Securities has not been made through or as a result of, and the distribution of the FT Shares is not being accompanied by any advertisement, including without limitation in printed public media, radio, television or telecommunications, including electronic display, or as part of a general solicitation;
- (bb) the Subscriber shall promptly provide evidence of the foregoing representations, warranties and covenants at any time or times as the Company reasonably requires;
- (cc) with respect to subscription for the FT Shares:
  - (i) neither the Subscriber, nor any beneficial purchaser, as the case may be, has or will knowingly enter into any agreement or arrangement which will cause the flow-through common shares to be or become "prescribed shares" for purposes of the Tax Act;
  - (ii) the Subscriber or any beneficial purchaser, as the case may be, deals at arm's length with the Company within the meaning of the Tax Act and will continue to deal at arm's length with the Company during the Expenditure Period and at all material times;
  - (iii) neither the Subscriber nor any beneficial purchaser for whom it is acting is a non-resident of Canada for the purposes of the Tax Act; and
  - (iv) if the Subscriber or any beneficial purchaser for whom the Subscriber is contracting hereunder, as the case may be, is a corporation, trust or partnership, it does not and will not have prior to the Termination Date a "prohibited relationship" with the Company within the meaning of subsection 66(12.671) of the Tax Act; and
- (dd) there are risks associated with the purchase of and investment in the FT Shares and the Subscriber has such knowledge and experience that it is capable of evaluating the merits and risks of an investment in the FT Shares and the securities issuable thereunder and fully understands the restrictions on resale of the FT Shares, and is capable of bearing the economic risk of the investment.

8. **Reliance Upon Representations, Warranties and Covenants.** The Subscriber acknowledges that the representations, warranties and covenants contained in this Subscription Agreement and the Schedules hereto are made with the intent that they be relied upon by the Company in determining the Subscriber's eligibility to purchase the FT Shares under applicable securities laws. The Subscriber agrees that, by the Company accepting the FT Shares, the Subscriber shall be representing and warranting that the foregoing representations and warranties are true as at the Closing Time with the same force and effect as if they had been made by the Subscriber at the Closing Time and that they shall survive the purchase by the Subscriber of the FT Shares and shall continue in full force and effect notwithstanding any subsequent disposition by the Subscriber of the FT Shares.
9. **Collection and Use of Personal Information.** The Subscriber acknowledges that this Subscription Agreement, including the schedules hereto, require the Subscriber to provide certain personal information to the Company. Such information is being collected by the Company for the purposes of completing the Offering, which includes, without limitation, determining the Subscriber's eligibility to purchase the FT Shares under applicable Securities Laws and completing filings that may be required by any securities regulatory authority. The Subscriber acknowledges and consents to the collection and use by the Company of their personal information and the retention of such personal information for as long as permitted or required by applicable law or business practices. The Subscriber further consents to the disclosure of their personal information by the Company to: (a) the securities regulatory authorities as may be required, (b) the CRA or other taxing authorities, (c) authorities pursuant to the PCMLTFA and (d) any of the other parties involved in the Offering, including legal counsel, and may be included in record books of the Company in connection with the Offering. The Subscriber represents and warrants that it has the authority to provide the consents and acknowledgements set out in this Section 9.

Further, the Subscriber acknowledges, consents and authorizes the Company to deliver to the applicable securities regulatory authority personal information (such as full name, residential address and telephone number) pertaining to the Subscriber (and any beneficial purchaser) and further acknowledges and consents to the fact that the Company may be required by applicable Securities Laws, stock exchange rules and Investment Regulatory Organization of Canada rules to provide regulatory authorities any personal information provided by the Subscriber respecting itself (and any beneficial purchaser). The Subscriber (on its own behalf and, if applicable, on behalf of each beneficial purchaser for whose benefit the Subscriber is acting) acknowledges that this information may be collected indirectly by the applicable securities regulatory authority, including those listed in the attached Schedule "B", under the authority granted to it in applicable securities laws. The Subscriber acknowledges that this information is being collected for the purposes of the administration and enforcement of the securities legislation and further acknowledges that the public official who can answer questions about the applicable securities regulator's indirect collection of such information is set out in Schedule 'B'. The Subscriber represents and warrants that it has the authority to provide the consents, acknowledgements and authorizations set out in this Section 9.

