

**BAYHORSE SILVER INC.**

**PRIVATE PLACEMENT SUBSCRIPTION AGREEMENT  
(\$0.125 COMMON SHARE FLOW THROUGH UNITS, NON-BROKERED)**

Capitalized and certain other terms used in this Subscription Agreement and not otherwise defined have the meanings assigned to such terms in Section 1 of Schedule "A" - General Provisions.

TO: Bayhorse Silver Inc. (the "**Issuer**") of #2501 - 4398 Buchanan Street, Burnaby, BC V5C 6R7

Subject and pursuant to the terms set out in this Subscription Agreement, the undersigned (hereinafter referred to as the "**Purchaser**") hereby irrevocably subscribes for, and on Closing will purchase from the Issuer, the following securities at the following price:

_____ Common Share Flow Through Units at C\$0.125 per Flow Through Unit, for a total purchase price of \$ _____
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The Purchaser directs the Issuer to issue, register and deliver the certificates representing the Purchased Securities as follows:

REGISTRATION INSTRUCTIONS	DELIVERY INSTRUCTIONS
Name to appear on certificate	Name and account reference, if applicable
Account reference if applicable	Contact name
Address	Address
	Telephone Number

The Purchaser must complete Parts 1 and 2, below, and sign where indicated with an "X" on page 3.

**PART 1 – INFORMATION ABOUT THE PURCHASER**

**A. Name and Jurisdiction of Residence:**

Name of Purchaser: \_\_\_\_\_

Jurisdiction of Residence: \_\_\_\_\_

**B. Present Ownership of Securities**

The Purchaser either **[check appropriate box]**

- owns directly or indirectly, or exercises control or direction over, no common shares in the capital of the Issuer ("**Common Shares**") or securities convertible into Common Shares; or
- owns directly or indirectly, or exercises control or direction over, \_\_\_\_\_ Common Shares and/or \_\_\_\_\_ convertible securities entitling the holder thereof to acquire an additional \_\_\_\_\_ Common Shares.

**C. Insider or Registrant Status**

The Purchaser either **[check appropriate box]**

- is an "**insider**" of the Issuer as defined in the *Securities Act* (British Columbia);
- is a "**registrant**" as defined in the *Securities Act* (British Columbia); or
- is not an "**insider**" of the Issuer or a "**registrant**".

**PART 2 – INFORMATION ABOUT THE PURCHASER OF THE SECURITIES**

1. The Purchaser either **[check appropriate box]**
- A  is not an individual and is purchasing Purchased Securities with an aggregate acquisition cost of not less than \$150,000; or
  - B  is resident in a Canadian Selling Jurisdiction and is an "accredited investor", as such term is defined in National Instrument 45-106 – *Prospectus Exemptions*;
  - C  is resident in a Canadian Selling Jurisdiction and qualifies for the "Family, Friends and Business Associates" exemption in section 2.5 or 2.6.1 of National Instrument 45-106 – *Prospectus Exemptions*;
  - D  is not a resident of Canada.
  - E  is an Existing Security Holder currently holding common shares in the capital stock of the Issuer and is not resident in Newfoundland and Labrador and wishes to use the Existing Security Holder Exemption under BC Instrument 45-534.

***IF THE PURCHASER CHECKED BOX B, ABOVE, THE PURCHASER MUST COMPLETE AND EXECUTE APPENDIX 3 (ACCREDITED INVESTOR FORM) AND, IF APPLICABLE, APPENDIX 4 - FORM 45-106F9 – FORM FOR INDIVIDUAL ACCREDITED INVESTORS.***

***IF THE PURCHASER IS A RESIDENT OF THE US, THE PURCHASE MUST COMPLETE AND EXECUTE APPENDIX 5 – CERTIFICATE OF US PURCHASER.***

***IF THE PURCHASER CHECKED BOX C, ABOVE, THE PURCHASER MUST COMPLETE AND EXECUTE APPENDIX 6 - FRIEND, FAMILY AND BUSINESS ASSOCIATES FORM AND, IF A RESIDENT OF SASKATCHEWAN, THE SASKATCHEWAN RISK ACKNOWLEDGEMENT FORM ATTACHED THERETO OR APPENDIX 7 - FORM 45-106F12 – RISK ACKNOWLEDGEMENT FORM FOR FAMILY, FRIEND AND BUSINESS ASSOCIATES (ONTARIO).***

***IF THE PURCHASER CHECKED BOX E, ABOVE, THE PURCHASER MUST COMPLETE AND EXECUTE APPENDIX 8 - EXISTING SECURITY HOLDER EXEMPTION CERTIFICATE.***

2. The Purchaser either **[check appropriate box]**

- A  is a U.S. Purchaser (as defined below); or
- B  is not a U.S. Purchaser.

A "**U.S. Purchaser**" is (a) any "U.S. person" as defined in Regulation S promulgated under the United States Securities Act of 1933, as amended (the "**1933 Act**"), (b) any person purchasing securities on behalf of, or for the account or benefit of, any "U.S. person" or any person in the United States, (c) any person who receives or received an offer to acquire the securities while in the United States, and (d) any person who is in the United States at the time such person's buy order was made or this subscription agreement was executed or delivered.

"**U.S. person**" includes but is not limited to: (i) any natural person resident in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any partnership or corporation organized outside the United States by a U.S. person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organized or incorporated, and owned, by "accredited investors" (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts; (iv) any estate or trust of which any executor or administrator or trustee is a U.S. person.

Subscription Agreement

EXECUTED by the Purchaser this \_\_\_\_\_ day of \_\_\_\_\_, 2020. Unless the "Beneficial Purchaser" fields below have been completed, the Purchaser certifies that it is buying the Purchased Securities for its own account and not for the account of a beneficial purchaser. By executing this Subscription Agreement, the Purchaser certifies that the Purchaser and any beneficial purchaser for whom the Purchaser is acting are resident in the jurisdiction(s) shown as the "Address of Purchaser" and "Address of beneficial purchaser".

EXECUTION BY PURCHASER	BENEFICIAL PURCHASER INFORMATION (if applicable)
Name of Purchaser ( <b>please print</b> )  X	Name of beneficial purchaser for whom Purchaser is contracting ( <b>please print</b> )
Signature (of individual or authorized signatory)	Address of beneficial purchaser
Name of individual whose signature appears above ( <b>please print</b> ) if different from the name of the Purchaser printed above	Telephone number of beneficial purchaser
Official capacity or title of authorized signatory (if Purchaser is not an individual)	Email address of beneficial purchaser
Address of Purchaser (residence)	
Telephone number of Purchaser	
Email address of Purchaser	
Social Insurance Number/Business Tax Number	

The Issuer accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**BAYHORSE SILVER INC.**

\_\_\_\_\_  
Authorized Signatory

The Shares that issued upon closing, will be subject to a hold period under the Applicable Legislation of four months from the Closing Date and the certificates evidencing the Shares will bear a legend to that effect, in addition to any hold period and legends required under the policies of the Exchange. Consequently, the Shares may only be resold during such period in accordance with appropriate statutory exemptions from the prospectus requirements of the Applicable Legislation or if appropriate consents or discretionary orders have been obtained. The Purchaser is advised to consult its own legal advisors in this regard.

The Shares have not been and will not be registered under the United States *Securities Act of 1933*, as amended.

## SCHEDULE "A" TO SUBSCRIPTION AGREEMENT

### TERMS

**Reference date of this  
Subscription Agreement**

November 26, 2020 (the "**Agreement Date**")

#### The Offering

**The Issuer**

Bayhorse Silver Inc.

**Offering**

The "**Offering**" consists of an aggregate of up to 7,800,000 Flow Through Units of the Issuer. Each Flow Through Unit consists of one previously unissued \$0.125 common share, as presently constituted (a "Share") and one transferable common share purchase warrant (a "Warrant") of the Issuer. Each whole Warrant will entitle the holder, on exercise, to purchase one additional common share of the Issuer (a "Warrant Share") at a price of \$0.20 per Warrant Share at any time until the close of business on the day which is two years from the date of issue of the Warrant.

**Price**

C\$0.125 per Flow Through Unit

**Total amount**

Up to \$975,000

**Purchased Securities**

The "**Purchased Securities**" are Flow Through Units.

**Warrants**

The Warrants will be issued and registered in the name of the purchasers or their nominees.

The Warrants will be transferable.

The certificates representing the Warrants will, among other things, include provisions for the appropriate adjustment in the class, number and price of the Warrant Shares issued upon exercise of the Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Issuer's common shares, the payment of stock dividends and the amalgamation of the Issuer.

The issue of the Warrants will not restrict or prevent the Issuer from obtaining any other financing, or from issuing additional securities or rights, during the period within which the Warrants may be exercised.

**Compensation to Finders**

The Issuer may, in appropriate circumstances and subject to Exchange acceptance, pay a cash finder's fee and may issue share purchase warrants to certain finders that have introduced Purchasers to the Issuer.

**Selling Jurisdictions**

The Flow Through Units may be sold in all provinces of Canada, excluding Québec (the "**Canadian Selling Jurisdictions**"), in the United States, and in those jurisdictions outside Canada and the United States that are determined by the Issuer.

**Exemptions**

The Offering will be made in the Canadian Selling Jurisdictions in accordance with the following exemptions from the prospectus requirements:

- (a) the "accredited investor" exemption found in section 2.3 of National Instrument 45-106 - *Prospectus Exemptions* and, in Ontario, in section 73.3(2) of the *Securities Act* (Ontario);
- (b) the "minimum amount investment (\$150,000)" exemption found in section 2.10 of National Instrument 45-106 - *Prospectus Exemptions*;
- (c) the "friends and family exemption" found in section 2.5 and 2.6.1 of National Instrument 45-106 *Prospectus and Registration Exemptions*; or
- (d) the "offshore exemption" found in BC Instrument 72-503 - *Distribution of Securities Outside British Columbia*;
- (e) the "existing shareholder" exemption found in BC Instrument 45-534 – *Exemption from prospectus requirements for certain trades to existing shareholders*.