10. **Conditions to Closing.**

**A. Conditions to Closing of the Company.** The Company's obligation to sell and issue the FT Shares is subject to the acceptance of this subscription by the Company as well as the fulfillment of the following conditions as of the Closing Date which may be waived by the Company in whole or in part:

- (a) **Representations and Warranties.** The representations and warranties made by the Subscriber in this Subscription Agreement shall be true and correct in all material respects when made and shall be true and correct in all material respects on the Closing Date.

- (b) Covenants. All covenants, agreements, and conditions contained in this Subscription Agreement to be performed by the Subscriber on or prior to the Closing Date shall have been performed or complied with in all material respects.
- (c) Delivery of Subscription Funds and Duly Executed Agreements. This Subscription Agreement, including the applicable Schedules, must be duly completed, executed and delivered to the Company, along with the Subscription Funds, as described on the face (instruction) page of this Subscription Agreement.

**B. Conditions to Closing of the Subscriber.** The Subscriber's obligation to purchase the FT Shares is subject to the fulfillment of the following conditions as of the Closing Date which may be waived by the Subscriber in whole or in part:

- (a) Representations and Warranties. The representations and warranties made by the Company in section 5 hereof shall be true and correct in all material respects when made and shall be true and correct in all material respects on the Closing Date.

11. **Subscription Procedure and Closing.**

- (a) The Subscriber must complete, sign an executed copy of this Subscription Agreement, including Schedule "A" – *Statement of Accredited Investor* (including if applicable Exhibit "1"), together with the Subscription Funds to the Company at the address set out on the face (instruction) page of this Subscription Agreement.
- (b) The delivery and sale of the FT Shares and payment of the Subscription Funds for the FT Shares will be completed (the "**Closing**") at the Company's office, at 5pm (Vancouver time) (the "**Closing Time**") on such date as determined by the Company, in its sole discretion, without notice to the Subscriber upon satisfaction or waiver of the conditions to Closing (the "**Closing Date**"). Subsequent Closings may also occur and Subscription Funds received will be held in trust by the Company until such later date or dates determined by the Company, in its sole discretion, without notice to the Subscriber upon satisfaction or waiver of the conditions to Closing (each such date being a "**Closing Date**").
- (c) The Subscription Funds, this subscription and any other documents delivered in connection herewith will be held by the Company until the conditions referred to in this Subscription Agreement are determined to have been satisfied or waived by the Company. The parties hereto acknowledge and agree that the Company will not make any determinations with respect to the satisfaction or waiver of the conditions to Closing and shall not be liable for any wrongful acts or omissions arising therefrom.
- (d) Upon the satisfaction of the conditions to Closing or waiver of such conditions by the Company at the Closing Time, the Company will then issue and sell the FT Shares and cause definitive certificates representing the number of FT Shares so issued and registered in accordance with this Subscription Agreement and shall deliver certificates representing the FT Shares. If this subscription is not accepted by the Company or the conditions referred to above are not satisfied or waived, this subscription, any other documents delivered in connection herewith and the Subscription Funds without deduction or interest will be returned to the Subscriber at the address of the Subscriber set forth on page 2 of this Subscription Agreement.

12. **Costs.** The Subscriber acknowledges and agrees that all costs and expenses incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the acquisition of the FT Shares shall be borne by the Subscriber.

13. **Further Assurances.** Each of the parties hereto, upon the request of the other, whether before or after the Closing Time, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may reasonably be necessary or desirable to complete the transactions contemplated herein.
14. **Indemnification.** If the Company does not incur on or prior to the Termination Date or renounce to the Subscriber, effective on or before the Renunciation Date, Qualifying Expenditures equal to the Subscription Funds, the Company shall indemnify and hold harmless the Subscriber and each of the partners thereof if the Subscriber is a partnership or a limited partnership (for the purposes of this Section 14 each an “**Indemnified Person**”) as to, and pay in settlement thereof to the Indemnified Person on or before the twentieth Business Day following the Termination Date, an amount equal to the amount of any tax (within the meaning of subparagraph 6202.1(5)(c) of the regulations to the Tax Act) payable under the Tax Act (and under any corresponding provincial legislation) by any Indemnified Person as a consequence of such failure. In the event that CRA (or any similar provincial tax authority) reduces the amount renounced by the Company to the Subscriber pursuant to subsection 66(12.73) of the Tax Act (or any corresponding provincial legislation), the Company shall indemnify and hold harmless each Indemnified Person as to, and pay in settlement thereof to the Indemnified Person, an amount equal to the amount of any tax (within the meaning of subparagraph 6202.1(5)(c) of the regulations to the Tax Act) payable under the Tax Act (and under any corresponding provincial legislation) by the Indemnified Person as a consequence of such reduction. The foregoing indemnity shall have no force or effect and the Subscriber shall not have any recourse or rights of action to the extent that such indemnity, recourse or rights of action would otherwise cause the FT Shares to be “prescribed shares” within the meaning of section 6202.1 of the regulations to the Tax Act.