The Offering will be made in the United States and to, or for the account or benefit of, "U.S. persons", only to "accredited investors" in transactions in accordance with Rule 506(b) of Regulation D promulgated under the 1933 Act.

**Resale restrictions and legends**

The Securities will be subject to a four month hold period that starts to run on Closing.

The Purchaser acknowledges that the Flow Through Units and, if issued within four months of the Closing, the Shares, will bear the following legends:

"Unless permitted under securities legislation, the holder of this security must not trade the security before [the date that is four months and a day after the distribution date]."

"Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [date that is four months and a day after the Closing]."

Securities issued to U.S. Purchasers will bear additional legends. Please refer to Appendix 5 - Certification of U.S. Purchaser.

The Issuer agrees that the Securities will bear no legends other than those set out herein.

Purchasers are advised to consult with their own legal counsel or advisors to determine the resale restrictions that may be applicable to them.

**Closing Date**

Payment for, and delivery of, the Flow Through Units is scheduled to occur on such date as may be agreed upon by the Issuer and the Purchaser (the "Closing Date").

**Additional definitions**

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

**Subscription Agreement**

(a) "Purchased Securities" means the Flow Through Units purchased under this Subscription Agreement; and

(b) "Securities" means the Shares, Warrants, and Warrant Shares.

**The Issuer**

**Jurisdiction of organization**

The Issuer is incorporated under the laws of British Columbia.

**Stock exchange listings**

The Common Shares are listed on the TSX Venture Exchange (the "Exchange").

## SCHEDULE "B" TO SUBSCRIPTION AGREEMENT

### GENERAL PROVISIONS

#### 1. DEFINITIONS

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

- (a) "**1933 Act**" means the United States Securities Act of 1933, as amended;
- (b) "**Agreement Date**" has the meaning assigned in the Terms;
- (c) "**Applicable Legislation**" means, as applicable, the securities laws, regulations, rules, rulings and orders in the Canadian Selling Jurisdictions and in jurisdictions where the Issuer is a reporting issuer and all applicable administrative policy statements issued by the securities regulatory authorities in each of the Canadian Selling Jurisdictions and in jurisdictions where the Issuer is a reporting issuer together with the applicable rules and policies of the Exchange;
- (d) "**Business Day**" means 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;
- (e) "**Canadian Selling Jurisdictions**" means all provinces of Canada, except Quebec;
- (f) "**Closing**" means the completion of the sale and purchase of the Purchased Securities;
- (g) "**Closing Date**" means the date or such dates upon which a Closing occurs as may be agreed upon by the Issuer and the Purchaser;
- (h) "**Commissions**" means the securities regulatory authorities in each of the Canadian Selling Jurisdictions;
- (i) "**Common Shares**" means the common shares without par value of the Issuer;
- (j) "**Company**" means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual;
- (k) "**Exchange**" means the TSX Venture Exchange;
- (l) "**Issuer**" means Bayhorse Silver Inc.;
- (m) "**material change**" has the meaning prescribed by the Applicable Legislation;
- (n) "**material fact**" has the meaning prescribed by the Applicable Legislation;
- (o) "**Offering**" has the meaning assigned in Schedule "A" to the Subscription Agreement;

- (p) "**Offering Price**" means \$0.125 per Flow Through Unit;
  - (q) "**Person**" includes an individual, corporation, partnership, party, trust, fund, association and any other organized group of persons and the personal or other legal representative of a person to whom the context can apply according to law;
  - (r) "**Personal Information**" means any information about an identifiable individual, and includes information provided by the Purchaser in this Subscription Agreement;
  - (s) "**Private Placement**" means the offering of the Purchased Securities on the terms and conditions of this Subscription Agreement;
  - (t) "**Purchaser**" means the purchaser of the Purchased Securities under this Subscription Agreement and, if applicable in the context used, includes any beneficial purchaser identified on page 3;
  - (u) "**Purchased Securities**" means the Flow Through Units purchased under this Subscription Agreement;
  - (v) "**Regulation S**" means Regulation S promulgated under the 1933 Act;
  - (w) "**Regulatory Authorities**" means the Commissions and the Exchange, and, if the context requires, the United States Securities and Exchange Commission;
  - (x) "**Securities**" means the Purchased Securities;
  - (y) "**Securities Act**" means the *Securities Act* (British Columbia);
  - (z) "**Subscription Agreement**" or "**Agreement**" means this subscription agreement, including all forms and appendices included herein or attached hereto;
  - (aa) "**Terms**" means Schedule "A" to this Subscription Agreement;
  - (bb) "**U.S. person**" has the meaning assigned on page 2;
  - (cc) "**U.S. Purchaser**" has the meaning assigned on page 2; and
  - (dd) "**United States**" has the meaning prescribed by Regulation S.
- 1.2 In this Subscription Agreement, unless otherwise specified, currencies are indicated in Canadian dollars.
- 1.3 In this Subscription Agreement, other words and phrases that are defined herein have the meaning assigned in this Subscription Agreement.
- 2. ACKNOWLEDGEMENTS, REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PURCHASER**
- 2.1 Acknowledgements concerning the Private Placement



The Purchaser acknowledges that

- (a) the Securities are highly speculative in nature and there are significant risks associated with the purchase of the Securities;
- (b) the Purchaser has such knowledge, sophistication and experience in business and financial matters as to be capable of evaluating the merits and risks of its investment in the Securities, fully understands the speculative nature of the Securities and is able to bear the economic risk of loss of its entire investment;
- (c) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Securities;
- (d) there is no government or other insurance covering the Securities;
- (e) the Issuer's counsel is acting as counsel to the Issuer and not as counsel to the Purchaser, and all costs and expenses incurred by the Purchaser (including any fees and disbursements of any counsel retained by the Purchaser) relating to the purchase of the Purchased Securities shall be borne by the Purchaser;
- (f) there are restrictions on the Purchaser's ability to resell the Securities and it is the Purchaser's sole responsibility to find out what those restrictions are and to comply with them before selling the Securities;
- (g) the Issuer has advised the Purchaser that the Issuer is relying on an exemption from the requirements to provide the Purchaser with a prospectus and to sell securities through a person registered to sell securities under Applicable Legislation and, as a consequence of acquiring securities pursuant to this exemption, certain protections, rights and remedies provided by Applicable Legislation, including statutory rights of rescission or damages, will not be available to the Purchaser;
- (h) no prospectus has been or is intended to be filed by the Issuer with the Commissions in connection with the issuance of the Purchased Securities, the issuance is intended to be exempted from the prospectus requirements of the Applicable Legislation and as a consequence of acquiring the Purchased Securities pursuant to these exemptions,
  - (i) the Purchaser is restricted from using most of the civil remedies available under the Applicable Legislation,
  - (ii) the Purchaser may not receive information that would otherwise be required to be provided to the Purchaser under the Applicable Legislation, and
  - (iii) the Issuer is relieved from certain obligations that would otherwise apply under the Applicable Legislation;
- (i) the Securities are subject to the terms, conditions and provisions of this Subscription Agreement;
- (j) the offer made by this subscription is irrevocable and requires acceptance by the Issuer and the approval of the Exchange;

- (k) the certificates evidencing the Flow Through Units will bear one or more legends, and the certificates evidencing the Shares may bear one or more legends, regarding restrictions on transfer and exercise as required pursuant to Applicable Legislation and requirements of the Exchange; and
- (l) the Issuer may pay fees and issue share purchase warrants to certain finders as compensation in connection with this Private Placement, as set out in the Terms.

## 2.2 Representations, warranties and covenants

The Purchaser certifies, represents, warrants to, and covenants with the Issuer that

- (a) if the Purchaser is a resident of Canada, the Purchaser complies with one of the following:
  - (i) the Purchaser is purchasing as principal or is deemed to be purchasing as principal in accordance with Applicable Legislation and meets the definition of "accredited investor" as such term is defined under National Instrument 45-106 - *Prospectus Exemptions* or, in Ontario, under the *Securities Act* (Ontario), and has completed and signed Appendix 3 - Accredited Investor Form and, if applicable, Appendix 4 - Form 45-106F9 – Form for Individual Accredited Investors, and if relying on Category 14 of the definition of "accredited investor" contained in the Accredited Investor Form, (A) is not a Person created or used solely to purchase or hold securities in order to qualify as an accredited investor and (B) pre-existed the Private Placement and has a bona fide purpose other than investment in the Purchased Securities, or
  - (ii) the Purchaser is purchasing as principal or is deemed to be purchasing as principal in accordance with Applicable Legislation and meets one of the criteria under the "Family, Friends and Business Associate" exemption under National Instrument 45-106 *Prospectus and Registration Exemptions* and has completed and signed Appendix 7 - Family, Friends and Business Associates Form and, if applicable, Appendix 7 - Form 45-106F12 – Risk Acknowledgement Form for Family, Friend and Business Associate Investors (*Ontario*);
  - (ii) the Purchaser is not an individual and is purchasing as principal and is subscribing to purchase that number of Flow Through Units having an acquisition cost to the Purchaser of not less than \$150,000, which amount is to be paid in cash on the Closing Date, is not a Person created or used solely to purchase or hold securities in order to rely on the "minimum amount investment" exemption set out in section 2.10 of National Instrument 45-106 - *Prospectus Exemptions*, and pre-existed the Private Placement and has a bona fide purpose other than investment in the Purchased Securities; or
  - (iii) the Purchaser is purchasing as principal or is deemed to be purchasing as principal in accordance with Applicable Legislation and is an Existing Security Holder currently holding common shares in the capital stock of the Issuer and is not resident in Ontario or Newfoundland and Labrador and has completed and signed Appendix 8 – Certificate of Existing Shareholder.

- (b) the Purchaser is subscribing for the Purchased Securities as principal for its own account and not for the benefit of any other Person or, if it is contracting hereunder as an agent or trustee for a principal (including, for greater certainty, a portfolio manager or comparable adviser) and not purchasing as agent or trustee for accounts fully managed by it, the name and address of such principal have been fully disclosed and set forth on page 3;
- (c) in the case of the purchase by the Purchaser of the Purchased Securities as agent or trustee for a principal, the Purchaser is the duly authorized trustee or agent of such beneficial purchaser with due and proper power and authority to execute and deliver, on behalf of such beneficial purchaser, this Subscription Agreement and all other documentation in connection with the purchase of the Purchased Securities hereunder, to agree to the terms and conditions herein and therein set out and to make the representations, warranties, acknowledgements and covenants herein and therein contained, all as if such beneficial purchaser were the Purchaser and is subscribing as principal for its own account and not for the benefit of any other Person for investment only and not for resale and the Purchaser's actions as trustee or agent are in compliance with applicable law and the Purchaser and the beneficial purchaser each acknowledge that the Issuer may be required by law to disclose to certain regulatory authorities the identity of the beneficial purchaser of Purchased Securities;
- (d) the Purchaser is a resident of, or if not an individual, has its head office or is otherwise subject to the laws of, the jurisdiction set out on page 3 as being the Purchaser's address. Such address was not created and is not used solely for the purpose of acquiring the Purchased Securities and the Purchaser was solicited to purchase in such jurisdiction;
- (e) the information provided by the Purchaser under the headings "Part 1 – Information about the Purchaser", which begins on page 1, and "Part 2 – Information about the Purchase of the Securities", which begins on page 2, is true and accurate as of the date of signing and will be true and correct immediately prior to the Closing;
- (f) the Purchaser has properly completed, executed and delivered the applicable form(s) and certification set forth in the applicable appendices and such forms contain information about the Purchaser that is true and accurate as of the date of signing and will be true and correct as at the Closing Date;
- (g) the Purchaser is not a "control person" (as such term is defined in the Applicable Legislation), will not become a "control person" by virtue of this subscription for the Securities and does not intend to act jointly or in concert with any other Person to form a control group of the Issuer;
- (h) the Purchaser is capable of assessing the proposed investment as a result of the Purchaser's financial and business experience or as a result of advice received from a registered Person other than the Issuer or any affiliates of the Issuer, and the Purchaser is capable of bearing the economic risk of a loss of its entire investment;
- (i) no prospectus or offering memorandum (as such terms are defined in the Applicable Legislation) has been delivered to or summarized for or seen by the Purchaser (and, if applicable, others for whom it is contracting hereunder) in connection with the Private Placement and the Purchaser (and, if applicable, others for whom it is contracting

hereunder) is not aware of any prospectus or offering memorandum having been prepared by the Issuer;

- (j) the Purchaser has not received, nor has the Purchaser requested, nor does the Purchaser have any need to receive, any prospectus or offering memorandum (as such terms are defined in the Applicable Legislation), or any other document describing the business and affairs of the Issuer in order to assist the Purchaser in making an investment decision in respect of the Purchased Securities and the Purchaser has not become aware of any advertisement in printed media of general and regular paid circulation, radio or television with respect to the distribution of the Purchased Securities;
- (k) in subscribing for the Purchased Securities, the Purchaser (and, if applicable, others for whom it is contracting hereunder) has relied solely upon publicly available information relating to the Issuer and this Subscription Agreement and not upon any verbal or written representation as to any fact or otherwise made by or on behalf of the Issuer or any employee, agent or affiliate thereof or any other Person associated therewith. The Purchaser, on its own behalf and, if applicable, on behalf of others for whom the Purchaser is contracting hereunder, acknowledges that the decision to purchase the Purchased Securities was made on the basis of currently available public information and this Subscription Agreement;
- (l) the Purchaser has no knowledge of a material fact or material change in the affairs of the Issuer that has not been generally disclosed to the public, except knowledge of this particular transaction;
- (m) the subscription for the Purchased Securities has not been made through or as a result of any general solicitation or general advertising or any seminar or meeting whose attendees have been invited by general solicitation or general advertising and the distribution of the Purchased Securities has not been 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;
- (n) no Person has made to the Purchaser any written or oral representations
  - (i) that any Person will resell or repurchase the Securities,
  - (ii) that any Person will refund the purchase price of the Purchased Securities,
  - (iii) as to the future price or value of any of the Securities, or
  - (iv) that any of the Securities will be listed and posted for trading on a stock exchange or that application has been made to list and post any of the Securities for trading on any stock exchange, other than the Shares on the Exchange;
- (o) the Purchaser has been independently advised as to the applicable hold period imposed in respect of the Securities by securities legislation in the jurisdiction in which the Purchaser resides and confirms that no representation has been made respecting the applicable hold periods for the Securities and acknowledges that the hold period indicated in the Terms does not constitute such representation and is aware of the risks and other characteristics

of the Securities and of the fact that the Purchaser may not be able to resell the Securities except in accordance with applicable securities legislation and regulatory policies;

- (p) this subscription has not been solicited in any other manner contrary to the Applicable Legislation, the 1933 Act or any state securities laws of the United States;
- (q) unless the Purchaser has executed Appendix 5 - Certification of U.S. Purchaser:
  - (i) the offer was not made to the Purchaser when the Purchaser was in the United States and, at the time the Purchaser's buy order was made, the Purchaser was outside the United States;
  - (ii) the current structure of this transaction and all transactions and activities contemplated hereunder is not a scheme to avoid the registration requirements of the 1933 Act;
  - (iii) the Purchaser has no intention to distribute either directly or indirectly any of the Securities in the United States, except in compliance with the 1933 Act;
  - (iv) the Purchaser is not a U.S. Person; and
  - (v) the Purchaser is not and will not be purchasing Securities on behalf of, or for the account or benefit of, any U.S. Person or any person in the United States;
- (r) if the Purchaser is a resident of an International Jurisdiction (which is defined herein to mean a country other than Canada or the United States), then the Purchaser on its own behalf and, if applicable, on behalf of others for whom it is hereby acting that,
  - (i) the Purchaser is knowledgeable of, or has been independently advised as to, the International Securities Laws (which is defined herein to mean, in respect of each and every offer or sale of Purchased Securities, any securities laws having application to the Purchaser and the Private Placement other than the laws of Canada and the United States and all regulatory notices, orders, rules, regulations, policies and other instruments incidental thereto) which would apply to this subscription, if any,
  - (ii) the Purchaser is purchasing the Purchased Securities pursuant to an applicable exemption from any prospectus, registration or similar requirements under the International Securities Laws of that International Jurisdiction, or, if such is not applicable, the Purchaser is permitted to purchase the Purchased Securities under the International Securities Laws of the International Jurisdiction without the need to rely on exemptions,
  - (iii) the subscription by the Purchaser does not contravene any of the International Securities Laws applicable to the Purchaser and the Issuer and does not give rise to any obligation of the Issuer to prepare and file a prospectus or similar document or to register the Securities or to be registered with any governmental or regulatory authority,

- (iv) the International Securities Laws do not require the Issuer to make any filings or seek any approvals of any kind whatsoever from any regulatory authority of any kind whatsoever in the International Jurisdiction, and
  - (v) the Securities are being acquired for investment purposes only and not with a view to resale and distribution, and the distribution of the Securities to the Purchaser by the Issuer complies with all International Securities Laws;
- (s) if the Purchaser is
  - (i) a corporation, the Purchaser 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 Purchased Securities as contemplated herein and to carry out and perform its covenants and obligations under the terms of this Subscription Agreement and the entering into of this Subscription Agreement and the transactions contemplated hereby will not result in the violation of any of the terms and provisions of any law applicable to, or the constating documents of, the Purchaser or of any agreement, written or oral, to which the Purchaser may be a party or by which the Purchaser is or may be bound,
  - (ii) a partnership, syndicate or other form of unincorporated organization, the Purchaser 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 Purchaser has the legal capacity and competence to enter into and to execute this Subscription Agreement and to observe and perform his or her covenants and obligations hereunder;
- (t) this Subscription Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding agreement of the Purchaser enforceable against the Purchaser;
- (u) if required by applicable securities legislation, policy or order or by any securities commission, stock exchange or other regulatory authority, the Purchaser will execute, deliver, file and otherwise assist the Issuer in filing, such reports, undertakings and other documents with respect to the issuance of the Securities as may be required;
- (v) the Purchaser will execute and deliver within the approved time periods, all documentation as may be required by Applicable Legislation and any other applicable law to permit the purchase of the Securities on terms herein set forth; and
- (w) the funds representing the aggregate subscription price for the Purchased Securities which will be advanced by the Purchaser hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* and the Purchaser acknowledges that the Issuer may in the future be required by law to disclose the Purchaser's name and other

information relating to this Subscription Agreement and the Purchaser's subscription hereunder, on a confidential basis, pursuant to such legislation. To the best of its knowledge, (a) none of the subscription funds to be provided by the Purchaser (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States, or any other jurisdiction, or (ii) are being tendered on behalf of a Person or entity who has not been identified to the Purchaser; and (b) the Purchaser shall promptly notify the Issuer if the Purchaser discovers that any of such representations ceases to be true, and to provide the Issuer with appropriate information in connection therewith. Notwithstanding that the Purchaser may be purchasing Purchased Securities as agent on behalf of an undisclosed principal, the Purchaser agrees to provide, on request, particulars as to the identity of such undisclosed principal as may be required by the Issuer in order to comply with the foregoing.