To the extent that any person entitled to be indemnified hereunder is not a party to this Subscription Agreement, the Subscriber shall obtain and hold the rights and benefits of this Subscription Agreement in trust for, and on behalf of, such person and such person shall be entitled to enforce the provisions of this section notwithstanding that such person is not a party to this Subscription Agreement.

15. **Notice.**
- (a) Any notice, direction or other instrument required or permitted to be given to any party hereto shall be in writing and shall be sufficiently given if delivered personally or by courier or transmitted by fax to such party, as follows:

- (i) in the case of the Company:

Canyon Gold & Gravel Inc.  
 31 – 2216 Folkestone Way  
 West Vancouver, BC V3X 3H3  
 Attention: Brian L. Hauff  
[canyongoldgravel@gmail.com](mailto:canyongoldgravel@gmail.com)

with a copy to:

Linus Antanavicius  
[linas@linaslaw.com](mailto:linas@linaslaw.com)

- (ii) in the case of the Subscriber, at the address specified on page 2 of this Subscription Agreement,
  - (b) Any such notice, direction or other instrument, if delivered personally, shall be deemed to have been given and received on the day on which it was delivered, or by courier provided that if such day is not a Business Day then the notice, direction or other instrument shall be deemed to have been given and received on the first Business Day next following such day, and if transmitted by fax shall be deemed to have been given and received on the day set out on the confirmation of transmission generated by the fax machine, provided that if such day is not a Business Day or if it is transmitted or received after the end of normal business hours then the notice, direction or other instrument shall be deemed to have been given and received on the first Business Day next following the day of such transmission.
  - (c) Any party hereto may change its address for service from time to time by notice given to each of the other parties hereto in accordance with the foregoing provisions.
14. **Governing Law and Venue.** This Subscription Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of British Columbia and the laws of Canada applicable therein. Any and all disputes arising under this Subscription Agreement, whether as to interpretation, performance or otherwise, shall be subject to the non-exclusive jurisdiction of the courts of the Province of British Columbia, and each of the parties hereto hereby irrevocably attorns to the jurisdiction of the courts of such Province.
  15. **Severability.** The invalidity, illegality or unenforceability of any provision of this Subscription Agreement or of any covenant contained herein shall not affect the validity, legality or enforceability of any other provision, covenant or agreement hereof or herein contained.
  16. **Gender and Number.** In this Subscription Agreement, words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing persons shall include firms and companies and vice versa.
  17. **Currency.** Unless otherwise specified, all dollar amounts in this Subscription Agreement, including the symbol "\$", are expressed in Canadian dollars.
  18. **Entire Agreement.** Except as expressly provided in this Subscription Agreement, this Subscription Agreement (including the Schedules attached hereto) represents the entire agreement between the parties hereto relating to the subject matter hereof and there are no representations, warranties, covenants or other terms relating to the subject matter hereof, whether expressed or implied, oral, written, by statute, or common law by the Company, the Subscriber or any third party.
  19. **Amendment and Waiver.** No amendment or waiver of the provisions of this Subscription Agreement shall be effective unless in writing and signed by all of the parties hereto.
  20. **Assignment.** This Subscription Agreement is not transferable or assignable.
  21. **Survival.** The covenants, representations and warranties contained herein shall survive the closing of the transactions contemplated hereby and shall be binding on and enure for the benefit of the parties hereto and their respective heirs, executors, administrators, and successors.
  22. **Counterparts.** This Subscription Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same Subscription Agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

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## SCHEDULE "A"

### STATEMENT OF ACCREDITED INVESTOR

*Capitalized terms used in this Schedule "A" and defined in this subscription to which this Schedule "A" is attached have the meanings defined in this Subscription Agreement unless otherwise defined herein.*

*The categories listed herein contain certain specifically defined terms. If you are unsure as to the meanings of those terms or are unsure as to the applicability of any below category, please contact your broker and/or legal advisor before completing this form.*