### 2.3 Reliance, indemnity and notification of changes

The representations and warranties in this Subscription Agreement are made by the Purchaser with the intent that they be relied upon by the Issuer in determining its suitability as a purchaser of Purchased Securities, and the Purchaser hereby agrees to indemnify the Issuer against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur as a result of reliance thereon. The Purchaser covenants to notify the Issuer immediately of any change in any acknowledgement, certification, representation, warranty or other information relating to the Purchaser set forth in this Subscription Agreement which takes place prior to the Closing Date and, in the absence of such notification, the Purchaser is deemed to make the acknowledgements, certifications, representations, warranties and covenants and to provide the acknowledgements set forth in this Subscription Agreement on the Closing Date, notwithstanding the Agreement Date and the date(s) on which this Subscription Agreement was completed and executed by the Purchaser.

### 2.4 Survival of representations and warranties

The representations and warranties contained in this Section 2 will survive the Closing.

## 3. REPRESENTATIONS AND WARRANTIES OF THE ISSUER

3.1 The Issuer represents, warrants and covenants that, as of the date given above and at the Closing:

- (a) the Issuer is a valid and subsisting corporation incorporated and in good standing under the laws of British Columbia;
- (b) the Issuer is duly registered and licensed to carry on business in the jurisdictions in which it carries on business or owns property where required under the laws of that jurisdiction;
- (c) this Subscription Agreement has been or will be by the Closing, duly authorized by all necessary corporate action on the part of the Issuer, and the Issuer has or will have by the Closing full corporate power and authority to undertake the Offering;
- (d) the Common Shares of the Issuer are, and will continue to be as of the Closing Date, listed and posted for trading on the Exchange;

- (e) the Issuer has filed all federal, provincial, local and foreign tax returns which are required to be filed, or has requested extensions thereof, and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except for such assessments, fines and penalties which are currently being contested in good faith;
- (f) the Issuer has complied, or will comply, with all applicable corporate and securities laws and regulations in connection with the offer, sale and issuance of the Purchased Securities;
- (g) no order ceasing or suspending trading in the securities of the Issuer or prohibiting sale of its securities has been issued to the Issuer or its directors, officers or promoters and to the best of the Issuer's knowledge no investigations or proceedings for such purposes are pending or threatened;
- (h) the Issuer is a "reporting issuer" in the provinces of British Columbia, Alberta and Ontario and is not included on the list of defaulting reporting issuers maintained by the Commissions;
- (i) at the time of Closing, the Flow Through Units shall be duly authorized for issuance by the Issuer; and
- (j) upon their issuance, the Shares will be validly issued and outstanding as fully paid and non-assessable common shares of the Issuer.

### 3.2 Survival of representations and warranties

The representations, warranties and covenants contained in this Section will survive the Closing for a period of two years.

## 4. PERSONAL INFORMATION

4.1 By executing this Subscription Agreement, the Purchaser acknowledges and expressly consents the Issuer's collection, use and disclosure of the Purchaser's personal information for the purpose of completing the Purchaser's subscription and expressly consents to the Issuer retaining the personal information for as long as permitted or required by applicable law or business practices and to the filing of such documents and any other documents as may be required to be filed with any stock exchange or securities regulatory authority in connection with this Private Placement. The Purchaser further acknowledges and expressly consents, in accordance with the *Freedom of Information and Protection of Privacy Act* (Ontario), to

- (a) the disclosure of Personal Information by the Issuer to the Exchange, to the Ontario Securities Commission and to any other applicable securities regulatory authorities, the Issuer's registrar and transfer agent, legal counsel and any other party involved in the purchase and sale of the Purchased Securities;
- (b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 1, or as otherwise identified by the Exchange, from time to time; and



- (c) the collection use and disclosure of Personal Information by the Commissions for the purposes described in Appendix 1.

4.2 In addition, the Purchaser acknowledges that the Issuer will file with the Commissions Form 45-106F1 and 45-106F6, which will be publicly available, and which will exclude the Purchaser's name and the amount of their subscription.

## 5. ISSUER'S ACCEPTANCE

This Subscription Agreement, when executed by the Purchaser, and delivered to the Issuer, will constitute a subscription for the Purchased Securities which will not be binding on the Issuer until accepted by the Issuer by executing this Subscription Agreement in the space provided on page 3 and, notwithstanding the Agreement Date, if the Issuer accepts the subscription by the Purchaser, this Subscription Agreement will be and be deemed to be entered into on the date of such execution by the Issuer.

## 6. CLOSING

6.1 The Purchaser acknowledges that, although Securities may be issued to other purchasers under the Private Placement, there may be other sales of Flow Through Units and other securities under the Private Placement, some or all of which may close before or after the Closing. The Purchaser further acknowledges that there is a risk that insufficient funds may be raised on the Closing to fund the Issuer's objectives and that further closings may or may not take place after the Closing.

6.2 Purchaser agrees to deliver to the Issuer as soon as possible and, in any event, not later than 12:00 noon (Vancouver time) on the date that is three (3) business days prior to the Closing Date, the following:

- (a) a completed and duly executed copy of this Subscription Agreement;
- (b) if and as applicable, a completed and duly executed copy of (as applicable):
  - (i) Appendix 3 - Accredited Investor Form;
  - (ii) Appendix 4 - Form 45-106F9 – Form for Individual Accredited Investors;
  - (iii) Appendix 6 - Friends, Family and Business Associates Form; or
  - (iv) Appendix 7 - Form 45-106F12 – Risk Acknowledgement Form For Family, Friend and Business Associate Investors (Ontario);
  - (v) Appendix 8 – Certificate of Existing Shareholder.
- (c) all other documents as may be required; and
- (d) unless other arrangements acceptable to the Issuer are made, **a certified cheque or bank draft made payable to “Bayhorse Silver Inc.”** representing the Offering Price payable by the Purchaser for the Flow Through Units set out on the first page of this Subscription Agreement.

6.3 It is a condition of Closing that all documents required to be completed and signed in accordance with Section 7 hereof be received prior to the Closing Date. The Purchaser acknowledges that Closing is conditional upon receipt of the necessary approvals of the Exchange, and upon Closing occurring, the certificates representing Flow Through Units will be available for delivery provided that the Purchaser has satisfied the requirements of Section 7 hereof and the Issuer has accepted this Subscription Agreement.

6.4 At Closing, the Issuer will deliver to the Purchaser the certificates representing the Purchased Securities purchased by the Purchaser registered in the name of the Purchaser or its nominee.

6.5 The Purchaser acknowledges that the Closing of the Offering may occur in a number of tranches.

## 7. MISCELLANEOUS

7.1 The Purchaser agrees to sell, assign or transfer the Securities only in accordance with the requirements of applicable securities laws and any legends placed on the Securities as contemplated by this Subscription Agreement.

7.2 The Purchaser hereby authorizes the Issuer to correct any minor errors in, or complete any minor information missing from any part of this Subscription Agreement and any other acknowledgements, provisions, forms, certificates or documents executed by the Purchaser and delivered to the Issuer in connection with the Private Placement.

7.3 The Issuer may rely on delivery by fax machine or e-mail of an executed copy of this subscription, and acceptance by the Issuer of such faxed or e-mailed copy will be equally effective to create a valid and binding agreement between the Purchaser and the Issuer in accordance with the terms of this Subscription Agreement. This Subscription Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. If less than a complete copy of this Subscription Agreement is delivered to the Issuer at the Closing, the Issuer shall be entitled to assume that the Purchaser accepts and agrees with all terms and conditions of this Subscription Agreement on the pages not delivered at the Closing unaltered.

7.4 Without limitation, this subscription and the transactions contemplated by this Subscription Agreement are conditional upon and subject to the Issuer's having obtained such regulatory approval of this subscription and the transactions contemplated by this Subscription Agreement as the Issuer considers necessary.

7.5 This Subscription Agreement is not assignable or transferable by the parties hereto without the express written consent of the other party to this Subscription Agreement.

7.6 Time is of the essence of this Subscription Agreement and will be calculated in accordance with the provisions of the *Interpretation Act* (British Columbia).

7.7 Except as expressly provided in this Subscription Agreement and in the agreements, instruments and other documents contemplated or provided for in this Subscription Agreement, this Subscription Agreement contains the entire agreement between the parties with respect to the Securities and there are no other terms, conditions, representations or warranties whether expressed, implied, oral or written, by statute, by common law, by the Issuer, or by anyone else.

7.8 The parties to this Subscription Agreement may amend this Subscription Agreement only in writing.

7.9 This Subscription Agreement enures to the benefit of and is binding upon the parties to this Subscription Agreement and their successors and permitted assigns.

7.10 A party to this Subscription Agreement will give all notices to or other written communications with the other party to this Subscription Agreement concerning this Subscription Agreement by hand or by registered mail addressed to the address of the Issuer given on page 1 and the residential address of the Purchaser given on page 3. 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.

7.11 The contract arising out of this Subscription Agreement and all documents relating thereto, have been or will be drafted in English only by common accord among the parties. Le soussigné reconnaît par les présentes qu'il a exigé que le contrat résultant de cette convention de souscription ainsi que tous documents y afférents soient rédigés en langue anglaise seulement.

7.12 This Subscription Agreement is to be read with all changes in gender or number as required by the context.

7.13 This Subscription Agreement will be governed by and construed in accordance with the laws of British Columbia and the laws of Canada applicable therein (without reference to its rules governing the choice or conflict of laws), and the parties hereto irrevocably attorn and submit to the exclusive jurisdiction of the courts of British Columbia with respect to any dispute related to this Subscription Agreement.