**TO: CANYON GOLD & GRAVEL INC. (THE "COMPANY")**

The undersigned (the "**Subscriber**") hereby represents, warrants and covenants to the Company that the Subscriber is subscribing for FT Shares as principal and is eligible to purchase the FT Shares as an "accredited investor" as defined in NI 45-106 or Regulation 45-106 in Quebec. Specifically, the Subscriber satisfies one or more of the categories set out below (*Please check beside the applicable categories*):

- (a) a Canadian financial institution, or a Schedule III bank,
- (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada),
- (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,
- (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer,
- (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d),
- (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador),
- (f) the Government of Canada or a jurisdiction of Canada, or any crown Company, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada,
- (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec,
- (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government,
- (i) a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction of Canada,
- (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$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 [*Minimum amount investment*], or 2.19 [*Additional investment in investment funds*] of National Instrument 45-106, or
  - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [*Investment fund reinvestment*] of National Instrument 45-106,
- (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt,
- (p) a trust company or trust Company registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust Company, 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) through (d) above 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.

If any of (j) through (l) are checked, the Subscriber must complete the attached Exhibit "1".

For purposes hereof, the following terms shall have the stated meanings:

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

**"financial assets"** means cash, securities or a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

**"fully managed account"** means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;

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

**"non-redeemable investment fund"** means an issuer:

- (a) whose primary purpose is to invest money provided by its securityholders,
- (b) that does not invest:
  - (i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund, or
  - (ii) for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund, and
- (c) that is not a mutual fund;

**"person"** includes:

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

**"related liabilities"** means:

- (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
- (b) liabilities that are secured by financial assets;

**“spouse”** means, an individual who:

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

**“VCC”** means a venture capital Company registered under Part 1 of the *Small Business Venture Capital Act*, R.S.B.C. 1996 c. 429, whose business objective is making multiple investments.

The foregoing representations, warranties and covenants indicated in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing, and the Subscriber acknowledges that they will survive the Closing. If any such representations, warranties and covenants shall not be true and accurate prior to the Closing, the undersigned shall give immediate written notice of such fact to the Company.

EXECUTED by the Subscriber at \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_, 2023.

---

Print name of the Subscriber

By: \_\_\_\_\_

Signature

---

Title

---

*(please print name of individual whose signature appears above, if different from name of subscriber printed above)*

**EXHIBIT "1" TO SCHEDULE "A"**

**Form 45-106F9**  
*Form for Individual Accredited Investors*

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

| <b>SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER</b>  |                                   |
|--|-----------------------------------|
| <b>1. About your investment</b>  |                                   |
| Type of securities: FT Shares  | Issuer: Canyon Gold & Gravel Inc. |
| Purchased from: Canyon Gold & Gravel Inc.  |                                   |
| <b>SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER</b>  |                                   |
| <b>2. Risk acknowledgement</b>   |                                   |
| This investment is risky. Initial that you understand that:  | <b>Your initials</b>              |
| <b>Risk of loss</b> – You could lose your entire investment of \$ _____. [ <i>Instruction: Insert the total dollar amount of the investment.</i> ]   |                                   |
| <b>Liquidity risk</b> – You may not be able to sell your investment quickly – or at all.   |                                   |
| <b>Lack of information</b> – You may receive little or no information about your investment.   |                                   |
| <b>Lack of advice</b> – You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to <a href="http://www.aretheyregistered.ca">www.aretheyregistered.ca</a> .                                  |                                   |
| <b>3. Accredited investor status</b>   |                                   |
| You must meet at least <b>one</b> of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria. | <b>Your initials</b>              |
| <ul style="list-style-type: none"> <li>• Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)</li> </ul>  |                                   |
| <ul style="list-style-type: none"> <li>• 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.</li> </ul>   |                                   |
| <ul style="list-style-type: none"> <li>• 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.</li> </ul>   |                                   |
| <ul style="list-style-type: none"> <li>• 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.)</li> </ul>  |                                   |
| <b>4. Your name and signature</b>  |                                   |
| By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.  |                                   |

|   |        |
|---|--------|
| First and last name (please print):   |        |
| Signature:  | Date:  |
| <b>SECTION 5 TO BE COMPLETED BY THE SALESPERSON</b>   |        |
| <b>5. Salesperson information</b>   |        |
| <i>[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]</i> |        |
| First and last name of salesperson (please print):  |        |
| Telephone:  | Email: |
| Name of firm (if registered):   |        |
| <b>SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER</b>   |        |
| <b>6. For more information about this investment</b>  |        |
| Canyon Gold & Gravel Inc.<br>31 – 2216 Folkestone Way<br>West Vancouver, BC V3X 3H3<br><b>Brian L. Hauff</b><br>Phone: <b>1 778 859 3303</b><br>Email: bhauff@canyongg.com  |        |
| <b>For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at <a href="http://www.securities-administrators.ca">www.securities-administrators.ca</a>.</b>   |        |