## **8. FLOW THROUGH UNITS**

8.1 In addition to other terms defined herein, the following words and phrases have the following meanings:

(a) "Act" means the Income Tax Act (Canada), together with any and all regulations promulgated thereunder, as amended from time to time;

(b) "Canadian Exploration Expense(s)" or "CEE" means one or more expenses described in paragraph of the definition of "Canadian exploration expense" in subsection 66.1(6) of the Act or that would be described in paragraph (h) of the definition if reference therein to paragraphs (a) to (d) and (f) to was a reference to paragraph (f), other than amounts which are prescribed to be "Canadian exploration and development overhead expense" for the purposes of paragraph 66(12.6)(b) of the Act, Canadian exploration expenses to the extent of the amount of any assistance described in paragraph 66(12.6)(a) of the Act, an expense deemed by subsection 66.1(9) of the Act to be a Canadian exploration expense, or the cost of acquiring or obtaining the use of seismic data described in paragraph 66(12.6)(b.1) of the Act or any expense for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition of the term "expense" in paragraph 66(15) of the Act;

(c) "Canadian Flow-Through Mining Expenditure" means "flow-through mining expenditure" as defined in subsection 127(9) of the Act;

(d) "Commitment Amount" means the amount equal to \$0.125 multiplied by the number of Shares subscribed and paid for pursuant to this Agreement;

(e) "CRA" means Canada Revenue Agency;

## Subscription Agreement

(f) "Expenditure Period" means the period commencing on the date of acceptance by the Corporation of this Subscription Agreement and ending on the earlier of:

(i) the date on which the Commitment Amount has been fully expended in accordance with the terms hereof; and

(ii) December 31, 2022;

(g) "flow-through share" means the unissued shares of the Company that constitute "flow-through

shares" as defined in subsection 66(15) of the Act;

(h) "Prescribed Forms" means the forms prescribed from time to time under or pursuant to subsection

66(12.7) of the Act;

(i) "Prescribed Relationship" means a relationship between the Company and the Subscriber where the

Subscriber and the Company are related or otherwise do not deal at "arm's length" for purposes of

the Act;

(j) "Principal Business Corporation" means a "principal-business corporation" as defined in subsection 66(15) of the Act;

(k) "Qualifying Expenditures" means an expense which qualifies as: (i) CEE; and (ii) a Canadian Flow-Through Mining Expenditure in respect of an individual (other than trusts or estates), and which is incurred on or before the Termination Date which may be renounced by the Company pursuant to subsections 66(12.6) or (12.66) of the Act with an effective date not later than December 31, 2022 and in respect of which, but for the renunciation, the Company would be entitled to a deduction from income for income tax purposes;

(l) "Termination Date" means December 31, 2022;

8.2 The Corporation hereby represents and warrants to the Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) and acknowledges that the Subscriber is relying thereon that:

(a) the Corporation has the full corporate right, power and authority to enter into this Subscription Agreement, to issue the Flow-Through Units and to incur and renounce to the Subscriber, Qualifying Expenditures in an amount equal to the Commitment Amount;

(b) the incurring and renouncing of Qualifying Expenditures to the Subscriber pursuant hereto, does not and will not constitute a breach of or default under the constating documents of the Corporation or any law, regulation, order or ruling applicable to the Corporation or any agreement, contract or indenture to which the Corporation is a party or by which it is bound;

(c) the Corporation is, and at all material times will be, a Principal Business Corporation;

(d) upon issuance pursuant to the provisions hereof, subject to any agreement to which the Corporation is not a party and of which it has no knowledge, the Flow-Through Shares as defined in subsection 66(15) of the Act and will not constitute "prescribed shares" for the purpose of Regulation 6202.1 of the Act; and

(e) the Corporation has no reason to believe that it will be unable to incur Qualifying Expenditures during the Expenditure Period in an amount not less than the Commitment Amount or that it will be unable to renounce to the Subscriber effective on or before December 31, 2022 Qualifying Expenditures in an amount equal to the Commitment Amount.

8.3 The Corporation covenants and agrees with the Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting):

(a) to keep proper books, records and accounts of all Qualifying Expenditures and all transactions affecting the Commitment Amount and the Qualifying Expenditures and, in the event the Canada Revenue Agency denies or proposes to deny the deduction of Qualifying Expenditures renounced to the Subscriber hereunder and upon reasonable notice and on a reasonable basis, to make such books, records and accounts available for inspection and review by or on behalf of the Subscriber at the Subscriber's expense for the sole purpose of responding to the demand or proposal of the Canada Revenue Agency; and

(b) to incur, during the Expenditure Period, Qualifying Expenditures in such amount as enables the Corporation to renounce to the Subscriber, Qualifying Expenditures in an amount equal to the Commitment Amount; and

(c) to renounce to the Subscriber, effective on or before December 31, 2022, Qualifying Expenditures incurred during the Expenditure Period as required under the Act in an amount equal to the Commitment Amount; and

(d) to deliver to the Subscriber within the time period required by the Act and, in any event, not later than March 31, 2022, a statement setting forth the aggregate amounts of Qualifying Expenditures renounced to the Subscriber hereunder; and

(e) that all Qualifying Expenditures renounced to the Subscriber pursuant to this Subscription Agreement will be Qualifying Expenditures incurred by the Corporation that, but for the renunciation to the Subscriber, the Corporation would be entitled to deduct in computing its income for the purposes of Part I of the Act; and

(f) that the Corporation will not reduce the amount to be renounced to the Subscriber hereunder and, in the event the Minister of National Revenue ("MNR") reduces the amount renounced to the Subscriber hereunder pursuant to subsection 66(12.73) of the Act, the Corporation shall indemnify the Subscriber as to, and pay to the Subscriber, an amount equal to the amount of any tax payable under the Act (and under any corresponding provincial legislation) by the Subscriber as a consequence of such reduction, such payment to be made on a timely basis once the amount is definitively determined; and

(g) that if the Corporation does not renounce to the Subscriber Qualifying Expenditures equal to the Commitment Amount effective on or before December 31, 2022, the Corporation shall

indemnify the Subscriber as to, and pay to the Subscriber, an amount equal to the amount of any tax payable under the Act (and under any corresponding provincial legislation) by the Subscriber as a consequence of such failure, such payment to be made on a timely basis once the amount is definitively determined; and

(h) that the Corporation shall renounce Qualifying Expenditures to subscribers under the Offering pro rata based on the number of Flow-Through Units issued or to be issued pursuant thereto before or concurrent with renouncing Qualifying Expenditures pursuant to any other agreement (a "Subsequent Agreement") which the Corporation shall subsequently, after the Closing Date, enter into. If the Corporation is required under the Act or by the MNR to reduce Qualifying Expenditures previously renounced to Subscribers under the Offering, such reduction shall, to the extent possible, be made pro rata based on the number of Flow- Through Units issued under the Offering only after it has first reduced, to the extent possible, all Qualifying Expenditures renounced to persons under Subsequent Agreements; and

(i) that the Corporation will maintain its status as a Principal Business Corporation until the earlier of January 1, 2022 and the date the Corporation has fulfilled its obligation to incur and renounce to the Subscriber Qualifying Expenditures in an amount equal to the Commitment Amount; and

(j) to file, within the time(s) prescribed by the Act, all prescribed forms required under the Act to renounce Qualifying Expenditures equal to the Commitment Amount to the Subscriber effective on or before December 31, 2022 and to provide the Subscriber with a copy of all such forms as are required to be provided thereto, all on a timely basis; and

(k) that the Corporation will not be subject to the provisions of subsection 66(12.67) of the Act in a manner which impairs its ability to renounce Qualifying Expenditures to the Subscriber in an amount equal to the Commitment Amount; and

(l) that the Corporation will refrain from entering into transactions or taking deductions which would otherwise reduce its cumulative CEE to an extent it would preclude renunciation of Qualifying Expenditures hereunder in an amount equal to the Commitment Amount as contemplated herein.

## APPENDIX 1 TO SUBSCRIPTION AGREEMENT

1. TMX Group Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture Exchange (in this Appendix 1 collectively referred to as the "**Exchange**") collect Personal Information in certain Forms that are submitted by the individual and/or by an Issuer or Applicant and use it for the following purposes:
  - (a) to conduct background checks;
  - (b) to verify the Personal Information that has been provided about each individual;
  - (c) to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Issuer or Applicant;
  - (d) to consider the eligibility of the Issuer or Applicant to list on the Exchange;
  - (e) to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates;
  - (f) to conduct enforcement proceedings; and
  - (g) to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the Exchange also collects additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations service providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished.

The Personal Information the Exchange collects may also be disclosed

- (a) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and
- (b) on the Exchange's website or through printed materials published by or pursuant to the directions of the Exchange.

The Exchange may from time to time use third parties to process information and/or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers.

2. The Commissions may indirectly collect the Personal Information under the authority granted to them by securities legislation. The Personal Information is being collected for the purposes of the administration and enforcement of the securities legislation of the jurisdiction of each such Commission.

For questions about the collection of Personal Information by the Ontario Securities Commission, please contact the Administrative Support Clerk, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario, M5H 3S8, (416) 593-3684.

## APPENDIX 2 TO SUBSCRIPTION AGREEMENT

### CONTRACTUAL RIGHT OF ACTION

**THIS APPENDIX 2 TO THE GENERAL PROVISIONS AND THE CONTRACTUAL RIGHT OF ACTION DESCRIBED HEREIN IS SOLELY APPLICABLE TO THE SUBSCRIBER WHO SUBSCRIBES, AND THE SUBSCRIPTION FOR WHICH THE CORPORATION ACCEPTS, UNDER THE EXISTING SECURITYHOLDER EXEMPTION AND AS DESCRIBED UNDER MULTILATERAL CSA NOTICE 45-313 PROSPECTUS EXEMPTION FOR DISTRIBUTIONS TO EXISTING SECURITY HOLDERS**

TO: THE SUBSCRIBER

The Subscriber has a contractual right of action against the Company for rescission or damages that:

- (a) is available to the Subscriber if a document or core document, each as defined in section 140.1 of the *Securities Act* (British Columbia), or the equivalent section(s) and act of the jurisdiction of residence of the Subscriber, contains a misrepresentation which was not corrected before the Subscriber acquires a security under this exemption, without regard to whether the Subscriber relied on the misrepresentation;
- (b) is enforceable by the Subscriber delivering a notice to the Company
  - (i) in the case of an action for rescission, within 180 days after the Subscriber signs this subscription agreement to purchase the security, or
  - (ii) in the case of an action for damages, before the earlier of
    - A. 180 days after the Subscriber first has knowledge of the facts giving rise to the cause of action, or
    - B. three years after the date the Subscriber signs the subscription agreement to purchase the security;
- (c) is subject to the defense that the Subscriber had knowledge of the misrepresentation;
- (d) in the case of an action for damages, provides that the amount recoverable
  - (i) must not exceed the price at which the security was offered, and
  - (ii) does not include all or any part of the damages that the Company proves does not represent the depreciation in value of the security resulting from the misrepresentation; and
- (e) is in addition to, and does not detract from, any other right of the Subscriber.



## APPENDIX 3 TO SUBSCRIPTION AGREEMENT

### ACCREDITED INVESTOR FORM

Certain terms used in this Accredited Investor Form have the meanings provided in this form, on pages 22 to 23. Terms not specifically defined in this Accredited Investor Form have the meaning otherwise ascribed to them in this Subscription Agreement or, if not defined herein, have the meaning ascribed under Applicable Legislation.

In connection with the execution of this Subscription Agreement, the Purchaser certifies, represents and warrants to the Issuer that the Purchaser satisfies one or more of the categories indicated below (please initial the appropriate box(es)).

Initial	Category
	1. (a) <u>except in Ontario</u> , a Canadian financial institution, or a Schedule III bank
	(b) <u>in Ontario</u> , a financial institution described in paragraph 1, 2 or 3 of subsection 73.1(1) of the <i>Securities Act</i> (Ontario)
	2. the Business Development Bank of Canada incorporated under the <i>Business Development Bank of Canada Act</i> (Canada)
	3. (a) <u>except in Ontario</u> , a subsidiary of any person referred to in Category 1(a) or 2, 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
	(b) <u>in Ontario</u> , a subsidiary of any person or company referred to in Category 1(b) or 2, if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary
	4. (a) <u>except in Ontario</u> , a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer*
	(b) <u>in Ontario</u> , a person or company registered under the securities legislation of a province or territory of Canada as an adviser or dealer, except as otherwise prescribed by the regulations
	5. (a) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in Category 4
	(b) 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 <i>Securities Act</i> (Ontario) or the <i>Securities Act</i> (Newfoundland and Labrador)
	6. (a) <u>except in Ontario</u> , the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada
	(b) <u>in Ontario</u> , the Government of Canada, the government of a province or territory of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or of the government of a province or territory of Canada
	7. 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
	8. any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government
	9. 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
	10. 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 <b>IMPORTANT – IF YOU QUALIFY AS AN ACCREDITED INVESTOR UNDER THIS CATEGORY 10, YOU MUST COMPLETE AND EXECUTE FORM 45-106F9 – FORM FOR INDIVIDUAL ACCREDITED INVESTORS, WHICH BEGINS ON PAGE 25.</b>
	11. an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of related liabilities, exceeds \$5,000,000

	<p>12. an individual whose net income before taxes exceeded \$200,000 in each of the two (2) most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two (2) most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year**</p> <p><b>IMPORTANT – IF YOU QUALIFY AS AN ACCREDITED INVESTOR UNDER THIS CATEGORY 12, YOU MUST COMPLETE AND EXECUTE FORM 45-106F9 – FORM FOR INDIVIDUAL ACCREDITED INVESTORS, WHICH BEGINS ON PAGE 25.</b></p>
	<p>13. an individual who, either alone or with a spouse, has net assets of at least \$5,000,000***</p> <p><b>IMPORTANT – IF YOU QUALIFY AS AN ACCREDITED INVESTOR UNDER THIS CATEGORY 13, YOU MUST COMPLETE AND EXECUTE FORM 45-106F9 – FORM FOR INDIVIDUAL ACCREDITED INVESTORS, WHICH BEGINS ON PAGE 25.</b></p>
	<p>14. a person (including a corporate entity), 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***</p>
	<p>15. an investment fund that distributes or has distributed its securities only to</p> <ul style="list-style-type: none"> <li>(a) a person that is or was an accredited investor at the time of the distribution;</li> <li>(b) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 of National Instrument 45-106 [<i>Minimum amount investment</i>], or 2.19 of National Instrument 45-106 [<i>Additional investment in investment funds</i>]; or</li> <li>(c) a person described in paragraph (a) or (b) that acquires or acquired securities under section 2.18 of National Instrument 45-106 [<i>Investment fund reinvestment</i>]</li> </ul>
	<p>16. 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>
	<p>17. a trust company or trust corporation registered or authorized to carry on business under the <i>Trust and Loan Companies Act</i> (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be</p>
	<p>18. a person (including a corporate entity) 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</p>
	<p>19. a registered charity under the <i>Income Tax Act</i> (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</p>
	<p>20. an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in Categories 1 to 4 or Category 9 in form and function</p>
	<p>21. a person (including a corporate entity) in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors****</p>
	<p>22. an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser</p>
	<p>23. a person (including a corporate entity) that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor</p>
	<p>24. 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</p>

The statements made in this Accredited Investor Form are true and accurate as of the date of signing and will be true and accurate as of the Closing Date. If any such statements shall cease to be true and accurate at any time prior to Closing, the Purchaser will promptly notify the Issuer.

The Issuer may follow up with the Purchaser at the telephone number below in order to verify their accredited investor status by obtaining further information in order to satisfy the Issuer's obligations under Applicable Legislation.

Dated \_\_\_\_\_, 2020.

---

Name of Purchaser (**please print**)

**X**

---

Authorized (of individual or authorized signatory)

---

Name of individual whose signature appears above (**please print**) if different from the name of the Purchaser printed above

---

Official capacity or title of authorized signatory (if Purchaser is not an individual)

---

Telephone number of Purchaser

For the purposes of this Accredited Investor Form,

"**accredited investor**" means a person who meets the criteria in one or more of the Categories set out in the table in this Accredited Investor Form;

"**bank**" means a bank named in Schedule I or II of the *Bank Act* (Canada);

"**Canadian financial institution**" means

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

"**control**" - a person (first person) is considered to control another person (second person) if

- (a) the first person beneficially owns or directly or indirectly exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation,
- (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership, or
- (c) the second person is a limited partnership and the general partner of the limited partnership is the first person;

"**director**" means

- (a) a member of the board of directors of a company or an individual who performs similar functions for a company, and
- (b) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

"**eligibility adviser**" means

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

"**executive officer**" means, for an issuer, an individual who is

- (a) a chair, vice-chair or president,
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production, or
- (c) performing a policy-making function in respect of the issuer;

"**financial assets**" means

- (a) cash,
- (b) securities, or
- (c) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

**These financial assets are generally liquid or relatively easy to liquidate. The value of the Purchaser's personal residence or other real estate is not included in the calculations of financial assets.**

"**financial statements**" includes interim financial reports;

"**founder**" means, in respect of an issuer, a person who,

- (a) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
- (b) at the time of the distribution or trade is actively involved in the business of the issuer;

"**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;

"**indirect interest**", as used in Category 21 of the table in this Accredited Investor Form, means an economic interest in the person referred to in that Category;

"**investment fund**" means a mutual fund or a non-redeemable investment fund, and, for greater certainty in British Columbia, includes an employee venture capital corporation and a venture capital corporation, as such terms are defined in National Instrument 81-106 *Investment Fund Continuous Disclosure*;

"**net assets**" means all of the Purchaser's total assets minus all of the Purchaser's total liabilities;

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

"**related liabilities**" means

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

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

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

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

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

**Notes:**

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

\*\*Note that if the combined net income of both spouses does not exceed \$300,000, but the net income of one of the spouses exceeds \$200,000, only the spouse whose net income exceeds \$200,000 qualifies as an accredited investor under Category 12.

\*\*\*The net asset test under Category 13 means all of the Purchaser's total assets minus all of the Purchaser's total liabilities. Accordingly, for the purposes of the net asset test, the calculation of total assets would include the value of the Purchaser's personal residence and the calculation of total liabilities would include the amount of any liability (such as a mortgage) in respect of the Purchaser's personal residence. The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the distribution of the Securities to the Purchaser.

\*\*\*\*In British Columbia, an indirect interest in a person means an economic interest in the person.

## APPENDIX 4 TO SUBSCRIPTION AGREEMENT

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

#### WARNING!

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

SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER	
<b>1. About your investment</b>	
Type of securities: Flow Through Units of the Issuer.	Issuer: <b>BAYHORSE SILVER INC.</b>
Purchased from: <b>BAYHORSE SILVER INC.</b>	
SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER	
<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: _____, 2020	
<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>		
<p>Bayhorse Silver Inc.  #2501 - 4398 Buchanan Street  Burnaby, BC V5C 6R7  Attention: Graeme O'Neill  T 604-684-3394  www.bayhorsesilver.com</p> <p><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></p>		

**Form instructions:**

1. This form does not mandate the use of a specific font size or style but the font must be legible.
2. The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.
3. **THE PURCHASER MUST SIGN THIS FORM. EACH OF THE PURCHASER AND THE ISSUER OR SELLING SECURITY HOLDER MUST RECEIVE A COPY OF THIS FORM SIGNED BY THE PURCHASER. THE ISSUER OR SELLING SECURITY HOLDER IS REQUIRED TO KEEP A COPY OF THIS FORM FOR 8 YEARS AFTER THE DISTRIBUTION.**

## APPENDIX 5 TO SUBSCRIPTION AGREEMENT

### CERTIFICATION OF U.S. PURCHASER PROVISIONS APPLICABLE TO A UNITED STATES PURCHASER

**NOTE: the provisions on this page are applicable ONLY if the Purchaser is a U.S. Purchaser.**

*Certain terms used in this Certification of U.S. Purchaser have the meanings provided in this Certification. Terms not specifically defined in this Certification of U.S. Purchaser have the meaning otherwise ascribed to them in this Subscription Agreement or, if not defined herein, have the meaning ascribed under Applicable Legislation.*

In connection with the execution of the Subscription Agreement, the Purchaser represents and warrants to the Issuer and the Agents that:

1. It has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Purchased Securities and it is able to bear the economic risk of loss of its entire investment.
2. The Issuer has provided to it the opportunity to ask questions and receive answers concerning the terms and conditions of the offering and it has had access to such information concerning the Issuer as it has considered necessary or appropriate in connection with its investment decision to acquire the Purchased Securities.
3. It is acquiring the Purchased Securities as principal for its own account, for investment purposes only, and not with a view to any resale, distribution or other disposition of the Securities in violation of the securities laws of the United States or any state thereof.
4. It understands the Securities have not been and will not be registered under the 1933 Act or the securities laws of any state of the United States and that the sale contemplated hereby is being made in reliance on the exemption from the registration requirements of the 1933 Act provided by Rule 506(b) of Regulation D under the 1933 Act ("**Regulation D**") to "accredited investors" within the meaning of Rule 501(a) of Regulation D.
5. The Purchaser satisfies one or more of the categories of "accredited investor" set forth in Rule 501(a) of Regulation D indicated below (please place an "X" on the appropriate lines):

\_\_\_\_\_ An organization described in Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, a corporation, a Massachusetts or similar business trust or partnership, not formed for the specific purpose of acquiring the Purchased Securities, with total assets in excess of US\$5,000,000;

\_\_\_\_\_ A bank as defined in section 3(a)(2) of the 1933 Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the 1933 Act whether acting in its individual or fiduciary capacity;

\_\_\_\_\_ A broker or dealer registered pursuant to section 15 of the United States Securities Exchange Act of 1934, as amended;

\_\_\_\_\_ An insurance company as defined in section 2(a)(13) of the 1933 Act;

\_\_\_\_\_ A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of US\$5,000,000;

\_\_\_\_\_ An employee benefit plan within the meaning of the United States Employee Retirement Income Security Act of 1974, as amended, if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of US\$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

\_\_\_\_\_ A trust that (a) has total assets in excess of US\$5,000,000, (b) was not formed for the specific purpose of acquiring the Purchased Securities and (c) is directed in its purchases of securities by a person who has such knowledge and experience in financial and business matters that he/she is capable of evaluating the merits and risks of an investment in the Securities;



\_\_\_\_\_ An investment company registered under the Investment Company Act of 1940, as amended, or a business development company as defined in Section 2(a)(48) of that Act;

\_\_\_\_\_ A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, as amended;

\_\_\_\_\_ A private business development company as defined in Section 202(a)(22) of the Investment Advisors Act of 1940, as amended;

\_\_\_\_\_ A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of this purchase exceeds US\$1,000,000; provided, however, that (i) person's primary residence shall not be included as an asset; (ii) indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (iii) indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

\_\_\_\_\_ A natural person who had an individual income in excess of US\$200,000 in each of the two most recent years or joint income with that person's spouse in excess of US\$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

\_\_\_\_\_ A natural person who is a director, executive officer or general partner of the Issuer; or

\_\_\_\_\_ Any entity in which all of the equity owners are accredited investors.

6. It has not purchased the Purchased Securities as a result of any form of "general solicitation" or "general advertising", (as such terms are used in Regulation D), including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or on the internet, or broadcast over radio, Internet, television or other form of telecommunications, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.

7. It understands and agrees that the Securities are and will be "restricted securities", as such term is defined under Rule 144 under the 1933 Act, and it agrees that if it decides to offer, sell or otherwise transfer any of the Securities, directly or indirectly, it will not offer, sell, pledge or otherwise transfer any of such Securities directly or indirectly, unless:

- (a) the sale is to the Issuer; or
- (b) the sale is made outside the United States in a transaction meeting the requirements of Rule 904 of Regulation S under the 1933 Act and in compliance with applicable local laws and regulations;
- (c) the sale is made pursuant to the exemption from the registration requirements under the 1933 Act provided by (i) Rule 144 or (ii) Rule 144A thereunder, if available, and in each case in accordance with any applicable state securities or "blue sky" laws; or
- (d) the sale is made in another transaction that does not require registration under the 1933 Act or any applicable state laws and regulations governing the offer and sale of securities; and
- (e) it has prior to such sale pursuant to subsection (c)(i) or (d) furnished to the Issuer an opinion of counsel or other evidence in either case in form and substance reasonably satisfactory to the Issuer, to such effect.

8. It understands and agrees that upon the original issuance thereof, and until such time as the same is no longer required under applicable requirements of the 1933 Act or state securities laws, the certificates representing the Securities, and all certificates issued in exchange therefor or in substitution thereof, will bear a legend in substantially the form as follows:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING OR OTHERWISE HOLDING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT

SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY: (A) TO THE COMPANY.; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS; (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT PROVIDED BY (I) RULE 144 OR (II) RULE 144A THEREUNDER, IF AVAILABLE, AND IN EACH CASE IN ACCORDANCE WITH APPLICABLE U.S. STATE SECURITIES LAWS OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT, IN THE CASE OF TRANSFERS PURSUANT TO (C)(I) OR (D) ABOVE, THE HOLDER HAS, PRIOR TO SUCH TRANSFER, FURNISHED TO THE COMPANY AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY, TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA."

provided, that if the Securities are being sold in compliance with the requirements of Rule 904 of Regulation S and in compliance with applicable local laws and regulations, the legend above may be removed by providing a declaration to the transfer agent for the applicable Securities, substantially in the form set forth in Schedule A to this Certification of U.S. Purchaser (or in such other form as the Issuer may prescribe from time to time), together with such other evidence of the availability of an exemption (which may, without limitation, include an opinion of counsel, of recognized standing reasonably satisfactory to the Issuer) as such transfer agent may reasonably require; provided, further, that if any Securities are being sold pursuant to Rule 144 under the 1933 Act, the above legend may be removed by delivery to the transfer agent for the applicable Securities of an opinion of counsel, of recognized standing reasonably satisfactory to the Issuer, to the effect that such legend is no longer required under applicable requirements of the 1933 Act.

9. It understands and agrees that there may be material tax consequences to the Purchaser of an acquisition or disposition of the Securities. The Issuer gives no opinion and makes no representation with respect to the tax consequences to the Purchaser under United States, state, local or foreign tax law of the undersigned's acquisition or disposition of such Securities, in particular, no determination has been made whether the Issuer will be a "passive Foreign investment company" (a "PFIC") within the meaning of Section 1291 of the United States Internal Revenue Code; provided however, the Issuer agrees that it shall provide to the Purchaser, upon written request, all of the information that would be required for United States income tax reporting purposes by a United States security holder making an election to treat the Issuer as a "qualified electing fund" for the purposes of the Code, should the Issuer or the Purchaser determine that the Issuer is a PFIC in any calendar year following the Purchaser's purchase of the Securities.
10. It understands and agrees that the financial statements of the Issuer have been prepared in accordance with International Financial Reporting Standards which differ in some respects from United States generally accepted accounting principles, and thus may not be comparable to financial statements of United States companies.
11. It consents to the Issuer making a notation on its records or giving instructions to any transfer agent for the Securities in order to implement the restrictions on transfer set forth and described in this Certification and the Subscription Agreement.
12. It understands and agrees that (i) if the Issuer is ever deemed to be, or to have been at any time previously, an issuer with no or nominal operations and no or nominal assets other than cash and cash equivalents, Rule 144 under the 1933 Act may not be available for resales of the Securities and (ii) the Issuer is not obligated to take, and has no present intention of taking, any action to make Rule 144 under the 1933 Act (or any other exemption) available for resales of the Securities.
13. It understands and agrees that the Issuer is not obligated to file and has no present intention of filing with the United States Securities Exchange Commission or with any state securities administrator any registration statement in respect of resales of the Securities.

The statements made in this Certification of U.S. Purchaser are true and accurate as of the date of signing and will be true and correct as of the Closing Date. If any such statements shall cease to be true and accurate at any time prior to Closing, the Purchaser will promptly notify the U.S. Placement Agent who made the offer of the Purchased Securities to the U.S. Purchaser and the Issuer.

**ONLY U.S. PURCHASERS NEED COMPLETE AND SIGN**

Dated \_\_\_\_\_, 2020.

**X**

\_\_\_\_\_  
Signature of individual (if Purchaser **is** an individual)

**X**

\_\_\_\_\_  
Authorized signatory (if Purchaser is **not** an individual)

\_\_\_\_\_  
Name of Purchaser (**please print**)

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

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

**Declaration for Removal of Legend**

TO: Odyssey Trust Company, as registrar and transfer agent for the common shares of Bayhorse Silver Inc. (the "**Issuer**").

The undersigned (A) acknowledges that the sale of \_\_\_\_\_ common shares to which this declaration relates, represented by certificate number \_\_\_\_\_, is being made in reliance on Rule 904 of Regulation S ("**Regulation S**") under the United States Securities Act of 1933, as amended (the "**1933 Act**"), and (B) certifies that (1) the undersigned is not an "affiliate" (as defined in Rule 405 under the 1933 Act) of the Issuer; (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of a designated offshore securities market within the meaning of Rule 902(b) of Regulation S, and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; (3) neither the seller nor any person acting on its behalf engaged in any directed selling efforts in connection with the offer and sale of such securities; and (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as that term is defined in Rule 144(a)(3) under the 1933 Act); (5) the seller does not intend to replace such securities with fungible unrestricted securities; and (6) the contemplated sale is not a transaction, or part of a series of transactions, which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the 1933 Act. Terms used herein have the meanings given to them by Regulation S.

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

Name (please print): \_\_\_\_\_

**APPENDIX 6 TO SUBSCRIPTION AGREEMENT**

**CERTIFICATE OF FAMILY, FRIENDS AND BUSINESS ASSOCIATES  
(NON-ONTARIO RESIDENTS)**

**TO: BAYHORSE SILVER INC. (the "Issuer")**

**RE: SUBSCRIPTION FOR SECURITIES OF THE ISSUER**

**IMPORTANT – If you are a purchaser in Ontario and qualify under any of the categories below, you must complete and execute Form 45-106F12 – Risk Acknowledgement Form for Family, Friend and Business Associates (Ontario), which begins on page 37.**

Capitalized terms not specifically defined in this Form have the meaning ascribed to them in the Subscription Agreement.

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

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

____ Category 1	a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer.
____ Category 2	a spouse, parent, grandparent, brother, sister or child of _____, being a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer
____ Category 3	a parent, grandparent, brother, sister or child of the spouse of _____, being a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer
____ Category 4	a close personal friend of _____, being a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer
____ Category 5	a close business associate of _____, being a director, executive officer or control person of the Issuer, or of an affiliate of the Issuer



For the purposes hereof:

- (a) “control person” has the same meaning as in securities legislation except in Manitoba, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island and Québec where control person means any person that holds or is one of a combination of persons that hold:
  - (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer; or
  - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of the issuer;
- (b) “founder” means, in respect of an issuer, a person who,
  - (i) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer; and
  - (ii) at the time of the trade is actively involved in the business of the issuer;
- (c) “person” includes
  - (i) an individual;
  - (ii) a corporation;
  - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not; and
  - (iv) an individual or other person in that person’s capacity as a trustee, executor, administrator or personal or other legal representative; and
- (d) “spouse” means, an individual who,
  - (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
  - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
  - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

#### Affiliates and Control

1. An issuer is considered to be an affiliate of another issuer if:
  - (a) one of them is the subsidiary of the other, or
  - (b) each of them is controlled by the same person
2. A person (first person) is considered to control another person (second person) if
  - (a) the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation;
  - (b) the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership; or
  - (c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

#### Close Personal Friend

A “close personal friend” of a director, executive officer, founder or control person of an issuer is an individual who knows the director, executive officer, founder or control person well enough and has known them for a sufficient period of time to be in a position to assess their capabilities and trustworthiness. The term “close personal friend” can include a family member who is not already specifically identified if the family member satisfies the criteria discussed above. The relationship between the individual and the director, executive officer, founder or control person must be direct. For example, the exemption is not available to a close personal friend of a close personal friend of a director of the issuer. An individual is not a close personal friend solely because the individual is:

- (a) a relative;
- (b) a member of the same organization, association or religious group; or
- (c) a client, customer, former client or a former customer.

#### Close Business Associate

A “close business associate” is an individual who has had sufficient prior business dealings with a director, executive officer, founder or control person of the issuer to be in a position to assess their capabilities and trustworthiness. An individual is not a close business associate solely because the individual is a client, customer, former client or former customer of the issuer. The relationship between the individual and the director, executive officer, founder or control person must be direct. For example, the exemption is not available for a close business associate of a close business associate of a director of the issuer.

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

**(SASKATCHEWAN RESIDENTS)**

**W A R N I N G**

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

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

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

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

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Purchaser

\_\_\_\_\_  
Print Name of Purchaser

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

**You are buying Exempt Market Securities**

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



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

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

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

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

**You will not receive advice**

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

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

## APPENDIX 7 TO SUBSCRIPTION AGREEMENT

### FORM 45-106F12 Risk Acknowledgement Form for Family, Friend and Business Associate Investors (Ontario)

#### WARNING

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

#### SECTION 1 TO BE COMPLETED BY THE ISSUER

##### 1. About your investment

Type of securities: Flow Through Units of the Issuer.

Issuer: **BAYHORSE SILVER INC.**

#### SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER

##### 2. Risk acknowledgement

This investment is risky. Initial that you understand that:

**Your  
initials**

**Risk of loss** — You could lose your entire investment of \$\_\_\_\_\_. *[Instruction: Insert the total dollar amount of the investment.]*

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

**Lack of information** — You may receive little or no information about your investment. The information you receive may be limited to the information provided to you by the family member, friend or close business associate specified in section 3 of this form.

##### 3. Family, friend or business associate status

You must meet one of the following criteria to be able to make this investment. Initial the statement that applies to you:

**Your  
initials**

A) You are:

1) *[check all applicable boxes]*

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

OR

2) *[check all applicable boxes]*

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

<p>B) You are a family member of _____ <i>[Instruction: Insert the name of the person who is your relative either directly or through his or her spouse]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You are the _____ of that person or that person's spouse.</p> <p><i>[Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse.]</i></p>	
<p>C) You are a close personal friend of _____ <i>[Instruction: Insert the name of your close personal friend]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>	
<p>D) You are a close business associate of _____ <i>[Instruction: Insert the name of your close business associate]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>	
<p><b>4. Your name and signature</b></p>	
<p>By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form. You also confirm that you are eligible to make this investment because you are a family member, close personal friend or close business associate of the person identified in section 5 of this form.</p>	
<p>First and last name (please print):</p>	
<p>Signature:</p>	<p>Date:</p>
<p><b>SECTION 5 TO BE COMPLETED BY PERSON WHO CLAIMS THE PERSONAL RELATIONSHIP, IF APPLICABLE</b></p>	
<p><b>5. Contact person at the issuer or an affiliate of the issuer</b></p>	
<p><i>[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.]</i></p> <p>By signing this form, you confirm that you have, or your spouse has, the following relationship with the purchaser: <i>[check the box that applies]</i></p> <p><input type="checkbox"/> family relationship as set out in section 3B of this form</p> <p><input type="checkbox"/> close personal friendship as set out in section 3C of this form</p> <p><input type="checkbox"/> close business associate relationship as set out in section 3D of this form</p>	
<p>First and last name of contact person <i>[please print]</i>:</p>	
<p>Position with the issuer or affiliate of the issuer (director, executive officer, control person or founder):</p>	
<p>Telephone:</p>	<p>Email:</p>
<p>Signature:</p>	<p>Date:</p>

**SECTION TO BE COMPLETED BY THE ISSUER**

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

Bayhorse Silver Inc.  
#2501 - 4398 Buchanan Street  
Burnaby, BC V5C 6R7  
Attention: Graeme O'Neill  
T 604-684-3394  
www.bayhorsesilver.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 the issuer (other than the purchaser):

Date:

**Form Instructions:**

- 1. This form does not mandate the use of a specific font size or style but the font must be legible.**
- 2. The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.**
- 3. The Purchaser, an executive officer who is not the Purchaser and, if applicable, the person who claims the close personal relationship to the Purchaser must sign this form. Each of the Purchaser, contact person at the Issuer and the Issuer must receive a copy of this form signed by the Purchaser. The Issuer is required to keep a copy of this form for 8 years after the distribution.**

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**APPENDIX 8 TO SUBSCRIPTION AGREEMENT**

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**CERTIFICATE OF EXISTING SECURITY HOLDER**

**NOT AVAILABLE FOR NEWFOUNDLAND AND LABRADOR RESIDENTS**

TO: Bayhorse Resources Inc. (the "Company")

In connection with the purchase of Flow Through Units of the Company by the undersigned subscriber or, if applicable, the principal on whose behalf the undersigned is purchasing as agent (the "**Subscriber**" for the purposes of this Certificate), the Subscriber hereby represents, warrants, covenants and certifies to the Company that:

1. **other than Newfoundland or Labrador**, the Subscriber is resident in a province or territory of Canada or is subject to the laws of a province or territory of Canada;
2. the Subscriber is purchasing the Flow Through Units as principal for its own account;
3. **as of November 26, 2020, the Subscriber beneficially owned, directly or indirectly, \_\_\_\_\_ [insert number] Common Shares of the Company listed on the TSX Venture Exchange and continues to hold such Common Shares of the Company as of the date of this Subscription Agreement and will continue to hold them at the Closing Time;**
4. the aggregate acquisition cost to the Subscriber for the Flow Through Units being subscribed for herein, when combined with the acquisition cost to the Subscriber for the purchase of any other security from the Company under this "existing security holder" exemption in the last twelve months does not exceed \$15,000;
5. the Company has provided the Subscriber, as part of and included in this Subscription Agreement, the attached Appendix 2 to the General Provisions; and
6. upon execution of this Certificate by the Subscriber, this Certificate shall be incorporated into and form a part of the Subscription Agreement to which this Certificate is attached.

Dated: \_\_\_\_\_, 2020.

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

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

## APPENDIX 9 TO SUBSCRIPTION AGREEMENT

### Subscription Deposit Instructions

#### CDN\$ Dollar Incoming Wire

**Beneficiary:** Bayhorse Silver Inc.  
#2501 - 4398 Buchanan East,  
Burnaby, BC, V5C 6R7

**Beneficiary Bank:** Bank of Montreal  
595 Burrard Street  
Vancouver, BC, V7X 1L7 CANADA

**Bank account number for CDN Dollars: 1827215**

**Branch transit:** 0004

**Bank number:** 001

**SWIFT BIC Code:** BOFMCAM2

#### US\$ Dollar & Foreign Currency Incoming Wire

**Beneficiary:** Bayhorse Silver Inc.  
#2501 - 4398 Buchanan East,  
Burnaby, BC, V5C 6R7

**Beneficiary Bank:** Bank of Montreal  
595 Burrard Street  
Vancouver, BC, V7X 1L7 CANADA

**Bank account number for US Dollars: 4697718**

**Branch transit:** 0004

**Bank number:** 001

**SWIFT BIC Code:** BOFMCAM2

USD correspondent bank information

- Pay through: Wells Fargo Bank (FKA Wachovia Bank)  
S.W.I.F.T BIC Code: PNBUS3NNYC  
AND - Fedwire ABA: 026005092  
OR – CHIPS participant: 0509