***Form instructions:***

- 1. This form does not mandate the use of a specific font size or style, but the font must be legible.*
- 2. The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.*

*The purchaser must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form signed by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.*

## SCHEDULE "B"

### SECURITIES REGULATOR'S INDIRECT COLLECTION INFORMATION

**Alberta Securities Commission**

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

**British Columbia Securities Commission**

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

**The Manitoba Securities Commission**

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

**Financial and Consumer Services Commission (New Brunswick)**

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

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

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

**Nova Scotia Securities Commission**

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

**Ontario Securities Commission**

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

**Prince Edward Island Securities Office**

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

**Autorité des marchés financiers**

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

**Financial and Consumer Affairs Authority of Saskatchewan**

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

**SCHEDULE "C"**

**WIRE INSTRUCTIONS**

Beneficiary name: CANYON GOLD AND GRAVEL INC.

Beneficiary address: 2216 FOLKESTONE WAY SUITE 31, WEST VANCOUVER, BC, V7S 2X7

Transit (province code 07220 (5 digits)

Institution: 001 (3 digits)

Account number: 1994397 (7digits) CDN account

\*Some financial institutions require 11 digit account information (0000-0000000)

Receiving bank: Bank of Montreal

Receiving bank address: 934 Baker St., Cranbrook, BC V1C1A5

SWIFT code: BOFMCAM2

USD Correspondent Bank Information (Payments sent outside of Canada)

Pay through: Wells Fargo Bank (FKA Wachovia Bank)

SWIFT BIC code: PNBPUS3NNYC

Fedwire ABA: 026005092

Chips UID: 14390

## SCHEDULE D

### FAMILY, FRIENDS AND BUSINESS ASSOCIATES CERTIFICATIONS (To be completed by Officers, Directors, Employees, Family, Close Friends and Business Associates Only)

**TO: CANYON GOLD & GRAVEL INC. (the “Company”)**

In connection with the purchase of common shares of **CANYON GOLD & GRAVEL INC.** (the “**Issuer**”) by the undersigned Subscriber, or if applicable, the principal on whose behalf the undersigned is purchasing as agent, the Subscriber hereby represents, warrants, covenants and ratifies to the Issuer that:

1. The Subscriber is resident in or is subject to the laws of a Province of Canada other than Ontario;
2. The Subscriber is purchasing the Common Shares as principal for its own account;
3. It is **(please initial)**:
  - \_\_\_ (a) a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer; or
  - \_\_\_ (b) 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; or
  - \_\_\_ (c) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer; or
  - \_\_\_ (d) a close personal friend (by reason of the fact that you have directly known such individual well enough and for a sufficient period of time and in a sufficiently close relationship (where such relationship is direct and extends beyond being a relative or a member of the same organization, association or religious group or a client, customer or former client or customer or being a close personal friend of a close personal friend of such individual) to be in a position to assess the capabilities and the trustworthiness of such individual) of a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer; or
  - \_\_\_ (e) a close business associate (by reason of the fact that you have had direct sufficient prior business dealings with such individual (where such relationship is direct and extends beyond being a client, customer or former client or customer or being a close business associate of a close business associate of such individual) to be in a position to assess the capabilities and trustworthiness of such individual) of a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer, or
  - \_\_\_ (f) a founder of the Issuer or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend (by reason of the fact that you have directly known such individual well enough and for a sufficient period of time and in a sufficiently close relationship (where such relationship is direct and extends beyond being a relative or a member of the same organization, association or religious group or a client, customer or former client or customer or being a close personal friend of a close personal friend of such individual) to be in a position to assess the capabilities and the trustworthiness of such individual) or close business associate (by reason of the fact that you have had direct sufficient prior business dealings with such individual (where such relationship is direct and extends beyond being a client, customer or former client or customer or being a close business associate of a close business associate of such individual) to be in a position to assess the capabilities and trustworthiness of such individual) of a founder of the Issuer, or
  - \_\_\_ (g) a parent, grandparent, brother, sister, child or grandchild of a spouse of a founder of the Issuer, or
  - \_\_\_ (h) a person or company of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons or companies described in subsections 3(a) to 3(g) above; or



\_\_\_\_ (i) \_\_\_\_\_ a trust or estate of which all of the beneficiaries or a majority of the trustees are persons or companies described in subsections 3(a) to 3(g) above; or

**Please complete the following details of whose relationship is if you have checked any one of items 3(b) to 3(i) above:**

\_\_\_\_\_  
(Insert name of applicable person)

\_\_\_\_\_  
Length of Relationship

\_\_\_\_\_  
Details of Relationship

\_\_\_\_\_  
Prior Business Dealings, if applicable

4. The Subscriber represents and warrants that the above representations and warranties will be true and correct both as of the execution of this certificate and as of the closing time of the purchase and sale of the Securities and acknowledges that they will survive the completion of the issue of the Securities.

5. For the purposes hereof, words and phrases used in this representation letter and which are defined in NI 45-106 will have the meaning ascribed thereto in NI 45-106.

6. The undersigned acknowledges that the foregoing representations and warranties are made by the undersigned with the intent that they be relied upon in determining the suitability of the Subscriber as a purchaser of the Securities and that this Schedule B is incorporated into and forms part of the Subscription Agreement and the undersigned undertakes to immediately notify the Issuer of any change in any statement or other information relating to the Subscriber set forth herein which takes place prior to the closing time of the purchase and sale of the Securities.

Dated: \_\_\_\_\_, 2022.

\_\_\_\_\_  
Print name of Subscriber

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print name of Signatory  
(if different from Subscriber)

\_\_\_\_\_  
Title

**EXHIBIT 1 to Schedule D**

**Form 45-106F12**

*Risk Acknowledgement Form for Family, Friend and Business Associate Investors*

**WARNING!**

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

| <b>SECTION 1 TO BE COMPLETED BY ISSUER</b>   |                                   |
|--|-----------------------------------|
| <b>1. About your investment</b>  |                                   |
| Type of securities: COMMON SHARES  | Issuer: CANYON GOLD & GRAVEL INC. |
| <b>SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER</b>  |                                   |
| <b>2. Risk acknowledgement</b>   |                                   |
| This investment is risky. Initial that you understand that:  | <b>Your initials</b>              |
| <b>Risk of loss</b> – You could lose your entire investment of \$_____.  |                                   |
| <b>Liquidity risk</b> – You may not be able to sell your investment quickly – or at all.   |                                   |
| <b>Lack of information</b> – You may receive little or no information about your investment. The information you receive may be limited to the information provided to you by the family member, friend or close business associate specified in section 3 of this form. |                                   |
| <b>3. Family, friend or business associate status</b>  |                                   |
| You must meet at least <b>one</b> of the following criteria to be able to make this investment. Initial the statement that applies to you:   | <b>Your initials</b>              |

A) You are:

1. [check all applicable boxes]

a director of the Issuer or an affiliate of the Issuer

an executive officer of the Issuer or an affiliate of the Issuer

a control person of the Issuer or an affiliate of the Issuer

a founder of the Issuer

OR

2. [check all applicable boxes]

a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above

a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above

B) You are a family member of \_\_\_\_\_, who holds the following position at the Issuer or an affiliate of the issue: \_\_\_\_\_.

You are the \_\_\_\_\_ of that person or that person's spouse.

C) You are a close personal friend of \_\_\_\_\_, who holds the following position at the Issuer or an affiliate of the Issuer: \_\_\_\_\_.

You have known that person for \_\_\_\_\_ years.

#### 4. Your name and signature

By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form. You also confirm that you are eligible to make this investment because you are a family member, close personal friend or close business associate of that person identified in section 5 of this form.

First and last name (please print):

Signature:

Date:

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

**5. Contact person at the Issuer or an affiliate of the Issuer**

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

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

family relationship as set out in section 3B of this form

close personal friendship as set out in section 3C of this form

close business associate relationship as set out in section 3D of this form

First and last name of contact person (please print):

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

Telephone:

Email:

Signature:

Date:

**SECTION 6 TO BE COMPLETED BY THE ISSUER**

**6. For more information about this investment**

Please contact the Issuer at:

Canyon Gold & Gravel Inc.  
31 – 2216 Folkestone Way  
West Vancouver, BC V3X 3H3  
Attention: Brian L. Hauff  
canyongoldgravel@gmail.com  
Phone: **1 778 859 3303**  
Email: bhauff@canyongg.com

**For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at [www.securities-administrators.ca](http://www.securities-administrators.ca)**

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

Date: