
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 2, 2016**

GOLDEN MINERALS COMPANY

(Exact name of registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of
incorporation or organization)

1-13627

(Commission
File Number)

26-4413382

(I.R.S. Employer
Identification Number)

**350 Indiana Street, Suite 800
Golden, Colorado 80401**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(303) 839-5060**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement

Offering and Private Placement Transaction

On May 2, 2016, Golden Minerals Company (the "Company"), a Delaware corporation, entered into a Securities Purchase Agreement with certain institutional investors (the "Securities Purchase Agreement") providing for the issuance and sale by the Company in a registered direct offering (the "Offering") of 8,000,000 shares of common stock at a price of \$0.50 per share (the "Offering Shares"), and in a concurrent private placement transaction (the "Private Placement") the issuance of common stock purchase warrants (the "Warrants", and together with the Offering Shares, the "Securities") to purchase up to 6,000,000 shares of common stock at an exercise price of \$0.75 per share, for aggregate gross proceeds of \$4,000,000.

The Offering Shares are registered pursuant to the Company's registration statement on Form S-3 (File No. 333-199026), as amended, and a prospectus supplement thereto filed with the Securities and Exchange Commission ("SEC"). The Warrants were offered and sold without registration under the Securities Act of 1933, as amended (the "Act") in reliance on the exemptions provided by Section 4(a)(2) of the Act and/or Regulation D promulgated

thereunder. Each Warrant is exercisable on the later of six months from the date of issuance or the date the Company receives Stockholder Approval (as defined below) and files the Charter Amendment (as defined below), and has a term expiring five years after such initial exercise date.

In connection with the Private Placement, the Company entered into a warrant agreement (the “Warrant Agreement”) with Computershare Trust Company N.A. (the “Warrant Agent”) pursuant to which the Warrants were issued and the Warrant Agent agreed to act as registrar and warrant agent for the Warrants.

Rodman & Renshaw, a unit of H.C. Wainwright & Co. (the “HCW”) acted as the exclusive placement agent in connection with the Offering and Private Placement. HCW did not purchase or sell any securities, nor was it required to arrange the purchase or sale of any minimum number or dollar amount of securities. HCW agreed to use its reasonable best efforts to arrange for the sale of the Securities. HCW was paid a cash fee equal to five percent (5%) of the aggregate gross proceeds received by the Company from the sale of the Securities at the closing of the Offering and Private Placement and received \$35,000 for reimbursement of its expenses.

The Company intends to use the proceeds from the Offering and Private Placement for exploration expenditures for the Company’s San Luis del Cordero property, the Santa Maria property, or for acquisition, exploration, and development of other exploration or development properties in Mexico, setting aside funds for payment of principal and interest on the Sentient Note (as defined below) upon maturity, and for other working capital requirements and general corporate purposes.

The Offering and concurrent Private Placement closed on May 6, 2016.

Sentient Agreement

On May 2, 2016, the Company entered into an Agreement Regarding Warrants Exercise and Note Conversion with its largest stockholder, Sentient Global Resources Fund IV, L.P. (“Sentient”), which along with its affiliates collectively held approximately 49% of the Company’s outstanding common stock prior to the Offering (the “Sentient Agreement”). In the Sentient Agreement, Sentient agreed not to exercise Company warrants and not to exercise conversion rights pursuant to a senior secured convertible note held by it (the “Sentient Note”), exercisable and convertible into approximately 8,165,000 shares of

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common stock in the aggregate, until the earlier to occur of (i) July 19, 2016, or (ii) the date Stockholder Approval is obtained and the Charter Amendment is filed and accepted by the Delaware Secretary of State. By entering into the Sentient Agreement, approximately 8,165,000 shares of common stock were made available for issuance in the Offering. The Company is currently seeking approval from its stockholders at its 2016 annual meeting of stockholders, which is scheduled to be held on May 19, 2016, to amend its Amended and Restated Certificate of Incorporation (the “Charter Amendment”) to increase the number of authorized shares of common stock from 100,000,000 to 200,000,000 (“Stockholder Approval”). Following the issuance of the Offering shares, Sentient, together with its affiliates, holds approximately 44% of the Company’s outstanding common stock.

In connection with the Sentient Agreement, the Company entered into (i) an Amendment No. 1 to the Warrant Agreement (“2014 Warrant Agreement Amendment”) by and between the Company and the Warrant Agent, dated as of September 10, 2014, and (ii) an Amendment No. 2 to the Warrant Agreement (“2012 Warrant Agreement Amendment”, and together with the 2014 Warrant Agreement Amendment, the “Warrant Amendments”) by and between the Company and the Warrant Agent, dated as of September 19, 2012, as amended. The referenced Warrant Agreements, as amended, govern Company warrants held by Sentient and its affiliates. Pursuant to the Warrant Amendments, the Company agreed to further indemnify the Warrant Agent in connection with the Company’s not reserving during the term of the Sentient Agreement a sufficient number of authorized and unissued shares of common stock to satisfy the Company’s obligations to issue shares to Sentient under the exercise of Sentient’s outstanding warrants. The Warrant Amendments automatically terminate on the earlier to occur of (i) July 19, 2016, or (ii) the date Stockholder Approval is obtained and the Charter Amendment is filed and accepted by the Delaware Secretary of State.

Additional Shares Resulting from the Offering and Private Placement

As a result of anti-dilution provisions in the Company’s outstanding warrants, the consummation of the Offering and Private Placement will result in adjustments that reduce the exercise price and increase the number of shares issuable under the Company’s outstanding warrants.

In September 2012, the Company closed on a public offering and concurrent private placement with Sentient in which it sold units consisting of one share of Common Stock and a five-year warrant to acquire one half of a share of Common Stock at an exercise price of \$8.42 per share (the “2012 Warrants”). The exercise price was subsequently adjusted downward after a number of anti-dilution adjustments and prior to the Offering and Private Placement, was \$5.09 per share with warrant holders having the right to purchase in the aggregate 5,677,757 shares of common stock for the 6,863,298 outstanding 2012 Warrants. As a result of the Offering and Private Placement, the number of shares of common stock issuable upon exercise of the 2012 Warrants will be increased from 5,677,757 shares to 6,112,588 shares (434,830 share increase) and the exercise price will be decreased from \$5.06 per share to approximately \$4.73 per share due to the anti-dilution provisions of the 2012 Warrants.

In September 2014, the Company closed on a public offering and concurrent private placement with Sentient in which it sold units, consisting of one share of Common Stock and a five-year warrant to acquire one half of a share of Common Stock at an exercise price of \$1.21 per share (the “2014 Warrants”). The exercise price was subsequently adjusted downward after a number of anti-dilution adjustments and prior to the Offering and Private Placement, was \$0.91 per share with warrant holders having the right to purchase in the aggregate 5,365,983 shares of common stock for the 9,492,000 outstanding 2014 Warrants. Pursuant to the anti-dilution provisions in the 2014 Warrants issued in the public offering, as a result of the Offering and Private Placement, the number of shares of common stock

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issuable upon exercise of the 2014 Warrants issued in the public offering will be increased from 2,465,983 shares to 2,556,009 shares (90,026 share increase), and the 2014 Warrants' exercise price will be decreased from \$0.91 per share to approximately \$0.87 per share. Pursuant to the anti-dilution provisions in the Sentient 2014 Warrants, the exercise price would be adjusted downward to approximately \$0.87 per share as noted above, but there would be no increase in the shares underlying the Sentient 2014 Warrants. Sentient would continue to hold 2014 Warrants exercisable for 2,900,000 shares of common stock.

Item 3.02 Unregistered Sales of Equity Securities

The information contained in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

The foregoing descriptions of the Warrant Agreement, the 2014 Warrant Agreement Amendment, the 2012 Warrant Agreement Amendment, the Securities Purchase Agreement and the Sentient Agreement are not complete and are qualified in their entirety by reference to the full text of the agreements, copies of which are filed as Exhibit 4.1, Exhibit 4.2, Exhibit 4.3, Exhibit 10.1 and Exhibit 10.2, respectively, to this report and are incorporated by reference herein.

A copy of the opinion of Davis Graham & Stubbs LLP relating to the legality of the issuance and sale of the Offering Shares in the Offering is attached as Exhibit 5.1 to this report.

(d) Exhibits

Exhibit No.	Description
4.1	Warrant Agreement by and between Golden Minerals Company and Computershare Trust Company N.A., dated as of May 6, 2016
4.2	Amendment No. 1 to Warrant Agreement by and between Golden Minerals Company and Computershare Trust Company N.A., dated as of September 10, 2014
4.3	Amendment No. 2 to Warrant Agreement by and between Golden Minerals Company and Computershare Trust Company N.A., dated as of September 19, 2012
5.1	Opinion of Davis Graham & Stubbs LLP
10.1	Form of Securities Purchase Agreement between Golden Minerals Company and certain institutional investors, dated as of May 2, 2016
10.2	Agreement Regarding Warrants Exercise and Note Conversion by and between Golden Minerals Company and Sentient Global Resources Fund IV, L.P. dated as of May 2, 2016
23.1	Consent of Davis Graham & Stubbs LLP (included in Exhibit 5.1)

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 6, 2016

Golden Minerals Company

By: /s/ Robert P. Vogels
Name: Robert P. Vogels
Title: Senior Vice President and
Chief Financial Officer

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EXHIBIT INDEX

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NEITHER THE SECURITY REPRESENTED HEREBY NOR THE SECURITIES INTO WHICH THE SECURITY REPRESENTED HEREBY IS EXERCISABLE HAVE BEEN REGISTERED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THE SECURITY REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THE SECURITY REPRESENTED HEREBY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A REGISTERED BROKER-DEALER OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN “ACCREDITED INVESTOR” AS DEFINED IN RULE 501(a) UNDER THE U.S. SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES.

UNLESS PERMITTED UNDER APPLICABLE SECURITIES LEGISLATION, THE HOLDER OF THE SECURITY REPRESENTED HEREBY MUST NOT TRADE THE SECURITY IN CANADA BEFORE SEPTEMBER 7, 2016.

WARRANT AGREEMENT

This WARRANT AGREEMENT (this “Agreement”) is dated May 6, 2016, among Golden Minerals Company, a Delaware corporation (the “Company”), Computershare Inc., a Delaware corporation (“Computershare”), and its wholly-owned subsidiary, Computershare Trust Company, N.A., a federally chartered trust company, collectively as warrant agent (the “Warrant Agent”), for the benefit of the record holders from time to time of the Warrants (as defined below) (collectively, the “Holders” and each, a “Holder”).

RECITALS

A. The Company proposes to issue to the Holders warrants (the “Warrants”) to acquire up to 6,000,000 shares of common stock, \$0.01 par value (“Common Stock”), of the Company, subject to adjustment as provided herein (the “Warrant Shares”), at an initial exercise price of \$0.75 per share (the “Exercise Price”); and

B. The Warrant Agent is willing to serve as warrant agent in connection with the issuance of each Warrant, maintaining its book-entry system or, in the alternative, issuing a certificate evidencing the Warrant (the “Warrant Certificate”), and the other matters as provided herein subject to the express terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and for the purpose of defining the terms and provisions of the Warrants and the respective rights and obligations thereunder of the Company, the Warrant Agent and the Holders, the parties hereby agree as follows:

1. *Definitions.* For the purposes of this Warrant Agreement, the following terms shall have the following meanings:

“Affiliate” means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 405 under the Securities Act.

“Business Day” means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

“Commission” means the U.S. Securities and Exchange Commission.

“Common Stock Equivalents” means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

“Convertible Securities” means any securities (directly or indirectly) convertible into or exchangeable for Common Stock, but excluding Options.

“Date of Exercise” means the date on which a Holder shall have delivered to the Warrant Agent an Election to Purchase in the form attached hereto (with the Warrant Exercise Log attached to it), appropriately completed and duly signed.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Expiration Date” means 5:00 p.m., New York time, on the date five (5) years after the Initial Exercise Date.

“Initial Exercise Date” means the later of (i) the date that Shareholder Approval is obtained and deemed effective and (ii) November 7, 2016.

“Initial Issuance Date” means May 6, 2016.

“Options” means any warrants or other rights or options to subscribe for or purchase Common Stock or Convertible Securities.

“Person” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

“Securities Purchase Agreement” means the Securities Purchase Agreement, dated as of May 2, 2016, between the Company and the purchasers signatory thereto.

“Shareholder Approval” means the approval of the shareholders to increase the authorized share capital of the Company from 100,000,000 to 200,000,000 shares of Common Stock.

“Subsidiary” means any subsidiary of the Company and shall, where applicable, also include any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

“Trading Day” means a day on which the principal Trading Market is open for trading.

“Trading Market” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE MKT, the Toronto Stock Exchange, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

“VWAP” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the principal Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if the Common Stock is not listed or quoted on a Trading Market and is then quoted on OTCQB or OTCQX, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported in the “Pink Sheets” published by OTC Markets Group, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Holders of a majority in interest of the Securities then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

2. *Form of Warrant Certificate.*

(a) If the Warrant Agent issues a Warrant Certificate, the Warrant Certificate shall be issued in registered form only as a definitive Warrant Certificate and shall be substantially in the form attached hereto as Exhibit A, shall be dated the date of initial issuance thereof (whether upon initial issuance, register of transfer, exchange or replacement) and shall bear such legends and endorsements typed, stamped, printed, lithographed or engraved thereon as set forth herein and in the Securities Purchase Agreement. The Warrant Certificate evidencing a Warrant to purchase the number of shares of Common Stock specified on the Warrant Certificate shall be signed by, or bear the PDF signature of, the Chief Executive Officer, Chief Financial Officer or Secretary of the Company. In the event the person whose PDF signature has been placed upon any Warrant Certificate shall have ceased to serve in the capacity in which such person signed the Warrant Certificate before such Warrant Certificate is issued, it may be issued with the same effect as if he or she had not ceased to be such at the date of issuance.

(b) *Effect of Countersignature.* If the Warrant Agent issues a Warrant Certificate, unless and until countersigned by the Warrant Agent pursuant to this Agreement, a Warrant Certificate shall be invalid and of no effect and may not be exercised by the holder thereof.

Such signature by the Warrant Agent upon any Warrant Certificate executed by the Company shall be conclusive evidence that such Warrant Certificate has been duly issued under the terms of this Agreement. The Warrant Agent can sign by either manual or facsimile signature.

(c) *Warrant Register.* The Warrant Agent shall maintain books (the “Warrant Register”), for the registration of original issuance and the registration of transfer of the Warrants. Upon the initial issuance of the Warrants, the Warrant Agent shall issue and register the Warrants in the name of the Holders in such denominations and otherwise in accordance with written instructions delivered to the Warrant Agent by the Holders. The Company and the Warrant Agent may deem and treat the registered Holder of each Warrant as the absolute owner of the Warrant represented thereby for the purpose of any exercise thereof or any distribution to the Holder, and for all other purposes, absent actual written notice to the contrary.

(d) *Registration of Transfers.* The Warrant Agent shall register the transfer of any portion a Warrant in the Warrant Register, upon surrender of the Warrant Certificate representing the Warrant, if the Warrants are certificated, with the Form of Assignment (attached hereto) properly completed and duly signed, to the Warrant Agent at its office designated for such purpose. In connection with any such registration or transfer, the Holder requesting transfer of a Warrant must provide any evidence of authority that may be reasonably required by the Warrant Agent limited to, a certified corporate (or other entity) authorizing resolution and a signature guarantee from an eligible guarantor institution participating in a signature guarantee program approved by the Securities Transfer Association.

If the Warrants are certificated, upon any such registration or transfer, the Company shall execute and the Warrant Agent shall countersign a new Warrant Certificate, substantially in the form attached hereto as Exhibit A (any such new Warrant Certificate, a “New Warrant Certificate”), evidencing the portion of the Warrant Certificate so transferred, which shall be issued to the transferee, and a New Warrant Certificate evidencing the remaining portion of the Warrant Certificate not so transferred, if any, shall be issued to the transferring Holder subject to applicable law and the reasonable requirements of the Warrant Agent, which requirements shall include reasonable evidence of authority to transfer. Such evidence of authority shall include a signature guarantee form from an eligible guarantor institution participating in a signature guarantee program approved by the Securities Transfer Association, and any other reasonable evidence of authority that may be required by the Warrant Agent. The delivery of the New Warrant Certificate by the Company to the transferee thereof shall be deemed to constitute acceptance by such transferee of all of the rights and obligations of a holder of a Warrant Certificate. In the event that the Warrant surrendered for transfer bears a restrictive legend, the Warrant Agent shall not cancel the Warrant and issue a new Warrant in exchange therefor until the Warrant Agent has received an opinion of counsel for the Company stating that such transfer may be made and indicating whether the new Warrant must also bear a restrictive legend. The Warrant Agent shall not be required to effect any registration of transfer or exchange that will result in the issuance of a Warrant Certificate for a fraction of a Warrant. The Warrant Agent is hereby authorized to countersign and to deliver, in accordance with the terms of this Agreement, the Warrant Certificate required to be issued pursuant to the provisions of this Section 2(d), and the Company, whenever requested by the Warrant Agent, will supply the Warrant Agent with the Warrant Certificate duly executed on behalf of the Company for such purpose.

(e) *Legends.*

- (i) Any certificate representing Warrant Shares issued upon the exercise of a Warrant will bear the following legend:

NEITHER THE SECURITY REPRESENTED HEREBY NOR THE SECURITIES INTO WHICH THE SECURITY REPRESENTED HEREBY IS EXERCISABLE HAVE BEEN REGISTERED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THE SECURITY REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THE SECURITY REPRESENTED HEREBY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A REGISTERED BROKER-DEALER OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN “ACCREDITED INVESTOR” AS DEFINED IN RULE 501(a) UNDER THE U.S. SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES.

provided, the legend may be removed by delivery to the Company of an opinion of counsel of recognized standing in form and substance satisfactory to the Company, that such legend is no longer required under applicable requirements of the U.S. Securities Act, state securities laws or applicable Canadian securities laws.

(ii) Each Holder covenants and agrees that it will not, during the period ending on the date that is four (4) months plus one (1) day after the date of issuance of the Warrant, sell or otherwise effect a trade of any of the Warrants or the Warrant Shares to any person resident in Canada or any person acquiring such Warrants or Warrant Shares for the benefit of another person resident in Canada, other than in a transaction made in compliance with the prospectus and registration requirements of applicable Canadian securities laws or which otherwise is made in reliance on any available exemptions therefrom (and the Company may require evidence of such compliance); provided, however, transactions effected on any U.S. Trading Market shall be deemed to comply with this Section. Each Holder agrees and acknowledges that any new certificate representing a Warrant, and any Warrant Shares, issued prior to the date that is four months and one day from the date of such Warrant, shall bear, or if such Warrant and Warrant Shares are entered into a direct registration or other electronic book-entry system then each Holder acknowledges notice of such Warrants and Warrant Shares being subject to (provided, any Warrant Shares delivered via the Deposit or Withdrawal at Custodian system (“DWAC”) or electronically shall not have any legend) the legend below:

UNLESS PERMITTED UNDER APPLICABLE SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY IN CANADA BEFORE SEPTEMBER 7, 2016.

And in the case of Warrant Shares shall also bear the following legend:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE (“TSX”); HOWEVER, THE SAID SECURITIES CANNOT BE TRADED THROUGH THE FACILITIES OF THE TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON THE TSX.

The Company shall provide written instructions to the Warrant Agent whenever the foregoing legend is to be affixed to any Warrant Certificate, and until such written instructions are received by the Warrant Agent, the Warrant Agent may presume conclusively for all purposes that no such legend should be affixed to any Warrant Certificate.

3. *Term of Warrant.* Each Warrant shall be exercisable by the registered Holder at any time and from time to time on or after the Initial Exercise Date to and including the Expiration Date. At 5:00 p.m., New York time on the Expiration Date, any portion of the Warrants not exercised prior thereto shall be and become void and of no value.

4. *Exercise of Warrant and Delivery of Warrant Shares.*

(a) *Cash Exercise.* Subject to the terms and conditions hereof (including, without limitation, the limitations set forth in Section 4(e)), each Warrant may be exercised by the Holder on any day on or after the Initial Exercise Date but prior to 5:00 p.m., New York time on the Expiration Date, in whole or in part, by delivery of a properly completed and duly signed Election to Purchase, in the form attached hereto, which may be delivered by .pdf attachment (and no ink-original nor signature guarantee shall be required to effect any exercise) (provided, however, that, upon any transfer of the Warrants by the Holder other than to its Affiliate (a “Third Party Transferee”), such Third Party Transferee may be required to deliver an Election to Purchase in connection with an exercise in ink-original form or with signature guarantee pursuant to this Agreement), payment (if the Holder did not notify the Company in such Election to Purchase that such exercise was made pursuant to a cashless exercise (a “Cashless Exercise”)) to the Warrant Agent of an amount equal to the Exercise Price in effect on the date of such exercise multiplied by the number of Warrant Shares as to which the Warrant was so exercised (the “Aggregate Exercise Price”), in the form of a certified check, bank draft or via wire transfer, payable to the order of the Warrant Agent, in immediately available funds, and the Warrant Certificate evidencing the Warrant being exercised, if the Warrants are certificated and the Warrant is being exercised in full (and otherwise the reduction in the number of shares remaining for exercise under the Warrant shall be noted on the Warrant Agent’s books but delivery of the partially exercised Warrant Certificate shall not be required). Execution and delivery of an Election to Purchase with respect to less than all of the Warrant Shares shall have the same effect as cancellation of the original Warrant Certificate with respect thereto and issuance of a new Warrant Certificate evidencing the right to purchase the

remaining number of Warrant Shares. If the Warrants are certificated, execution and delivery of an Election to Purchase for all of the then-remaining Warrant Shares shall have the same effect as cancellation of the Warrant Certificate with respect thereto after delivery of the Warrant Shares in accordance with the terms hereof. On or before the first (1st) Trading Day following the date on which the Warrant Agent has received an Election to Purchase, the Warrant Agent shall so notify the Company and the Company shall transmit by email an acknowledgment of confirmation of receipt of such Election to Purchase to the Holder and the Company's transfer agent (the "Transfer Agent") and Warrant Agent. On or before the third (3rd) Trading Day following the date on which the Warrant Agent has received such Election to Purchase, the Company shall (X) provided that the Transfer Agent is participating in The Depository Trust Company ("DTC") Fast Automated Securities Transfer Program, upon the request of the Holder, credit such aggregate number of shares of Common Stock to which the Holder is entitled pursuant to such exercise to the Holder's or its designee's balance account with DTC through its Deposit/Withdrawal at Custodian system, or (Y) if the Transfer Agent is not participating in the DTC Fast Automated Securities Transfer Program, issue and deliver to the Holder or, at the Holder's instruction pursuant to the Election to Purchase, the Holder's agent or designee, in each case, sent by reputable overnight courier to the address as specified in the applicable Election to Purchase, a certificate, registered in the Company's share register in the name of the Holder or its designee (as indicated in the applicable Election to Purchase), for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise. Upon delivery of an Election to Purchase, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which such Warrant has been exercised, irrespective of the date such Warrant Shares are credited to the Holder's DTC account or the date of delivery of the certificates evidencing such Warrant Shares (as the case may be). If the Warrant is submitted in connection with any exercise pursuant to this Section 4(a) and the number of Warrant Shares represented by the Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon such exercise, then, at the request of the Holder, the Company shall as soon as practicable and in no event later than three (3) Business Days after any exercise and at its own expense, issue and deliver to the Holder (or its designee) a new Warrant representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under the Warrant, less the number of Warrant Shares with respect to which the Warrant is exercised. Notwithstanding the foregoing, except in the case where an exercise of the Warrant is validly made pursuant to a Cashless Exercise, the Company's failure to deliver Warrant Shares to the Holder on or prior to the second (2nd) Trading Day after the Company's receipt of the Aggregate Exercise Price shall not be deemed to be a breach of the Warrant. Subject to Section 2(e), for so long as there is a then effective registration statement covering the issuance of the Warrant Shares or if the Holder effects a Cashless Exercise, the Warrant Shares shall be issued free of all restrictive legends.

(b) *Cashless Exercise.* If at any time after the Initial Exercise Date, there is no effective registration statement registering, or no current prospectus available for, the resale of the Warrant Shares by the Holder, then each Warrant may be exercised, in whole or in part, at such time by means of a Cashless Exercise in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing [(A-B)(X)] by (A), where:

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- (A) = the last VWAP immediately preceding the time of delivery of the Election to Purchase giving rise to the applicable Cashless Exercise as set forth in the applicable Election to Purchase (to clarify, the "last VWAP" will be the last VWAP as calculated over an entire Trading Day such that, in the event that the Warrant is exercised at a time that the Trading Market is open, the prior Trading Day's VWAP shall be used in this calculation);
- (B) = the Exercise Price of the Warrant, as adjusted hereunder; and
- (X) = the number of Warrant Shares that would be issuable upon exercise of the Warrant in accordance with the terms of the Warrant if such exercise were by means of a cash exercise ("Cash Exercise") rather than a Cashless Exercise.

A Holder shall effect a Cashless Exercise by surrendering a Warrant Certificate, if the Warrants are certificated, to the Warrant Agent and noting on the Election to Purchase that the Holder wishes to effect a Cashless Exercise. Upon receipt of an Election to Purchase indicating a Cashless Exercise, the Warrant Agent will promptly deliver a copy of the Election to Purchase to the Company to confirm the number of Warrant Shares issuable in connection with the Cashless Exercise. The Company shall calculate and transmit to the Warrant Agent in a written notice, and the Warrant Agent shall have no duty, responsibility or obligation to calculate, the number of Warrant Shares issuable in connection with any Cashless Exercise. The Warrant Agent shall be entitled to rely conclusively on any such written notice provided by the Company, and the Warrant Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with such written instructions or this Agreement. In the event of a Cashless Exercise, the Company shall provide the Warrant Agent with the cost basis for all securities issued pursuant to such Cashless Exercise prior to the issuance of such securities. In the event of a Cash Exercise, the Company hereby instructs the Warrant Agent to record cost basis for newly issued securities as the Exercise Price thereof.

If Warrant Shares are issued in a Cashless Exercise, the parties acknowledge and agree that in accordance with Section 3(a)(9) of the U.S. Securities Act, the Warrant Shares shall take on the characteristics of the Warrants being exercised, and the holding period of the Warrant Shares being issued may be tacked on to the holding period of the Warrant. The Company agrees not to take any position contrary to this Section 4(b).

Upon delivery of the Election to Purchase, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which the Warrant that has been exercised, irrespective of the date of delivery of the Warrant Shares; provided payment of the Aggregate Exercise Price (other than in the case of a Cashless Exercise) is received within two (2) Trading Days of delivery of the Election to Purchase.

(c) *Compensation for Buy-In on Failure to Timely Deliver Warrant Shares upon Exercise.* If the Company shall fail, for any reason or for no reason, to issue to the Holder the Warrant Shares as required by Section 4(a) within the later of (i) three (3) Trading Days after receipt of the applicable Election to Purchase and (ii) two (2) Trading Days after the Company's receipt of the Aggregate Exercise Price, if applicable (such later date, the "Share Delivery"), the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each \$1,000 of Warrant Shares subject to such exercise (based on the VWAP of the Common Stock on the date of the applicable Election to Purchase), \$10 per Trading Day (increasing to \$20 per Trading Day on the fifth Trading Day after such liquidated damages begin to accrue) for each Trading Day after such Share Delivery Deadline until such Warrant

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Deadline"), the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each \$1,000 of Warrant Shares subject to such exercise (based on the VWAP of the Common Stock on the date of the applicable Election to Purchase), \$10 per Trading Day (increasing to \$20 per Trading Day on the fifth Trading Day after such liquidated damages begin to accrue) for each Trading Day after such Share Delivery Deadline until such Warrant

Shares are delivered or the Holder rescinds such exercise. In addition to any other rights available to the Holder, if the Company fails to cause the Warrant Agent to transmit to the Holder the Warrant Shares in accordance with the provisions of Section 4(a) above pursuant to an exercise on or before the Share Delivery Deadline, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if a Holder purchases Common Stock having a total purchase price of \$11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of \$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder \$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Subject to the limitations contained in Section 12, nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

(d) *Rescission Rights.* If the Company fails to cause the Warrant Agent to transmit to a Holder the Warrant Shares pursuant to Section 4(a) by the Share Delivery Deadline, then the Holder will have the right to rescind such exercise.

(e) *Holder's Exercise Limitations.* No Holder shall have the right to exercise any portion of a Warrant, pursuant to Section 4 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Election to Purchase, the Holder (together with such Holder's affiliates (as defined in Rule 13e-3 of the rules and regulations promulgated under the Exchange Act, an "Affiliate")), and any other Persons acting as a group together with such Holder or any of such Holder's Affiliates (such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon exercise of the Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon

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(i) exercise of the remaining, nonexercised portion of the Warrant beneficially owned by such Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) that are subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by such Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 4(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 4(e) applies, the determination of whether the Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of the Warrant owned by such Holder is exercisable shall be in the sole discretion of such Holder, and the submission of an Election to Purchase shall be deemed to be such Holder's determination of whether the Warrant owned by such Holder is exercisable (in relation to other securities owned by such Holder together with any of its Affiliates and Attribution Parties) and of which portion of such Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company and the Warrant Agent shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 4(e), in determining the number of outstanding shares of Common Stock, each Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of any Holder, the Company shall within two Trading Days confirm orally and in writing to such Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including the Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" for each Holder shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of the Warrant owned by such Holder. The Holder, upon not less than 61 days' prior notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 4(e), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of the Warrant held by the Holder and the provisions of this Section 4(e) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 4(e) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this

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paragraph shall apply to a successor holder of the Warrant. Notwithstanding the foregoing, the Beneficial Ownership Limitation shall not apply if the Holder (together with such Holder's Affiliates and Attribution Parties) beneficially owns, immediately following the transaction in which the Warrants were originally issued, in excess of 9.99% of the shares of Common Stock then outstanding after giving effect to the provisions for calculating beneficial ownership set forth in this Section 4(e). In addition, notwithstanding the foregoing, the Beneficial Ownership Limitation shall cease to apply as of the second Business Day prior to the Expiration Date upon written notice by the Holder to the Company not less than 65 days prior to such Expiration Date.

(f) *Delivery of Warrant Funds.* Upon receipt of an Election to Purchase, the Warrant Agent shall advise the Company in respect of (a) the number of Warrant Shares indicated on the Election to Purchase as issuable upon such exercise with respect to such exercised Warrant, (b) the instructions of the registered holder provided to the Warrant Agent with respect to delivery of the Warrant Shares issuable upon such exercise, and the

delivery of the definitive Warrant Certificate, as appropriate, evidencing the balance, if any, of the Warrant Shares remaining after such exercise, and (c) such other information as the Company shall reasonably request. Upon receipt of such information from the Warrant Agent, and receipt of any funds received in payment of the Exercise Price, the Company shall promptly at its expense cause to be issued to the holder of the Warrant the total number of Warrant Shares for which the Warrant is being exercised. The Company shall calculate and transmit to the Warrant Agent, and the Warrant Agent shall have no obligation under this Agreement to calculate, the number of Warrant Shares or other securities or other consideration to be issued or paid upon any such exercise, and the Warrant Agent shall have no duty or obligation to investigate or confirm whether any such determination made by the Company is accurate or correct. All funds received by the Warrant Agent under this Agreement that are to be distributed or applied by the Warrant Agent in the performance of its duties hereunder (the “Funds”) shall be held by Computershare as agent for the Company and deposited in one or more bank accounts to be maintained by Computershare in its name as agent for the Company. Until paid pursuant to the terms of this Agreement, Computershare will hold the Funds through such accounts in: deposit accounts of commercial banks with Tier 1 capital exceeding \$1 billion or with an average rating above investment grade by S&P (LT Local Issuer Credit Rating), Moody’s (Long Term Rating) and Fitch Ratings, Inc. (LT Issuer Default Rating) (each as reported by Bloomberg Finance L.P.). The Warrant Agent shall have no responsibility or liability for any diminution of the Funds that may result from any deposit made by the Warrant Agent in accordance with this paragraph, including any losses resulting from a default by any bank, financial institution or other third party. Computershare may from time to time receive interest, dividends or other earnings in connection with such deposits. Computershare shall not be obligated to pay such interest, dividends or earnings to the Company, any holder or any other party, and in no event will interest accrue on any funds deposited with the Warrant Agent in respect of an exercise or attempted exercise of the Warrant. The validity of any exercise of a Warrant will be determined by the Company in its sole discretion and such determination will be final and binding upon the registered holder and the Warrant Agent. The Company shall promptly inform the registered holder of the invalidity of any exercise of the Warrant. The Warrant Agent shall forward funds received for Warrant exercises in a given month by the fifth (5th) Business Day of the following month by wire transfer to an account designated by the Company.

5. *Charges, Taxes and Expenses.* Issuance and delivery of certificates for Warrant Shares shall be made without charge to the Holder for any issue, or transfer agent fee in respect of

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the issuance of such certificates, all of which shall be paid by the Company; provided, however, that the Company shall not be obligated to pay any tax which may be payable in respect of any transfer involved in the registration of any certificates for Warrant Shares or the Warrants in a name other than that of the Holder. The Holder shall be responsible for all other tax liabilities that may arise as a result of holding or transferring any Warrant or receiving Warrant Shares upon exercise thereof.

6. *Replacement of Warrant Certificate.* If the Warrants are certificated, the Warrant Agent shall issue a replacement Warrant Certificate in the event the Warrant Certificate is alleged to have been lost, stolen or destroyed, upon receipt by the Warrant Agent of an open penalty surety bond satisfactory to it and holding it and the Company harmless, absent written notice to the Warrant Agent that such Warrant Certificate has been acquired by a bona fide purchaser. If the Warrants are certificated, the Warrant Agent may, at its option, issue a replacement Warrant Certificate in the event the Warrant Certificate is mutilated, upon presentation thereof without such indemnity.

7. *Authorized Shares.* The Company covenants that, immediately following the date the Shareholder Approval is obtained and deemed effective and during the period thereafter that the Warrant is outstanding, it will reserve from its authorized and unissued Common Stock a sufficient number of shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under the Warrants. The Company further covenants that its issuance of the Warrants shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under the Warrants. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of any Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by the Warrants will, upon exercise of the purchase rights represented by the Warrants and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue). The Company shall provide an opinion of counsel prior to the Initial Issuance Date. The opinion shall state that (a) assuming the accuracy of the representations of the purchasers contained in the Securities Purchase Agreement, the Warrants may be issued to the purchasers without registration under the Securities Act; (b) the Warrants will be valid and binding obligations of the Company, except that (i) such enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or other similar laws affecting the enforcement of creditors’ rights in general and (ii) the remedies of specific performance and injunctive and other forms of injunctive relief may be subject to equitable defenses, and (c) subject to the Shareholder Approval and the filing, and approval by the Delaware Secretary of State, of the amendment to the Company’s Amended and Restated Certificate of Incorporation regarding the increased authorized shares, the Warrant Shares have been duly and validly authorized and reserved for issuance (excluding any additional shares of Common Stock that might be issued as a result of the effects of the adjustment provisions of the Warrants), and when delivered and paid for upon the exercise of the Warrants in accordance with the terms therein, will be validly issued, fully paid and nonassessable.

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Except and to the extent as waived or consented to by the Holders, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holders as set forth in this Agreement against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of the Warrants and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Agreement.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which the Warrants are exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies or stock exchanges having jurisdiction thereof.

8. *Certain Adjustments.* The Exercise Price and number of Warrant Shares issuable upon exercise of each Warrant then outstanding are subject to adjustment from time to time as set forth in this Section 8; provided, that the Warrant Agent shall have no obligation under any Section of this Agreement to determine whether an adjustment event has occurred or to calculate any of the adjustments set forth herein.

(a) *Stock Dividends and Splits.* If the Company, at any time while the Warrants are outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of a Warrant), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares or (iv) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company, then in each such case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of the Warrant shall be proportionately adjusted such that the Aggregate Exercise Price of the Warrant shall remain unchanged. Any adjustment made pursuant to this Section 8(a) shall become effective immediately after the record date for the determination of shareholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or reclassification.

(b) *Subsequent Rights Offerings.* In addition to any adjustments pursuant to Section 8(a) above, if at any time the Company grants, issues or sells any Common Stock Equivalents or rights to purchase stock, warrants, securities or other property pro rata to the record

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holders of any class of shares of Common Stock (the "Purchase Rights"), then each Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of the Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, to the extent that the Holder's right to participate in any such Purchase Right would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such shares of Common Stock as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

(c) *Pro Rata Distributions.* During such time as the Warrants are outstanding, if the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "Distribution"), at any time after the issuance of the Warrant, then, in each such case, each Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of the Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution (provided, however, to the extent that the Holder's right to participate in any such Distribution would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Distribution to such extent (or in the beneficial ownership of any shares of Common Stock as a result of such Distribution to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

(d) *Extraordinary Transactions.*

(i) If, at any time while the Warrants are outstanding, (1) the Company effects any merger, amalgamation, arrangement, or consolidation of the Company with or into another Person, (2) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (3) any tender offer or exchange offer by the Company is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding shares of Common Stock, or (4) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (in any such case, an "Extraordinary Transaction"), then each Holder's Warrant will become the right thereafter to

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receive, upon exercise of its Warrant, the same amount and kind of securities, cash or property as the Holder would have been entitled to receive upon the occurrence of such Extraordinary Transaction if it had been, immediately prior to such Extraordinary Transaction, the holder of the number of Warrant Shares then issuable upon exercise in full of the relevant Warrant (the "Alternate Consideration") in lieu of Common Stock. The Aggregate Exercise Price for the Warrant will not be affected by any such Extraordinary Transaction, but the Company shall apportion such Aggregate Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in an Extraordinary Transaction, then each Holder, to the extent practicable, shall be given the same choice as to the Alternate Consideration it receives upon any exercise of its Warrant following such Extraordinary Transaction. In addition, at the request of any Holder, upon surrender of the Holder's Warrant, any successor to the Company or surviving entity in such Extraordinary Transaction shall issue to such Holder a new warrant consistent with the foregoing provisions and evidencing the Holder's right to purchase the Alternate Consideration for the Aggregate Exercise Price upon exercise thereof. The Warrant (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to an Extraordinary Transaction.

(ii) Notwithstanding anything in clause (i) above to the contrary, in the event of an Extraordinary Transaction that is (1) an all cash transaction (meaning (x) all outstanding shares of Common Stock prior to the Extraordinary Transaction are converted into or exchanged or tendered for cash or (y) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions for all cash consideration), (2) a "Rule 13e-3 transaction" as defined in Rule 13e-3 under the Exchange

Act, or (3) an Extraordinary Transaction involving a person or entity not traded on an Eligible Market (as defined below) in which all outstanding shares of Common Stock prior to the Extraordinary Transaction are converted into or exchanged or tendered for shares of such person or entity, the Company or any Successor Entity (as defined below) shall, at any Holder's option, exercisable at any time concurrently with, or within 30 days after, the consummation of the Extraordinary Transaction, purchase each Warrant from such Holder by paying to the Holder an amount of cash equal to the Black Scholes Value (as defined below) of the remaining unexercised portion of the Warrant on the date of the consummation of such Extraordinary Transaction. As used herein, "Black Scholes Value" means the value of the Warrant based on the Black and Scholes Option Pricing Model obtained from the "OV" function on the Bloomberg Financial Markets ("Bloomberg") determined as of the day of consummation of the applicable Extraordinary Transaction for pricing purposes and reflecting (A) a risk-free interest rate corresponding to the U.S. Treasury rate for a period equal to the time between the date of the closing of the applicable Extraordinary Transaction and the Expiration Date, (B) an expected volatility equal to the greater of 50% and the 100-day volatility obtained from the HVT function on Bloomberg as of the Trading Day immediately following the public announcement of the applicable Extraordinary Transaction, (C) the underlying price per share used in such calculation shall be the sum of the price per share being offered in cash, if any, plus the value of any non-cash consideration, if any, being offered in such Extraordinary Transaction and (D) a remaining option time equal to the time between the date of the closing of the applicable Extraordinary Transaction and the Expiration Date. For purposes of the foregoing, (1) the value of any non-cash consideration in any Extraordinary Transaction will be determined in good faith by the Board of Directors of the Company or Successor Entity, (2) "Successor Entity," means the Person (as defined below) (or, if so

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elected by the Holder, the Parent Entity (as defined below)) formed by, resulting from or surviving any Extraordinary Transaction or the Person (or, if so elected by the Holder, the Parent Entity) with which such Extraordinary Transaction shall have been entered into, (3) "Eligible Market" means the NYSE MKT, the Toronto Stock Exchange, the TSX Venture Exchange, The NASDAQ Capital Market, The NASDAQ Global Market, The NASDAQ Global Select Market, the New York Stock Exchange, the OTCQB or OTCQX (or any successors to any of the foregoing), and (4) "Parent Entity" of a Person means an entity that, directly or indirectly, controls the applicable Person and whose common stock or equivalent equity security is quoted or listed on an Eligible Market, or, if there is more than one such Person or Parent Entity, the Person or Parent Entity with the largest public market capitalization as of the date of consummation of the Extraordinary Transaction.

(e) *Calculations.* All calculations under this Section 8 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 8, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

(f) *Notice of Adjustments.* Upon the occurrence of each adjustment pursuant to this Section 8, the Company at its expense will reasonably promptly calculate such adjustment in accordance with the terms of this Agreement and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted number of Warrant Shares or type of Alternate Consideration issuable upon exercise of the Warrants (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based, and deliver such written certificate to the Warrant Agent and the Holders. Until such written certificate is received by the Warrant Agent, the Warrant Agent may presume conclusively for all purposes that no such adjustments have been made, and the Warrant Agent shall have no duty or obligation to investigate or confirm whether any of the Company's determinations are accurate or correct. The Warrant Agent shall be entitled to rely conclusively on, and shall be fully protected in relying on, any certificate, notice or instructions provided by the Company with respect to any adjustment of the Exercise Price or the number of shares issuable upon exercise of the Warrant, or any related matter, and the Warrant Agent shall not be liable for any action taken, suffered or omitted to be taken by it in accordance with any such certificate, notice or instructions or pursuant to this Agreement. The Warrant Agent shall not be deemed to have knowledge of any such adjustment unless and until it shall have received written notice thereof from the Company. The form of Warrant Certificate need not be changed because of any adjustment hereunder, and Warrants issued after such adjustment may state the same Exercise Price and the same number of shares as is stated in the Warrants initially issued pursuant to this Agreement. However, the Company may at any time in its sole discretion make any change in the form of Warrant that the Company may deem appropriate and that does not affect the substance thereof (including any of the rights, duties, obligations and liabilities of the Warrant Agent), and any Warrant thereafter issued or countersigned, whether in exchange or substitution for the Warrant or otherwise, may be in the form as so changed.

(g) *Notice to Allow Exercise by Holders.* If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to

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subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall or shall cause to be delivered to the Warrant Agent and the Holders at its last facsimile number or email address as it shall appear upon the Warrant Register of the Company, at least 10 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided pursuant to this Agreement constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Holders shall remain entitled to exercise the Warrants during the period commencing on the date of such notice to the effective date of the event triggering such notice, except as may otherwise be expressly set forth herein.

9. *Holders not Deemed Stockholders.* Except as otherwise specifically provided herein, no Holder, solely in such Person's capacity as a Holder, shall be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in

the Warrants be construed to confer upon any Holder, solely in such Person's capacity as a Holder, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares to which Person is then entitled to receive upon the due exercise of the Warrant.

10. *No Fractional Shares.* No fractional Warrant Shares will be issued in connection with any exercise of the Warrants. In lieu of any fractional Warrant Shares which would otherwise be issuable, the Company shall pay cash equal to the product of such fraction multiplied by the last VWAP immediately preceding the Date of Exercise. The Company shall provide to Computershare an initial funding of one thousand dollars (\$1,000) for the purpose of issuing cash in lieu of fractional shares. From time to time thereafter, the Warrant Agent may request additional funding to cover fractional payments. The Warrant Agent shall have no obligation to make fractional payments unless the Company shall have provided (i) the necessary funds to pay in full all amounts due and payable with respect thereto and (ii) specific written instructions to do so, including payment amounts and any necessary calculations.

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11. *Notices.* Any and all notices or other communications or deliveries hereunder (including without limitation any Election to Purchase) shall be in writing and shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via facsimile or email (with telephone confirmation of receipt) at the facsimile number or email address specified in this Section prior to 5:00 p.m. (New York time) on a Trading Day, (ii) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile or email (with telephone confirmation of receipt) at the facsimile number or email specified in this Section on a day that is not a Trading Day or later than 5:00 p.m. (New York time) on any Trading Day, (iii) the Trading Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given. The addresses for such communications shall be:

if to the Company: Golden Minerals Company
350 Indiana Street, Suite 800
Golden, Colorado 80401
Attn: Chief Financial Officer
Facsimile No.: (303) 839-5907

with copy (which shall not constitute notice) to:

Davis Graham & Stubbs LLP
1550 Seventeenth Street, Suite 500
Denver, CO 80202
Attn: Deborah Friedman and Julie Blaser
Facsimile No.: (303) 893-1379

if to the Warrant Agent: Computershare Trust Company N.A.
250 Royall Street
Canton, MA 02021
Email: Stephanie.Harmon@computershare.com
Jodi.Cloney@computershare.com
Facsimile No.: (781) 575-2901

if to the Holders: at the address, email address or facsimile number as set forth on the Warrant Certificate of each respective Holder or on the Warrant Register.

12. *Warrant Agent.*

(a) The Company hereby appoints the Warrant Agent to act as agent for the Company in accordance with the express terms and conditions of this Agreement (and no implied terms or conditions), and the Warrant Agent hereby accepts such appointment.

(b) The Company covenants and agrees to indemnify the Warrant Agent (including its shareholders, members, managers, officers, directors, employees and agents) for, and to hold each of them harmless against, any liabilities, suits, actions, proceedings, judgments, claims, settlements, costs, expenses (including reasonable fees and expenses of its legal counsel), losses or damages, which may be paid, incurred or suffered by or to which it may become subject, arising

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from or out of, directly or indirectly, any claims or liability resulting from any action taken, suffered or omitted to be taken by the Warrant Agent in connection with the preparation, delivery, acceptance, administration, execution or amendment of this Agreement and the exercise or performance of its duties hereunder, including in connection with not requiring ink-original nor signature guarantee to effect any exercise of the Warrants under Section 4(a) herein and the costs and expenses of enforcing its rights hereunder; provided, that such covenant and agreement does not extend to, and the Warrant Agent shall not be indemnified with respect to, such liabilities, suits, actions, proceedings, judgments, claims, settlements, costs, expenses, losses and damages incurred or suffered by the Warrant Agent as a result of, or arising out of, its own gross negligence, bad faith, or willful misconduct (each as determined by a final judgment of a court of competent jurisdiction).

(c) The Warrant Agent shall not have any duty to calculate or determine any required adjustments with respect to the Exercise Price and/or the number of Warrant Shares or the kind and amount of securities or other property receivable by the Holders upon the exercise of the Warrants, nor to determine the accuracy or correctness of any such calculation. All calculations for any Cashless Exercises will be determined by the Company.

(d) The Warrant Agent shall not by any act hereunder be deemed to make any representation as to validity or authorization of the Warrants or the Warrant Certificates (except as to its countersignature thereon) or of any securities or other property delivered upon exercise of the Warrants, or as to the number or kind or amount of securities or other property deliverable upon exercise of the Warrants or the correctness of the representations of the Company made in such certificates that the Warrant Agent receives.

(e) From time to time, the Company may provide the Warrant Agent with written instructions concerning the services performed by the Warrant Agent hereunder. In addition, at any time the Warrant Agent may apply in writing to any officer of the Company for written instruction, and may consult with legal counsel for the Warrant Agent (including an employee of the Warrant Agent) or the Company with respect to any matter arising in connection with the services to be performed by the Warrant Agent under this Agreement. The Warrant Agent and its agents and subcontractors shall not be liable and shall be indemnified by the Company for any action taken, suffered or omitted to be taken by it in reliance upon any Company instructions or upon the advice or opinion of such counsel. The Warrant Agent shall not be held to have notice of any change of authority of any person, until receipt of written notice thereof from the Company.

(f) Notwithstanding anything contained herein to the contrary, the Warrant Agent's aggregate liability during any term of this Agreement with respect to, arising from, or arising in connection with this Agreement, or from all Services provided or omitted to be provided under this Agreement, whether in contract, or in tort, or otherwise, is limited to, and shall not exceed, the amounts paid hereunder by the Company to the Warrant Agent as fees and charges, but not including reimbursable expenses, during the twelve (12) months immediately preceding the event for which recovery from the Warrant Agent is being sought.

(g) The Warrant Agent shall not (i) be liable for any recital or statement of fact contained herein or in any Warrant Certificate or for any action taken, suffered or omitted to be taken by it in the absence of bad faith in the belief that any Warrant, Warrant Certificate or any

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other document or any signature is genuine or properly authorized, (ii) be responsible for any failure by the Company to comply with any of its obligations contained in this Agreement or in any Warrant Certificate, (iii) be liable for any act or omission in connection with this Agreement except for its own gross negligence or willful misconduct (each as determined by a final judgment of a court of competent jurisdiction) or (iv) have any responsibility to determine whether a transfer of a Warrant complies with applicable securities laws. The Warrant Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any notice, instruction, request, resolution, waiver, consent, order, certificate, affidavit, statement, or other paper, document or instrument delivered to it. The Warrant Agent shall not take any instructions or directions except those given in accordance with this Agreement.

(h) The Warrant Agent is hereby authorized to accept instructions with respect to the performance of its duties hereunder from the Chief Executive Officer, Chief Financial Officer or the Secretary of the Company and to apply to any such officer for written instructions (which will then be promptly given) and the Warrant Agent shall not be liable for any action taken, suffered or omitted to be taken by it in the absence of bad faith in accordance with the instructions of any such officer, except for its own gross negligence or willful misconduct (each as determined by a final judgment of a court of competent jurisdiction), but in its discretion the Warrant Agent may in lieu thereof accept other evidence of such or may require such further or additional evidence as it may deem reasonable.

(i) The Warrant Agent may exercise any of the rights and powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys, agents or employees, provided that a final judgment of a court of competent jurisdiction has not determined that the Warrant Agent acted with gross negligence or willful misconduct in the selection and in the continued employment of any persons. The Warrant Agent shall not be under any obligation or duty to institute, appear in or defend any action, suit or legal proceeding in respect hereof, unless first indemnified to its satisfaction. The Warrant Agent shall promptly notify the Company in writing of any claim made or action, suit or proceeding instituted against or arising out of or in connection with this Agreement.

(j) The Company will take such action as may reasonably be required by the Warrant Agent in order to enable it to carry out or perform its duties under this Agreement.

(k) The Warrant Agent shall act solely as agent of the Company hereunder and in a ministerial capacity, does not assume any obligation or relationship of agency or trust with the Holders, and shall not be liable for failure to perform any duties that are not specifically set forth herein.

(l) The Warrant Agent may consult with legal counsel satisfactory to it (who may be legal counsel for the Company or an employee of the Warrant Agent), and the Warrant Agent shall incur no liability or responsibility to the Company or to the Holders for any action taken, suffered or omitted by it in the absence of bad faith in accordance with the opinion or advice of such counsel.

(m) The Company agrees to pay to the Warrant Agent compensation for all services rendered by the Warrant Agent hereunder as the Company and the Warrant Agent may

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agree from time to time, and to reimburse the Warrant Agent for reasonable expenses incurred in connection with the negotiation, preparation, delivery, administration, execution, modification, waiver, delivery, enforcement or amendment of this Agreement and the exercise and performance of its duties hereunder (including the reasonable compensation and expenses of its counsel), and further agrees to indemnify the Warrant Agent for, and hold it harmless against, any loss, liability or expense incurred without gross negligence, bad faith or willful misconduct on its part (each as determined by a final judgment of a court of competent jurisdiction), arising out of or in connection with the acceptance and administration of this Agreement and the exercise and performance of its duties hereunder.

(n) The Warrant Agent, and any shareholder, director, officer, employee or agent of the Warrant Agent, may buy, sell or deal in the Warrants or other securities of the Company or its Affiliates or become pecuniarily interested in transactions in which the Company or its Affiliates may be interested, or contract with or lend money to the Company or its Affiliates or otherwise act as fully and freely as though it were not the Warrant Agent under this Agreement. Nothing herein shall preclude the Warrant Agent from acting in any other capacity for the Company or for any other Person.

(o) No resignation or removal of the Warrant Agent and no appointment of a successor warrant agent shall become effective until the acceptance of appointment by the successor warrant agent as provided herein. The Warrant Agent may resign its duties and be discharged from all further duties and liability hereunder after giving written notice to the Company, provided, that the Warrant Agent shall continue to be liable for any liability arising as a result of the Warrant Agent's own gross negligence or willful misconduct, each as determined by a final judgment of a court of competent jurisdiction, until a successor warrant agent is appointed. The Company may remove the Warrant Agent upon written notice, and the Warrant Agent shall thereupon in like manner be discharged from all further duties and liabilities hereunder, except as aforesaid. The Warrant Agent shall, at the Company's expense, cause to be mailed (by first class mail, postage prepaid) to each Holder at such Holder's last address as shown on the register of the Company maintained by the Warrant Agent a copy of said notice of resignation or notice of removal, as the case may be. Upon such resignation or removal, the Company shall appoint in writing a new warrant agent. If the Company fails to do so within a period of 30 days after it has been notified in writing of such resignation by the resigning Warrant Agent or after such removal, then the resigning Warrant Agent or a Holder may apply to any court of competent jurisdiction for the appointment of a new warrant agent. After acceptance in writing of such appointment by the new warrant agent, it shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as the Warrant Agent. Not later than the effective date of any such appointment, the Company shall give notice thereof to the resigning or removed Warrant Agent. Failure to give any notice provided for in this Section 12(o), however, or any defect therein, shall not affect the legality or validity of the resignation of the Warrant Agent or the appointment of a new warrant agent, as the case may be.

(p) Any Person into which the Warrant Agent or any new warrant agent may be merged or converted or any Person resulting from any consolidation to which the Warrant Agent or any new warrant agent shall be a party or any Person to which the Warrant Agent transfers substantially all of its corporate trust or shareowner services business shall be a successor Warrant Agent under this Agreement without any further act, provided that such Person (i) would be eligible

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for appointment as successor to the Warrant Agent under this Agreement or (ii) is a wholly owned subsidiary of the Warrant Agent. Any such successor Warrant Agent shall promptly cause notice of its succession as Warrant Agent to be mailed (by first class mail, postage prepaid) to the Holders in accordance with Section 12.

(q) The Warrant Agent shall have no liability under, and no duty to inquire as to, the provisions of any agreement, instrument or document other than this Agreement, even though reference thereto may be made herein.

(r) All rights and obligations contained in this Section 12 shall survive the termination of this Agreement and the resignation, replacement, incapacity or removal of the Warrant Agent. All fees and expenses incurred by the Warrant Agent under this Agreement that the Company is required to pay under Section 12(m) prior to the resignation, replacement, incapacity or removal of the Warrant Agent shall be paid by the Company in accordance with Section 12(m), notwithstanding such resignation, replacement, incapacity or removal of the Warrant Agent.

(s) The Warrant Agent shall not be under any liability for interest on any monies at any time received by it pursuant to the provisions of this Agreement.

(t) The Warrant Agent shall not be accountable or under any duty or responsibility for the use by the Company of any Warrants authenticated by the Warrant Agent and delivered by it to the Company pursuant to this Agreement or for the application by the Company of the proceeds of the issue and sale, or exercise, of the Warrants.

(u) In no event shall the Warrant Agent be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused by, directly or indirectly, forces beyond its reasonable control, including without limitation strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software or hardware) services.

(v) In the event the Warrant Agent believes any ambiguity or uncertainty exists hereunder or in any notice, instruction, direction, request or other communication, paper or document received by the Warrant Agent hereunder, Warrant Agent, may, in its sole discretion, refrain from taking any action, and shall be fully protected and shall not be liable in any way to the Company or any Holder or other person or entity for refraining from taking such action, unless the Warrant Agent receives written instructions signed by the Company that eliminates such ambiguity or uncertainty to the satisfaction of Warrant Agent. The Warrant Agent shall promptly provide written notice to the Company describing such ambiguity or uncertainty.

(w) The Warrant Agent shall not be required to use or risk its own funds in the performance of any of its obligations or duties or the exercise of any of its rights or powers, and shall not be required to take any action which, in the Warrant Agent's sole and absolute judgment, could involve it in expense or liability unless furnished with security and indemnity satisfactory to it.

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13. *Miscellaneous.*

(a) *Successors and Assigns.* This Agreement shall be binding on and inure to the benefit of the Company, the Warrant Agent (including all indemnitees hereunder) and the Holders, and their respective successors and assigns. Subject to the preceding sentence, nothing in this Agreement shall be construed to give to any Person other than the Company, the Warrant Agent (including all indemnitees hereunder) and the Holders any legal or equitable right, remedy or cause of action under this Agreement.

(b) *Amendments and Waivers.* The Company may, without the consent of the Holders, by supplemental agreement or otherwise, (i) make any changes or corrections in this Agreement that are required to cure any ambiguity or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein or (ii) add to the covenants and agreements of the Company for the benefit of the Holders, or surrender any rights or power reserved to or conferred upon the Company in this Agreement; provided that, in the case of (i) or (ii), such changes or corrections shall not adversely affect the interests of the Holders of the Warrants in any material respect. The Company may, with the consent of the Holders, amend in any way, by supplemental agreement or otherwise, the Warrants. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party. The Warrant Agent shall at the request of the Company and subject to the Company certifying that the execution of such

supplemental agreement is in accordance with this Section 13(b), and without need of independent inquiry as to whether such supplemental agreement is permitted by the terms of this Section 13(b), join with the Company in the execution and delivery of any such supplemental agreements, but shall not be required to join in such execution and delivery for such supplemental agreement to become effective as it relates to the Company and the Holders. As a condition precedent to the Warrant Agent's execution of any amendment, the Company shall deliver to the Warrant Agent a certificate from a duly authorized officer of the Company that states that the proposed amendment is in compliance with the terms of this Section 13. Notwithstanding the foregoing, the Warrant Agent may, but shall not be obligated to, execute any amendment or supplement that affects Warrant Agent's rights, duties, immunities, liabilities or obligations hereunder.

(c) *Choice of Law, etc.* All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. If any Holder shall commence an action or proceeding to enforce any provision of this Agreement and it is the prevailing party in that action or proceeding, then the Company shall reimburse the Holder for its attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

(d) *Interpretation.* The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

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(e) *Severability.* In case any one or more of the provisions of this Agreement shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Agreement shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Agreement, provided, however, that notwithstanding anything herein to the contrary, if any such excluded provision shall affect the rights, immunities, duties or obligations of the Warrant Agent, the Warrant Agent shall be entitled to immediately resign upon written notice to the Company.

(f) *Consequential Damages.* Except with respect to indemnification for third party claims, neither party to this Agreement shall be liable to the other party for any consequential, indirect, punitive, special or incidental damages (including but not limited to lost profits) under any provisions of this Agreement, or arising out of any act or failure to act hereunder, even if that party has been advised of or has foreseen the possibility of such damages.

(g) *Further Assurances.* The Company shall perform, acknowledge and deliver or cause to be performed, acknowledged and delivered all such further and other acts, documents, instruments and assurances as may be reasonably required by the Warrant Agent for the carrying out or performing by the Warrant Agent of the provisions of this Agreement.

(h) *Confidentiality.* The Warrant Agent and the Company agree that all books, records, information and data pertaining to the business of the other party, including inter alia, personal, non-public warrant holder information, which are exchanged or received pursuant to the negotiation or the carrying out of this Agreement, including the fees for services provided hereunder, shall remain confidential, and shall not be voluntarily disclosed to any other person, except as may be required by law or the rules of any applicable stock exchange, including, without limitation, pursuant to subpoenas from state or federal government authorities (e.g., in divorce and criminal actions).

(i) *Customer Identification Program.* The Company acknowledges that the Warrant Agent is subject to the customer identification program ("Customer Identification Program") requirements under the USA PATRIOT Act and its implementing regulations, and that the Warrant Agent must obtain, verify and record information that allows the Warrant Agent to identify the Company. Accordingly, prior to accepting an appointment hereunder, the Warrant Agent may request information from the Company that will help the Warrant Agent to identify the Company, including without limitation the Company's physical address, tax identification number, organizational documents, certificate of good standing, license to do business, or any other information that the Warrant Agent deems necessary. The Company agrees that the Warrant Agent cannot accept an appointment hereunder unless and until the Warrant Agent verifies the Company's identity in accordance with the Customer Identification Program requirements.

(j) *Counterparts.* This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute one and the same instrument. Facsimile, PDF and other electronic signatures shall constitute original signatures for all purposes of this Agreement.

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[The remainder of this page has been left intentionally blank.]

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IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly executed by its authorized officer as of the date first indicated above.

GOLDEN MINERALS COMPANY

By: /s/ Robert P. Vogels
Name: Robert P. Vogels
Title: Senior Vice President and Chief Financial Officer

By: /s/ Thomas Borbely
Name: Thomas Borbely
Title: Manager, Corporate Actions

COMPUTERSHARE INC.

By: /s/ Thomas Borbely
Name: Thomas Borbely
Title: Manager, Corporate Actions

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Exhibit A

EXERCISABLE ON OR AFTER THE LATER OF (I) THE DATE THAT SHAREHOLDER APPROVAL IS OBTAINED AND DEEMED EFFECTIVE AND (II) NOVEMBER 7, 2016, AND ON OR BEFORE THE EXPIRATION DATE

No. []

Warrant to Purchase [-] Shares

Warrant Certificate

WARRANTS TO ACQUIRE COMMON STOCK OF GOLDEN MINERALS COMPANY

This Warrant Certificate certifies that _____, or registered assigns, is the registered holder of a Warrant (the “Warrant”) to acquire from Golden Minerals Company, a Delaware corporation (the “Company”), the number of fully paid and non-assessable shares of Common Stock, \$0.01 par value, of the Company (the “Common Stock”) specified above for consideration equal to the Exercise Price (as defined in the Warrant Agreement (as defined below)) per share of Common Stock. The Exercise Price and number of shares of Common Stock and/or type of securities or property issuable upon exercise of the Warrant are subject to adjustment upon the occurrence of certain events as set forth in the Warrant Agreement. The Warrant evidenced by this Warrant Certificate shall not be exercisable after and shall terminate and become void as of 5:00 P.M., New York time, on the Expiration Date.

The Warrant evidenced by this Warrant Certificate is part of a duly authorized issue of warrants expiring on the Expiration Date entitling the Holder hereof to receive shares of Common Stock and is issued or to be issued pursuant to a Warrant Agreement dated May 6, 2016 (the “Warrant Agreement”), duly executed and delivered by the Company to Computershare Inc. and Computershare Trust Company, N.A., as warrant agent (together, the “Warrant Agent,” which term includes any successor Warrant Agent under the Warrant Agreement), which Warrant Agreement is hereby incorporated by reference in and made a part of this instrument and is hereby referred to for a description of the rights, limitation of rights, obligations, duties and immunities thereunder of the Warrant Agent, the Company and the Holders (“Holders” meaning, from time to time, the registered holders of the warrant issued thereunder). To the extent any provisions of this Warrant Certificate conflicts with any provision of the Warrant Agreement, the provisions of the Warrant Agreement shall apply. A copy of the Warrant Agreement may be obtained by the Holder hereof upon written request to the Company at 350 Indiana Street, Suite 800, Golden, Colorado 80401, Attn: Chief Financial Officer. Capitalized terms not defined herein have the meanings ascribed thereto in the Warrant Agreement.

The Warrant evidenced by this Warrant Certificate may be exercised, in whole or in part, at any time on or after the later of (i) the date that Shareholder Approval is obtained and deemed effective and (ii) November 7, 2016, and on or before 5:00 P.M., New York time on the Expiration Date, subject to the terms of the Warrant Agreement including, but not limited to, Section 4 thereof, by delivering the Election to Purchase set forth hereon properly completed and executed. Within two (2) Trading Days following an exercise of the Warrant as aforesaid, the Holder shall deliver payment to the Warrant Agent of an amount equal to the Exercise Price in

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effect on the date of such exercise multiplied by the number of Warrant Shares as to which the Warrant was so exercised (the “Aggregate Exercise Price”) in certified check, bank draft or via wire transfer, payable to the order of the Warrant Agent, of immediately available funds if the Holder did not notify the Company in such Election to Purchase that such exercise was made pursuant to a Cashless Exercise. Each exercise must be for a whole number of Warrant Shares. If a Warrant is submitted in connection with any exercise pursuant to Section 4 of the Warrant Agreement and the number of Warrant Shares represented by the Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon such exercise, then, at the request of the Holder, the Company shall as soon as practicable and in no event later than three (3) Business Days after any exercise and at its own expense, issue and deliver to the Holder (or its designee) a new Warrant representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under the Warrant, less the number of Warrant Shares with respect to which the Warrant is exercised.

The Warrant Agreement provides that upon the occurrence of certain events the Exercise Price set forth on this Warrant Certificate may, subject to certain conditions, be adjusted, and that upon the occurrence of certain events the number of shares of Common Stock and/or the type of securities or other property issuable upon the exercise of the Warrant shall be adjusted. No fractions of a share of Common Stock will be issued upon the exercise of the Warrant evidenced by this Warrant Certificate, but the Company will pay the cash value thereof determined as provided in the Warrant Agreement.

Warrant Certificates, when surrendered at the office of the Warrant Agent designated for such purpose by the registered Holder thereof in person or by such Holder’s legal representative or attorney duly appointed and authorized in writing, may be exchanged, in the manner and subject to the limitations

provided in the Warrant Agreement, but without payment of any service charge, for another Warrant Certificate or Warrant Certificates of like tenor evidencing in the aggregate the right to purchase a like number of Warrant Shares.

Each taker and holder of this Warrant Certificate, by taking or holding the same, consents and agrees that the holder of this Warrant Certificate when duly endorsed in blank may be treated by the Company, the Warrant Agent and all other persons dealing with this Warrant Certificate as the absolute owner hereof for any purpose and as the person entitled to exercise the rights represented hereby or the person entitled to the transfer hereof on the register of the Company maintained by the Warrant Agent, any notice to the contrary notwithstanding, provided that until such transfer on such register, the Company and the Warrant Agent may treat the registered Holder hereof as the owner for all purposes.

Pursuant to Section 11 of the Warrant Agreement, the addresses for any and all notices or other communications or deliveries to the Holder of this Warrant Certificate shall be:

[·]
[·]
[·]
Email: [·]
Facsimile No.: [·]

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The Holder covenants and agrees that it will not, during the period ending on the date that is four (4) months plus one (1) day after the date of issuance of the Warrant evidenced by this Warrant Certificate, sell or otherwise effect a trade of the Warrant to any person resident in any province or territory of Canada (collectively, the “Canadian Jurisdictions”) or any person acquiring such Warrant for the benefit of another person resident in any Canadian Jurisdiction, other than in a transaction made in compliance with the prospectus and registration requirements of applicable Canadian securities laws or which otherwise is made in reliance on any available exemptions therefrom (and the Company or the Warrant Agent may require evidence of such compliance). The Holder further agrees and acknowledges that if the Warrant evidenced by this Warrant Certificate is legally sold in any Canadian Jurisdiction, or to a resident of any Canadian Jurisdiction, within four months after the Initial Issuance Date, the Warrant and any replacement Warrant Certificate issued within four months after the Initial Issuance Date shall bear the following legend.

“UNLESS PERMITTED UNDER APPLICABLE SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY IN CANADA BEFORE SEPTEMBER 7, 2016.”

The Warrant evidenced by this Warrant Certificate does not entitle any Holder to any of the rights of a shareholder of the Company.

This Warrant Certificate and the Warrant Agreement are subject to amendment as provided in the Warrant Agreement.

This Warrant Certificate shall not be valid or obligatory for any purpose until it shall have been countersigned by the Warrant Agent.

[The remainder of this page has been left intentionally blank.]

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IN WITNESS WHEREOF, the undersigned have caused this Certificate to be executed as of the date set forth below.

GOLDEN MINERALS COMPANY

By: _____
Name: _____
Title: _____

DATED: May [·], 2016

Countersigned:

COMPUTERSHARE TRUST COMPANY, N.A.

By: _____
Name: _____
Title: _____

COMPUTERSHARE INC.

By: _____
Name: _____
Title: _____

FORM OF ELECTION TO PURCHASE

To Golden Minerals Company:

The undersigned hereby irrevocably elects to exercise the Warrant with respect to Warrant Shares in accordance with the terms of the Warrant Agreement dated May 6, 2016 (the "Warrant Agreement").

1. *Form of Exercise Price.* The Holder intends that payment of the Exercise Price shall be made as:

a Cash Exercise; or

a Cashless Exercise.

2. *Payment of Exercise Price.* In the event that the Holder has elected a Cash Exercise with respect to some or all of the Warrant Shares to be issued pursuant hereto, the Holder shall pay the Aggregate Exercise Price, in lawful money of the United States, in certified check, bank draft or via wire transfer payable to the order of the Warrant Agent (or as otherwise agreed to by the Company) delivered to the Warrant Agent, together with any applicable taxes and charges payable by the undersigned pursuant to the Warrant. A Cashless Exercise of some or all of the Warrant Shares is only available to the Holder to the extent provided for in Section 4(b) of the Warrant Agreement.

3. *Representations.* By executing this Election to Purchase, the undersigned certifies as follows (check only one of the following boxes):

- ☐ The undersigned holder (i) is acquiring the shares of Common Stock for its own account for investment purposes only, and not with a view to their resale or distribution, (ii) has such knowledge and experience in financial and business affairs so as to be capable of evaluating the merits and risks of an investment in the shares of Common Stock and is able to bear the economic risk of the loss of such investment, and (iii) is an "accredited investor," as such term is defined in Rule 501(a) of Regulation D under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act").
- ☐ The undersigned holder (i) is outside the United States (as defined in Regulation S promulgated by the U.S. Securities and Exchange Commission under the U.S. Securities Act) and not a U.S. person (as defined in Regulation S) (a "U.S. Person"), at the time of execution and delivery of this notice; (ii) is not exercising the right provided for herein for the account or benefit of a person in the United States or a U.S. Person; (iii) is not exercising the Warrant with the intent to distribute either directly or indirectly any of the securities acquirable upon exercise in the United States, except in compliance with the U.S. Securities Act; and (iv) has in all other respects complied with the terms of Regulation S of the U.S. Securities Act.

- ☐ If the date of this Election to Purchase is on or before May 6, 2017, the undersigned has delivered herewith an opinion of counsel, addressed to the Company in form and substance satisfactory to the Company, that no violation of the registration provisions of the U.S. Securities Act or the securities laws of any state of the United States would result from the exercise of the Warrant.

The undersigned understands that the certificate representing the Warrant Shares will bear a legend restricting transfer without registration under the U.S. Securities Act and applicable state securities laws unless an exemption from registration is available.

The undersigned hereby acknowledges that it is aware that the Warrant Shares received on exercise may be subject to restrictions on resale under applicable securities legislation.

The undersigned requests that certificates for the shares of Common Stock issuable upon this exercise be issued in the name of

Name: _____

Address: _____

Social Security or Tax I.D. No.:

Warrant Shares Exercise Log

Date	Number of Warrant Shares Available to be Exercised	Number of Warrant Shares Exercised	Number of Warrant Shares Remaining to be Exercised

DATED this day of , .

Signature of Registered Holder

Name of Registered Holder

Note: The name of the Registered Holder of this Notice of Exercise must be the same as the name appearing on the face page of the Warrant to which this Schedule is attached.

FORM OF ASSIGNMENT

[To be completed and signed only upon transfer of Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto the right represented by the within Warrant to purchase shares of Common Stock of Golden Minerals Company to which the within Warrant relates and appoints attorney to transfer said right on the books of Golden Minerals Company with full power of substitution in the premises.

The undersigned confirms that the transfers are made in compliance with all applicable securities legislation and requirements of regulatory authorities.

If the sale evidenced hereby is being made to a U.S. Person (as such term is defined in Regulation S to the U.S. Securities Act of 1933 (the “U.S. Securities Act”)), the undersigned by the execution of this form of transfer hereby certifies that such sale does not require registration of the Warrant being transferred hereby under the U.S. Securities Act and tenders herewith evidence satisfactory to the Corporation to such effect.

Dated: _____
(Signature must conform in all respects to name of holder as specified on the front page of the Warrant)

Address of Transferee:

Medallion Signature Guarantee:

AMENDMENT NO. 1 TO WARRANT AGREEMENT

This AMENDMENT NO. 1 TO WARRANT AGREEMENT (this “Amendment”) is made and entered into effective as of May 2, 2016, by and between Golden Minerals Company, a Delaware corporation (the “Company”) and Computershare Trust Company, N.A., acting as warrant agent (the “Warrant Agent”) and amends the 2014 Warrant Agreement.

WHEREAS, the Company and the Warrant Agent are parties to that certain Warrant Agreement dated as of September 19, 2012, as amended on March 7, 2014 (the “2012 Warrant Agreement”);

WHEREAS, the Company and the Warrant Agent are parties to that certain Warrant Agreement dated as of September 10, 2014 (the “2014 Warrant Agreement”);

WHEREAS, Sentient Global Resources Fund IV, L.P., a Cayman Island exempted limited partnership (“Sentient”), and its affiliates currently own approximately 49% of the Company’s outstanding common stock, par value \$0.01 per share (“Common Stock”);

WHEREAS, the Company is considering certain financing opportunities through the sale of Common Stock or securities convertible into Common Stock (the “Financing”);

WHEREAS, Sentient has the right to purchase a total of 4,029,872 shares of Common Stock pursuant to the exercise of warrants acquired in private placements completed on September 18, 2012 and September 10, 2014 (the “Warrants”);

WHEREAS, as of the date hereof, approximately \$1.2 million principal and accrued interest remain outstanding that certain Senior Secured Convertible Note, dated as of October 27, 2015 (the “Note”), in favor of Sentient, all of which may be converted into shares of the Common Stock pursuant to the Note (the “Conversion Rights”);

WHEREAS, in the aggregate, approximately 8,000,000 shares of Common Stock are reserved for issuance upon exercise of the Warrants and upon exercise of the Conversion Rights;

WHEREAS, the Company has 100,000,000 shares of authorized Common Stock, of which approximately 6,000,000 remain available for issuance and are not reserved for issuance pursuant to convertible securities (including estimated shares reserved for issuance resulting from anti-dilution triggers upon a Financing), including the Warrants and the Note;

WHEREAS, the Company has submitted for approval by the shareholders at the 2016 annual meeting to be held May 19, 2016, a proposal to increase its authorized Common Stock from 100,000,000 to 200,000,000;

WHEREAS, the Company and Sentient have entered into that certain Agreement Regarding Warrants Exercise and Note Conversion dated May 2, 2016, pursuant to which Sentient has agreed not to exercise the Warrants and its Conversion Rights under the Note until such time as the Company increases its authorized Common Stock to 200,000,000 shares, thereby providing the Company with approximately 14,000,000 shares of Common Stock for issuance in the Financing; and

WHEREAS, in order to facilitate completion of the Financing, the Company and the Warrant Agent desire to amend the 2014 Warrant Agreement in the manner and upon the terms and conditions hereafter set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual promises, representations, warranties, covenants, conditions and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound by the terms hereof, agree as follows:

1. **Indemnification.** The Company agrees to indemnify the Warrant Agent for, and hold it harmless against, any loss, liability or expense incurred without gross negligence, bad faith or willful misconduct on its part, arising out of or in connection with the Company not having reserved a sufficient number of shares of the authorized and unissued Common Stock to satisfy the Company’s obligations to issue shares upon the exercise of the Warrants and the Conversion Rights under the Note.
2. **Termination Date.** The agreement of the Company contained in Section 1 above shall automatically terminate on the earlier to occur of (i) July 19, 2016, or (ii) the date on which the Company’s shareholders approve the increase in the Company’s authorized Common Stock from 100,000,000 to 200,000,000 and the amendment to the Company’s Amended and Restated Certificate of Incorporation is filed and accepted by the Delaware Secretary of State.
3. **Continuation of 2014 Warrant Agreement.** This Amendment is limited in scope as specified herein and shall not constitute or be deemed to constitute an amendment, modification or waiver of any provision of the 2014 Warrant Agreement, except as expressly set forth herein. As amended hereby, the 2014 Warrant Agreement shall continue in full force and effect according to its terms.
4. **Governing Law; Entire Agreement.** This Amendment shall be governed by the laws of the State of New York. Unless otherwise specifically addressed herein, this Amendment constitutes the sole and entire agreement of the parties with respect to its subject matters, supersedes all prior verbal and written understandings and agreements between the parties relating to its subject matters, and may not be modified except in a writing signed by both parties.
5. **Counterparts.** This Amendment may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute on and the same instrument. Facsimile, PDF and other electronic signatures shall constitute original signatures for all purposes of this Amendment.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed by its authorized officer as of the date first indicated above.

GOLDEN MINERALS COMPANY

By: /s/ Robert P. Vogels
Name: Robert P. Vogels
Title: Senior Vice President and Chief Financial Officer

COMPUTERSHARE TRUST COMPANY, N.A.

By: /s/ Thomas Borbely
Name: Thomas Borbely
Title: Manager, Corporate Actions

COMPUTERSHARE INC.

By: /s/ Thomas Borbely
Name: Thomas Borbely
Title: Manager, Corporate Actions

Signature Page to Amendment No. 1 to Warrant Agreement

AMENDMENT NO. 2 TO WARRANT AGREEMENT

This AMENDMENT NO. 2 TO WARRANT AGREEMENT (this “Amendment”) is made and entered into effective as of May 2, 2016, by and between Golden Minerals Company, a Delaware corporation (the “Company”) and Computershare Trust Company, N.A., acting as warrant agent (the “Warrant Agent”) and amends the 2012 Warrant Agreement.

WHEREAS, the Company and the Warrant Agent are parties to that certain Warrant Agreement dated as of September 19, 2012, as amended on March 7, 2014 (the “2012 Warrant Agreement”);

WHEREAS, the Company and the Warrant Agent are parties to that certain Warrant Agreement dated as of September 10, 2014 (the “2014 Warrant Agreement”);

WHEREAS, Sentient Global Resources Fund IV, L.P., a Cayman Island exempted limited partnership (“Sentient”), and its affiliates currently own approximately 49% of the Company’s outstanding common stock, par value \$0.01 per share (“Common Stock”);

WHEREAS, the Company is considering certain financing opportunities through the sale of Common Stock or securities convertible into Common Stock (the “Financing”);

WHEREAS, Sentient has the right to purchase a total of 4,029,872 shares of Common Stock pursuant to the exercise of warrants acquired in private placements completed on September 18, 2012 and September 10, 2014 (the “Warrants”);

WHEREAS, as of the date hereof, approximately \$1.2 million principal and accrued interest remain outstanding that certain Senior Secured Convertible Note, dated as of October 27, 2015 (the “Note”), in favor of Sentient, all of which may be converted into shares of the Common Stock pursuant to the Note (the “Conversion Rights”);

WHEREAS, in the aggregate, approximately 8,000,000 shares of Common Stock are reserved for issuance upon exercise of the Warrants and upon exercise of the Conversion Rights;

WHEREAS, the Company has 100,000,000 shares of authorized Common Stock, of which approximately 6,000,000 remain available for issuance and are not reserved for issuance pursuant to convertible securities (including estimated shares reserved for issuance resulting from anti-dilution triggers upon a Financing), including the Warrants and the Note;

WHEREAS, the Company has submitted for approval by the shareholders at the 2016 annual meeting to be held May 19, 2016, a proposal to increase its authorized Common Stock from 100,000,000 to 200,000,000;

WHEREAS, the Company and Sentient have entered into that certain Agreement Regarding Warrants Exercise and Note Conversion dated May 2, 2016, pursuant to which Sentient has agreed not to exercise the Warrants and its Conversion Rights under the Note until such time as the Company increases its authorized Common Stock to 200,000,000 shares, thereby providing the Company with approximately 14,000,000 shares of Common Stock for issuance in the Financing; and

WHEREAS, in order to facilitate completion of the Financing, the Company and the Warrant Agent desire to amend the 2012 Warrant Agreement in the manner and upon the terms and conditions hereafter set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual promises, representations, warranties, covenants, conditions and agreements contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound by the terms hereof, agree as follows:

1. **Indemnification.** The Company agrees to indemnify the Warrant Agent for, and hold it harmless against, any loss, liability or expense incurred without gross negligence, bad faith or willful misconduct on its part, arising out of or in connection with the Company not having reserved a sufficient number of shares of the authorized and unissued Common Stock to satisfy the Company’s obligations to issue shares upon the exercise of the Warrants and the Conversion Rights under the Note.

2. **Termination Date.** The agreement of the Company contained in Section 1 above shall automatically terminate on the earlier to occur of (i) July 19, 2016, or (ii) the date on which the Company’s shareholders approve the increase in the Company’s authorized Common Stock from 100,000,000 to 200,000,000 and the amendment to the Company’s Amended and Restated Certificate of Incorporation is filed and accepted by the Delaware Secretary of State.

3. **Continuation of 2012 Warrant Agreement.** This Amendment is limited in scope as specified herein and shall not constitute or be deemed to constitute an amendment, modification or waiver of any provision of the 2012 Warrant Agreement, except as expressly set forth herein. As amended hereby, the 2012 Warrant Agreement shall continue in full force and effect according to its terms.

4. **Governing Law; Entire Agreement.** This Amendment shall be governed by the laws of the State of New York. Unless otherwise specifically addressed herein, this Amendment constitutes the sole and entire agreement of the parties with respect to its subject matters, supersedes all prior verbal and written understandings and agreements between the parties relating to its subject matters, and may not be modified except in a writing signed by both parties.

5. **Counterparts.** This Amendment may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute on and the same instrument. Facsimile, PDF and other electronic signatures shall constitute original signatures for all purposes of this Amendment.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed by its authorized officer as of the date first indicated above.

GOLDEN MINERALS COMPANY

By: /s/ Robert P. Vogels
Name: Robert P. Vogels
Title: Senior Vice President and Chief Financial Officer

COMPUTERSHARE TRUST COMPANY, N.A.

By: /s/ Thomas Borbely
Name: Thomas Borbely
Title: Manager, Corporate Actions

COMPUTERSHARE INC.

By: /s/ Thomas Borbely
Name: Thomas Borbely
Title: Manager, Corporate Actions

Signature Page to Amendment No. 2 to Warrant Agreement



May 6, 2016

Golden Minerals Company
350 Indiana Street, Suite 800
Golden, Colorado 80401

Re: *Registration Statement on Form S-3 (333-199026); 8,000,000 shares of Common Stock, par value \$0.01 per share*

Ladies and Gentlemen:

We have acted as counsel to Golden Minerals Company, a Delaware corporation (the “Company”), in connection with the issuance of 8,000,000 shares of common stock (the “Shares”) of the Company, par value \$0.01 per share (the “Common Stock”). The Shares are included in a registration statement on Form S-3 under the Securities Act of 1933, as amended (the “Act”), filed with the Securities and Exchange Commission (the “Commission”) on September 30, 2014 (File No. 333-199026), including the information deemed to be a part of the registration statement pursuant to Rule 430B of the Act (as so filed, the “Registration Statement”), a base prospectus dated November 5, 2014 (the “Base Prospectus”), and a final prospectus supplement dated May 2, 2016, filed with the Commission pursuant to Rule 424(b) under the Act (“Final Prospectus Supplement,” and together with the Base Prospectus, the “Prospectus”). The Shares are being sold pursuant to a Securities Purchase Agreement dated May 2, 2016 (the “Securities Purchase Agreement”) to certain institutional investors in a registered direct offering. This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act of 1933, as amended (the “Act”), and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement or the Prospectus, other than as expressly stated herein with respect to the issue of the Shares.

In rendering this opinion, we have examined and relied on originals or copies, certified or otherwise identified to our satisfaction, of such documents, corporate records and other instruments, have made such inquiries as to questions of fact of officers and representatives of the Company, and have made such examinations of law as we have deemed necessary or appropriate for purposes of giving the opinion expressed below. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity with the originals of all documents submitted to us as copies.

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We are members of the Bar of the State of Colorado. Our examination of matters of law in connection with the opinions expressed herein has been limited to, and accordingly our opinions herein are limited to, the laws of the State of Colorado and of the Delaware General Corporation Law, including all applicable provisions of the Delaware Constitution and reported judicial decisions interpreting such law. We express no opinion with respect to the laws of any other jurisdiction or of any other law of the State of Delaware.

Based upon the foregoing and subject to the limitations set forth herein, we are of the opinion that, as of the date hereof:

1. The issue and sale of the Shares has been duly authorized by all necessary corporate action of the Company, and, when and to the extent that the Shares are issued against payment therefor in accordance with the Prospectus and the Securities Purchase Agreement, the Shares will be validly issued, fully paid and nonassessable.

This opinion is for your benefit in connection with the Registration Statement and may be relied upon by you and by persons entitled to rely upon it pursuant to the applicable provisions of the Act. We consent to your filing this opinion as an exhibit to the Company’s Form 8-K dated May 6, 2016 and to the reference to our firm in the Prospectus under the heading “Legal Matters.” In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/S/ DAVIS GRAHAM & STUBBS LLP

DAVIS GRAHAM & STUBBS LLP

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this “Agreement”) is dated as of May 2, 2016, between Golden Minerals Company, a Delaware corporation (the “Company”), and each purchaser identified on the signature pages hereto (each, including its successors and assigns, a “Purchaser” and collectively the “Purchasers”).

WHEREAS, subject to the terms and conditions set forth in this Agreement and pursuant to (i) an effective registration statement under the Securities Act (as defined below) as to the Shares, and (ii) an exemption from the registration requirements of Section 5 of the Securities Act contained in Section 4(a)(2) thereof and/or Regulation D thereunder as to the Warrants, the Company desires to issue and sell to each Purchaser, and each Purchaser, severally and not jointly, desires to purchase from the Company, securities of the Company as more fully described in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Company and each Purchaser agree as follows:

ARTICLE I. DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms have the meanings set forth in this Section 1.1:

“Acquiring Person” shall have the meaning ascribed to such term in Section 4.5.

“Action” shall have the meaning ascribed to such term in Section 3.1(j).

“Affiliate” means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 405 under the Securities Act.

“Agreement” shall have the meaning ascribed to such term in the first paragraph of this Agreement.

“BHCA” shall have the meaning ascribed to such term in Section 3.1(l).

“Board of Directors” means the board of directors of the Company.

“Business Day” means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

“Canadian Transfer Restriction” shall have the meaning ascribed to such term in Section 3.2(d).

“Closing” means the closing of the purchase and sale of the Securities pursuant to Section 2.1.

“Closing Date” means the Trading Day on which all of the Transaction Documents have been executed and delivered by the applicable parties thereto, and all conditions precedent to (i) the Purchasers’ obligations to pay the Subscription Amount and (ii) the Company’s obligations to deliver the Securities, in each case, have been satisfied or waived, but in no event later than the third Trading Day following the date hereof.

“Commission” means the United States Securities and Exchange Commission.

“Common Stock” means the common stock of the Company, par value \$0.01 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

“Common Stock Equivalents” means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

“Company” shall have the meaning ascribed to such term in the first paragraph of this Agreement.

“Company Counsel” means Davis Graham & Stubbs LLP, with offices located at 1550 Seventeenth Street, Suite 500, Denver, Colorado 80202.

“Disclosure Schedules” means the Disclosure Schedules of the Company delivered concurrently herewith.

“Disqualification Event” shall have the meaning ascribed to such term in Section 3.1(nn).

“DVP” shall have the meaning ascribed to such term in Section 2.1.

“DWAC” shall have the meaning ascribed to such term in Section 2.2(a)(iii).

“EGS” means Ellenoff Grossman & Schole LLP, with offices located at 1345 Avenue of the Americas, New York, New York 10105-0302.

“Environmental Laws” shall have the meaning ascribed to such term in Section 3.1(m).

10016. “Escrow Agent” means Signature Bank, a New York State chartered bank, with offices at 261 Madison Avenue, New York, New York

“Evaluation Date” shall have the meaning ascribed to such term in Section 3.1(t).

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“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Exempt Issuance” means the issuance of (a) shares of Common Stock or options to employees, officers or directors of the Company pursuant to any stock or option plan duly adopted for such purpose, by a majority of the non-employee members of the Board of Directors or a majority of the members of a committee of non-employee directors established for such purpose for services rendered to the Company, (b) securities upon the exercise or exchange of or conversion of any Securities issued hereunder and/or other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the date of this Agreement, provided that such securities have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities (other than in connection with stock splits or combinations) or to extend the term of such securities, and (c) securities issued pursuant to acquisitions or strategic transactions approved by a majority of the disinterested directors of the Company, provided that any such issuance shall only be to a Person (or to the equityholders of a Person) which is, itself or through its subsidiaries, an operating company or an owner of an asset in a business synergistic with the business of the Company and shall provide to the Company additional benefits in addition to the investment of funds, but shall not include a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities.

“FCPA” means the Foreign Corrupt Practices Act of 1977, as amended.

“Federal Reserve” shall have the meaning ascribed to such term in Section 3.1(ll).

“GAAP” shall have the meaning ascribed to such term in Section 3.1(h).

“Hazardous Materials” shall have the meaning ascribed to such term in Section 3.1(m).

“Indebtedness” shall have the meaning ascribed to such term in Section 3.1(cc).

“Intellectual Property Rights” shall have the meaning ascribed to such term in Section 3.1(q).

“Issuer Covered Person” or “Issuer Covered Persons” shall have the meaning ascribed to such term in Section 3.1(nn).

“Legend Removal Date” shall have the meaning ascribed to such term in Section 4.1(c).

“Liens” means a lien, charge, pledge, security interest, encumbrance, right of first refusal, preemptive right or other restriction.

“Material Adverse Effect” shall have the meaning assigned to such term in Section 3.1(b).

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“Material Permits” shall have the meaning ascribed to such term in Section 3.1(n).

“Mining Claims” shall have the meaning ascribed to such term in Section 3.1(o).

“Money Laundering Laws” shall have the meaning ascribed to such term in Section 3.1(mm).

“OFAC” shall have the meaning ascribed to such term in Section 3.1(jj).

“Per Share Purchase Price” equals \$0.50, subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

“Person” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

“Placement Agent” means H.C. Wainwright & Co., LLC.

“Proceeding” means an action, claim, suit, investigation or proceeding (including, without limitation, an informal investigation or partial proceeding, such as a deposition), whether commenced or threatened.

“Prospectus” means the final prospectus filed for the Registration Statement, including all SEC Reports incorporated by reference therein.

“Prospectus Supplement” means the supplement to the Prospectus complying with Rule 424(b) of the Securities Act that is filed with the Commission and delivered by the Company to each Purchaser at or prior to the Closing, including all SEC Reports incorporated by reference therein.

“Purchaser” or “Purchasers” shall have the meaning ascribed to such term in the first paragraph of this Agreement.

“Purchaser Party” shall have the meaning ascribed to such term in Section 4.8.

“Registration Statement” means the effective registration statement with Commission file No. 333-199026 which registers the sale of the Shares to the Purchasers, including all SEC Reports incorporated by reference therein.

“Required Approvals” shall have the meaning ascribed to such term in Section 3.1(e).

“Restricted Securities” means the Warrants and Warrant Shares.

“Rule 144” means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any

similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

“Rule 424” means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

“SEC Reports” shall have the meaning ascribed to such term in Section 3.1(h).

“Securities” means the Shares, the Warrants and the Warrant Shares.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Sentient” shall have the meaning ascribed to such term in Section 3.1(i).

“Shareholder Approval” means the approval of the shareholders to increase the authorized share capital of the Company from 100,000,000 to 200,000,000 shares of Common Stock.

“Shares” means the shares of Common Stock issued or issuable to each Purchaser pursuant to this Agreement.

“Short Sales” means all “short sales” as defined in Rule 200 of Regulation SHO under the Exchange Act (but shall not be deemed to include the location and/or reservation of borrowable shares of Common Stock).

“Subscription Amount” means, as to each Purchaser, the aggregate amount to be paid for Shares and Warrants purchased hereunder as specified below such Purchaser’s name on the signature page of this Agreement and next to the heading “Subscription Amount,” in United States dollars and in immediately available funds.

“Subsidiary” means any subsidiary of the Company as set forth on Schedule 3.1(a), and shall, where applicable, also include any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

“Trading Day” means a day on which the principal Trading Market is open for trading.

“Trading Market” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE MKT, the Toronto Stock Exchange, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

“Transaction Documents” means this Agreement, the Warrants and any other documents or agreements executed in connection with the transactions contemplated hereunder.

“Transfer Agent” means Computershare Trust Company, N.A., the current transfer agent of the Company, with a mailing address of 350 Indiana Street, Suite 750, Golden, Colorado 80401 and a facsimile number of (303) 262-0610, and any successor transfer agent of the Company.

“Warrants” means, collectively, the Common Stock purchase warrants delivered to the Purchasers at the Closing in accordance with Section 2.2(a) hereof, which Warrants shall be exercisable beginning the later of (i) six months from the date of issuance (ii) the date that Shareholder Approval is obtained and deemed effective and have a term of exercise equal to five (5) years from the initial exercise date, in the form of Exhibit A attached hereto.

“Warrant Shares” means the shares of Common Stock issuable upon exercise of the Warrants.

ARTICLE II. PURCHASE AND SALE

2.1 Closing. On the Closing Date, upon the terms and subject to the conditions set forth herein, substantially concurrent with the execution and delivery of this Agreement by the parties hereto, the Company agrees to sell, and the Purchasers, severally and not jointly, agree to purchase, up to an aggregate of \$4,000,000 of Shares and Warrants. Each Purchaser’s Subscription Amount as set forth on the signature page hereto executed by such Purchaser shall be made available for “Delivery Versus Payment” settlement with the Company. The Company shall deliver to each Purchaser its respective Shares and a Warrant as determined pursuant to Section 2.2(a), and the Company and each Purchaser shall deliver the other items set forth in Section 2.2 deliverable at the Closing. Upon satisfaction of the covenants and conditions set forth in Sections 2.2 and 2.3, the Closing shall occur at the offices of EGS or such other location as the parties shall mutually agree. Unless otherwise directed by the Placement Agent, settlement of the Shares shall occur via “Delivery Versus

Payment” (“DVP”) (i.e., on the Closing Date, the Company shall issue the Shares registered in the Purchasers’ names and addresses and released by the Transfer Agent directly to the account(s) at the Placement Agent identified by each Purchaser; upon receipt of such Shares, the Placement Agent shall promptly electronically deliver such Shares to the applicable Purchaser, and payment therefor shall be made by the Placement Agent (or its clearing firm) by wire transfer to the Company).

2.2 Deliveries.

(a) On or prior to the Closing Date, the Company shall deliver or cause to be delivered to each Purchaser the following:

(i) this Agreement duly executed by the Company;

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(ii) a legal opinion of Company Counsel, substantially in the form of Exhibit B attached hereto;

(iii) subject to the last sentence of Section 2.1, a copy of the irrevocable instructions to the Transfer Agent instructing the Transfer Agent to deliver on an expedited basis via The Depository Trust Company Deposit or Withdrawal at Custodian system (“DWAC”) Shares equal to such Purchaser’s Subscription Amount divided by the Per Share Purchase Price, registered in the name of such Purchaser;

(iv) a Warrant registered in the name of such Purchaser to purchase up to a number of shares of Common Stock equal to 75% of such Purchaser’s Shares, with an exercise price per share equal to \$0.75, subject to adjustment therein (such Warrant certificate may be delivered within three Trading Days of the Closing Date); and

(v) the Prospectus and Prospectus Supplement (which may be delivered in accordance with Rule 172 under the Securities Act).

(b) On or prior to the Closing Date, each Purchaser shall deliver or cause to be delivered to the Company or the Escrow Agent, as applicable, the following:

(i) this Agreement duly executed by such Purchaser; and

(ii) such Purchaser’s Subscription Amount, which shall be made available for “Delivery Versus Payment” settlement with the Company.

2.3 Closing Conditions.

(a) The obligations of the Company hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects (or, to the extent representations or warranties are qualified by materiality or Material Adverse Effect, in all respects) on the Closing Date of the representations and warranties of the Purchasers contained herein (unless as of a specific date therein in which case they shall be accurate as of such date);

(ii) all obligations, covenants and agreements of each Purchaser required to be performed at or prior to the Closing Date shall have been performed; and

(iii) the delivery by each Purchaser of the items set forth in Section 2.2(b) of this Agreement.

(b) The respective obligations of the Purchasers hereunder in connection with the Closing are subject to the following conditions being met:

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(i) the accuracy in all material respects (or, to the extent representations or warranties are qualified by materiality or Material Adverse Effect, in all respects) when made and on the Closing Date of the representations and warranties of the Company contained herein (unless as of a specific date therein in which case they shall be accurate as of such date);

(ii) all obligations, covenants and agreements of the Company required to be performed at or prior to the Closing Date shall have been performed in all material respects;

(iii) the delivery by the Company of the items set forth in Section 2.2(a) of this Agreement;

(iv) there shall have been no Material Adverse Effect with respect to the Company since the date hereof; and

(v) from the date hereof to the Closing Date, trading in the Common Stock shall not have been suspended by the Commission or the Company’s principal Trading Market, and, at any time prior to the Closing Date, trading in securities generally as reported by Bloomberg L.P. shall not have been suspended or limited, or minimum prices shall not have been established on securities whose trades are reported by such service, or on any Trading Market, nor shall a banking moratorium have been declared either by the United States or New York State authorities nor shall there have occurred any material outbreak or escalation of hostilities or other national or international calamity of such magnitude in its effect on, or any material adverse change in, any financial market which, in each case, in the reasonable judgment of such Purchaser, makes it impracticable or inadvisable to purchase the Securities at the Closing.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. Except as set forth in the Disclosure Schedules, which Disclosure Schedules shall be deemed a part hereof and shall qualify any representation or warranty made herein to the extent of the disclosure contained in the corresponding section of the Disclosure Schedules, the Company hereby makes the following representations and warranties to each Purchaser:

(a) Subsidiaries. All of the direct and indirect subsidiaries of the Company are set forth on Schedule 3.1(a). Except as set forth on Schedule 3.1(a), the Company owns, directly or indirectly, all of the capital stock or other equity interests of each Subsidiary free and clear of any Liens, and all of the issued and outstanding shares of capital stock of each Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities.

(b) Organization and Qualification. The Company and each of the Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with

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the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any Subsidiary is in violation nor default of any of the provisions of its respective certificate or articles of incorporation, bylaws or other organizational or charter documents. Each of the Company and the Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any Transaction Document, (ii) a material adverse effect on the results of operations, assets, business or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole, or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under any Transaction Document (any of (i), (ii) or (iii), a "Material Adverse Effect") and no Proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(c) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and each of the other Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and each of the other Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Company and no further action is required by the Company, the Board of Directors or the Company's stockholders in connection herewith or therewith other than in connection with the Required Approvals. This Agreement and each other Transaction Document to which it is a party has been (or upon delivery will have been) duly executed by the Company and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of the Company enforceable against the Company by the Purchasers in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(d) No Conflicts. The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents to which it is a party, the issuance and sale of the Securities and the consummation by it of the transactions contemplated hereby and thereby do not and will not (i) conflict with or violate any provision of the Company's or any Subsidiary's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any Lien upon any of the properties or assets of the Company or any Subsidiary, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any

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agreement, credit facility, debt or other instrument (evidencing a Company or Subsidiary debt or otherwise) or other understanding to which the Company or any Subsidiary is a party or by which any property or asset of the Company or any Subsidiary is bound or affected, or (iii) subject to the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or a Subsidiary is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company or a Subsidiary is bound or affected; except in the case of each of clauses (ii) and (iii), such as could not have or reasonably be expected to result in a Material Adverse Effect.

(e) Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by the Company of the Transaction Documents, other than: (i) the filings required pursuant to Section 4.4 of this Agreement, (ii) the filing with the Commission of the Prospectus Supplement, (iii) application(s) to each applicable Trading Market for the listing of the Shares and Warrant Shares for trading thereon in the time and manner required thereby, (iv) the filing of a Form D with the Commission and such filings as are required to be made under applicable state securities laws, (v) Shareholder Approval and (vi) any applicable filings under securities laws in Canada (collectively, the "Required Approvals").

(f) Issuance of the Securities; Registration. The Securities are duly authorized and, when issued and paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Company other than restrictions on transfer provided for in the Transaction Documents. The Warrant Shares, when issued in accordance with the terms of the Warrants, will be validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Company other than restrictions on transfer provided for in the Transaction Documents. The Company has reserved from its duly authorized capital stock the maximum number of shares of Common Stock issuable pursuant to this Agreement and has taken sufficient corporate action to cause the reservation of the Warrants Shares upon obtaining Shareholder Approval. The Company has prepared and filed the Registration Statement in conformity in all material respects with the requirements of the Securities Act, which became effective on November 5, 2014, including the Prospectus, and such amendments and supplements

thereto as may have been required to the date of this Agreement. The Registration Statement is effective under the Securities Act and no stop order preventing or suspending the effectiveness of the Registration Statement or suspending or preventing the use of the Prospectus has been issued by the Commission and no proceedings for that purpose have been instituted or, to the knowledge of the Company, are threatened by the Commission. The Company, if required by the rules and regulations of the Commission, shall file the Prospectus with the Commission pursuant to Rule 424(b). At the time the Registration Statement and any amendments thereto became effective, at the date of this Agreement and at the Closing Date, the Registration Statement and any amendments thereto conformed and will

conform in all material respects to the requirements of the Securities Act and did not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading (except to the extent superseded by subsequently filed SEC Reports); and the Prospectus and any amendments or supplements thereto, at the time the Prospectus or any amendment or supplement thereto was issued and at the Closing Date, conformed and will conform in all material respects to the requirements of the Securities Act and did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading (except to the extent superseded by subsequently filed SEC Reports).

(g) Capitalization. The capitalization of the Company is as set forth on Schedule 3.1(g). The Company has not issued any capital stock since its most recently filed periodic report under the Exchange Act, other than pursuant to the conversion and/or exercise of Common Stock Equivalents outstanding as of the date of the most recently filed periodic report under the Exchange Act. No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents. Except as set forth on Schedule 3.1(g) and a result of the purchase and sale of the Securities, there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire, any shares of Common Stock or the capital stock of any Subsidiary, or contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of Common Stock or Common Stock Equivalents or capital stock of any Subsidiary. Except as set forth on Schedule 3.1(g), the issuance and sale of the Securities will not obligate the Company or any Subsidiary to issue shares of Common Stock or other securities to any Person (other than the Purchasers) and will not result in a right of any holder of Company securities to adjust the exercise, conversion, exchange or reset price under any of such securities. There are no outstanding securities or instruments of the Company or any Subsidiary that contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to redeem a security of the Company or such Subsidiary. The Company does not have any “phantom stock” plans or agreements or any similar plan or agreement. All of the outstanding shares of capital stock of the Company are duly authorized, validly issued, fully paid and nonassessable, have been issued in compliance with all federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. Except for the Shareholder Approval, the approval of the NYSE MKT to list the Shares and Warrant Shares and the conditional approval of the Toronto Stock Exchange to list the Shares and Warrant Shares, no further approval or authorization of any stockholder, the Board of Directors or others is required for the issuance and sale of the Securities. There are no stockholders agreements, voting agreements or other similar agreements with respect to the Company’s capital stock to which the Company is a party or, to the knowledge of the Company, between or among any of the Company’s stockholders.

(h) SEC Reports; Financial Statements. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Securities Act and the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, together with the Prospectus and the Prospectus Supplement, being collectively referred to herein as the “SEC Reports”) on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (except to the extent superseded by subsequently filed SEC Reports). The Company has never been an issuer subject to Rule 144(i) under the Securities Act. The financial statements of the Company included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved (“GAAP”), except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Company and its consolidated Subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments.

(i) Material Changes; Undisclosed Events, Liabilities or Developments. Since the date of the latest audited financial statements included within the SEC Reports, except as specifically disclosed in a subsequent SEC Report filed prior to the date hereof, (i) there has been no event, occurrence or development that has had or that could reasonably be expected to result in a Material Adverse Effect, (ii) the Company has not incurred any liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Company’s financial statements pursuant to GAAP or disclosed in filings made with the Commission, (iii) the Company has not altered its method of accounting, (iv) the Company has not declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock and (v) the Company has not issued any equity securities to any officer, director or Affiliate, except pursuant to existing Company equity incentive plans and except to the Company’s largest stockholder, The Sentient Group (“Sentient”), in connection with Sentient’s partial conversion of principal and interest under a senior secured convertible note into Common Stock. The Company does not have pending before the Commission any request for confidential treatment of information. Except for the issuance of the Securities contemplated by this Agreement or as set forth on Schedule 3.1(i), no event,

liability, fact, circumstance, occurrence or development has occurred or exists or is reasonably expected to occur or exist with respect to the Company or its Subsidiaries or their respective businesses, prospects, properties, operations, assets or financial condition that would be required to be disclosed by the Company under applicable securities laws at the time this representation is made or deemed made that has not been publicly disclosed at least one (1) Trading Day prior to the date that this representation is made.

(j) Litigation. There is no action, suit, inquiry, notice of violation, proceeding or investigation pending or, to the knowledge of the Company, threatened against or affecting the Company, any Subsidiary or any of their respective properties before or by any court, arbitrator, governmental or administrative agency or regulatory authority (federal, state, county, local or foreign) (collectively, an “Action”) which (i) adversely affects or challenges the legality, validity or enforceability of any of the Transaction Documents or the Securities or (ii) could, if there were an unfavorable decision, have or reasonably be expected to result in a Material Adverse Effect. Neither the Company nor any Subsidiary, nor any director or officer thereof, is or has been the subject of any Action involving a claim of violation of or liability under federal or state securities laws or a claim of breach of fiduciary duty. There has not been, and to the knowledge of the Company, there is not pending or contemplated, any investigation by the Commission involving the Company or any current or former director or officer of the Company. The Commission has not issued any stop order or other order suspending the effectiveness of any registration statement filed by the Company or any Subsidiary under the Exchange Act or the Securities Act.

(k) Labor Relations. No labor dispute exists or, to the knowledge of the Company, is imminent with respect to any of the employees of the Company, which could reasonably be expected to result in a Material Adverse Effect. None of the Company’s or its Subsidiaries’ employees is a member of a union that relates to such employee’s relationship with the Company or such Subsidiary, and neither the Company nor any of its Subsidiaries is a party to a collective bargaining agreement, and the Company and its Subsidiaries believe that their relationships with their employees are good. To the knowledge of the Company, no executive officer of the Company or any Subsidiary, is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement or non-competition agreement, or any other contract or agreement or any restrictive covenant in favor of any third party, and the continued employment of each such executive officer does not subject the Company or any of its Subsidiaries to any liability with respect to any of the foregoing matters. The Company and its Subsidiaries are in compliance with all U.S. federal, state, local and foreign laws and regulations relating to employment and employment practices, terms and conditions of employment and wages and hours, except where the failure to be in compliance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(l) Compliance. Neither the Company nor any Subsidiary: (i) is in default under or in violation of (and no event has occurred that has not been waived that, with notice or lapse of time or both, would result in a default by the Company or any Subsidiary under), nor has the Company or any Subsidiary received notice of a claim that

it is in default under or that it is in violation of, any indenture, loan or credit agreement or any other agreement or instrument to which it is a party or by which it or any of its properties is bound (whether or not such default or violation has been waived), (ii) is in violation of any judgment, decree or order of any court, arbitrator or other governmental authority or (iii) is or has been in violation of any statute, rule, ordinance or regulation of any governmental authority, including without limitation all foreign, federal, state and local laws relating to taxes, environmental protection, occupational health and safety, product quality and safety and employment and labor matters, except in each case as could not have or reasonably be expected to result in a Material Adverse Effect.

(m) Environmental Laws. The Company and its Subsidiaries (i) are in compliance with all federal, state, local and foreign laws relating to pollution or protection of human health or the environment (including ambient air, surface water, groundwater, land surface or subsurface strata), including laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, “Hazardous Materials”) into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands, or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations, issued, entered, promulgated or approved thereunder (“Environmental Laws”); (ii) have received all permits licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses as currently conducted; and (iii) are in compliance with all terms and conditions of any such permit, license or approval where in each clause (i), (ii) and (iii), the failure to so comply could be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(n) Regulatory Permits. The Company and the Subsidiaries possess all certificates, authorizations and permits issued by the appropriate federal, state, local or foreign regulatory authorities necessary to conduct their respective businesses as currently conducted and as described in the SEC Reports, except where the failure to possess such permits could not reasonably be expected to result in a Material Adverse Effect (“Material Permits”), and neither the Company nor any Subsidiary has received any notice of proceedings relating to the revocation or modification of any Material Permit.

(o) Title to Assets. The Company and the Subsidiaries have good and marketable title in fee simple to all real property (other than the Mining Claims (as defined below)) owned by them and good and marketable title in all personal property owned by them that is material to the business of the Company and the Subsidiaries, in each case free and clear of all Liens, except for (i) Liens described in the Registration Statement or Prospectus, (ii) Liens as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and the Subsidiaries and (iii) Liens for the payment of federal, state or other taxes, for which appropriate reserves have been made therefor in accordance with GAAP and, the payment of which is neither delinquent nor subject to penalties. Except for the Mining Claims, any real property and facilities held under lease

by the Company and the Subsidiaries are held by them under valid, subsisting and enforceable leases with which the Company and the Subsidiaries are in compliance.

(p) Mining Claims. All interests in material mining claims, concessions, exploitation or extraction rights or similar rights (the “Mining Claims”) that are held by the Company or any of its Subsidiaries are or will be fairly and accurately described in the Registration Statement and the Prospectus in all material respects and are in good standing, are valid and enforceable, and are free and clear of any material Liens or charges, except as disclosed in the Registration Statement and the Prospectus.

(q) Intellectual Property. The Company and the Subsidiaries have, or have rights to use, all patents, patent applications, trademarks, trademark applications, service marks, trade names, trade secrets, inventions, copyrights, licenses and other intellectual property rights and similar rights necessary or required for use in connection with their respective businesses as described in the SEC Reports and which the failure to so have could reasonably be expected to have a Material Adverse Effect (collectively, the “Intellectual Property Rights”). None of, and neither the Company nor any Subsidiary has received a notice (written or otherwise) that any of, the Intellectual Property Rights has expired, terminated or been abandoned, or is expected to expire or terminate or be abandoned, within two (2) years from the date of this Agreement. Neither the Company nor any Subsidiary has received, since the date of the latest audited financial statements included within the SEC Reports, a written notice of a claim or otherwise has any knowledge that the Intellectual Property Rights violate or infringe upon the rights of any Person, except as do not have or would not reasonably be expected to have a Material Adverse Effect. To the knowledge of the Company, all such Intellectual Property Rights are enforceable and there is no existing infringement by another Person of any of the Intellectual Property Rights. The Company and its Subsidiaries have taken reasonable security measures to protect the secrecy, confidentiality and value of all of their intellectual properties, except where failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(r) Insurance. The Company and the Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which the Company and the Subsidiaries are engaged, including, but not limited to, directors and officers insurance coverage at least equal to the aggregate Subscription Amount. Neither the Company nor any Subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business without a significant increase in cost.

(s) Transactions With Affiliates and Employees. Except as set forth in the SEC Reports, none of the officers or directors of the Company or any Subsidiary and, to the knowledge of the Company, none of the employees of the Company or any Subsidiary is presently a party to any transaction with the Company or any Subsidiary (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by,

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providing for rental of real or personal property to or from, providing for the borrowing of money from or lending of money to or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Company, any entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee, stockholder, member or partner, in each case in excess of \$120,000 other than for (i) payment of salary or consulting fees for services rendered, (ii) reimbursement for expenses incurred on behalf of the Company and (iii) other employee benefits, including equity incentive agreements under any equity incentive plan of the Company.

(t) Sarbanes-Oxley; Internal Accounting Controls. The Company and the Subsidiaries are in compliance in all material respects with any and all applicable requirements of the Sarbanes-Oxley Act of 2002 that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the Commission thereunder that are effective as of the date hereof and as of the Closing Date. The Company and the Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management’s general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management’s general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company and the Subsidiaries have established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and the Subsidiaries and designed such disclosure controls and procedures to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission’s rules and forms. The Company’s certifying officers have evaluated the effectiveness of the disclosure controls and procedures of the Company and the Subsidiaries as of the end of the period covered by the most recently filed periodic report under the Exchange Act (such date, the “Evaluation Date”). The Company presented in its most recently filed periodic report under the Exchange Act the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the Evaluation Date, there have been no changes in the internal control over financial reporting (as such term is defined in the Exchange Act) of the Company and its Subsidiaries that have materially affected, or is reasonably likely to materially affect, the internal control over financial reporting of the Company and its Subsidiaries.

(u) Certain Fees. Except as set forth in the Prospectus Supplement, no brokerage or finder’s fees or commissions are or will be payable by the Company or any Subsidiary to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by the Transaction Documents. The Purchasers shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees of a type

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contemplated in this Section that may be due in connection with the transactions contemplated by the Transaction Documents.

(v) Private Placement. Assuming the accuracy of the Purchasers’ representations and warranties set forth in Section 3.2, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Purchasers as contemplated hereby. The issuance and sale of the Securities hereunder does not contravene the rules and regulations of the Trading Market.

(w) Investment Company. The Company is not, and is not an Affiliate of, and immediately after receipt of payment for the Securities, will not be or be an Affiliate of, an “investment company” within the meaning of the Investment Company Act of 1940, as amended. The Company shall conduct its business in a manner so that it will not become an “investment company” subject to registration under the Investment Company Act of 1940, as amended.

(x) Registration Rights. No Person has any right to cause the Company or any Subsidiary to effect the registration under the Securities Act of any securities of the Company or any Subsidiary.

(y) Listing and Maintenance Requirements. The Common Stock is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Company has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act nor has the Company received any notification that the Commission is contemplating terminating such registration. The Company has not, in the 12 months preceding the date hereof, received notice from any Trading Market on which the Common Stock is or has been listed or quoted to the effect that the Company is not in compliance with the listing or maintenance requirements of such Trading Market. The Company is, and has no reason to believe that it will not in the foreseeable future continue to be, in compliance with all such listing and maintenance requirements. The Common Stock is currently eligible for electronic transfer through the Depository Trust Company or another established clearing corporation and the Company is current in payment of the fees to the Depository Trust Company (or such other established clearing corporation) in connection with such electronic transfer.

(z) Application of Takeover Protections. The Company and the Board of Directors have taken all necessary action, if any, in order to render inapplicable any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under the Company’s certificate of incorporation (or similar charter documents) or the laws of its state of incorporation that is or could become applicable to the Purchasers as a result of the Purchasers and the Company fulfilling their obligations or exercising their rights under the Transaction Documents, including without limitation as a result of the Company’s issuance of the Securities and the Purchasers’ ownership of the Securities.

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(aa) Disclosure. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, the Company confirms that neither it nor any other Person acting on its behalf has provided any of the Purchasers or their agents or counsel with any information that it believes constitutes or might constitute material, non-public information which is not otherwise disclosed in the Prospectus Supplement. The Company understands and confirms that the Purchasers will rely on the foregoing representation in effecting transactions in securities of the Company. All of the disclosure furnished by or on behalf of the Company to the Purchasers regarding the Company and its Subsidiaries, their respective businesses and the transactions contemplated hereby, including the Disclosure Schedules to this Agreement, is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Company acknowledges and agrees that no Purchaser makes or has made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3.2 hereof.

(bb) No Integrated Offering. Assuming the accuracy of the Purchasers’ representations and warranties set forth in Section 3.2, neither the Company, nor any of its Affiliates, nor any Person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would cause this offering of the Securities to be integrated with prior offerings by the Company for purposes of (i) the Securities Act which would require the registration of any such securities under the Securities Act or (ii) any applicable shareholder approval provisions of any Trading Market on which any of the securities of the Company are listed or designated.

(cc) Solvency. Based on the consolidated financial condition of the Company as of the Closing Date, after giving effect to the receipt by the Company of the proceeds from the sale of the Securities hereunder, (i) the fair saleable value of the Company’s assets exceeds the amount that will be required to be paid on or in respect of the Company’s existing debts and other liabilities (including known contingent liabilities) as they mature and (ii) the Company’s assets do not constitute unreasonably small capital to carry on its business as now conducted and as proposed to be conducted including its capital needs taking into account the particular capital requirements of the business conducted by the Company, consolidated and projected capital requirements and capital availability thereof. The Company does not intend to incur debts beyond its ability to pay such debts as they mature (taking into account the timing and amounts of cash to be payable on or in respect of its debt). The Company has no knowledge of any facts or circumstances which lead it to believe that it will file for reorganization or liquidation under the bankruptcy or reorganization laws of any jurisdiction within one (1) year from the Closing Date. Schedule 3.1(cc) sets forth as of the date hereof all outstanding secured and unsecured Indebtedness of the Company or any Subsidiary, or for which the Company or any Subsidiary has commitments. For the purposes of this Agreement, “Indebtedness” means (x) any liabilities for borrowed money or amounts owed in excess of \$50,000 (other than trade accounts and salaries and wages payable incurred in the ordinary course of business), (y) all guaranties, endorsements and other contingent

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obligations in respect of indebtedness of others, whether or not the same are or should be reflected in the Company’s consolidated balance sheet (or the notes thereto), except guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business; and (z) the present value of any lease payments in excess of \$50,000 due under leases required to be capitalized in accordance with GAAP. Neither the Company nor any Subsidiary is in default with respect to any Indebtedness.

(dd) Tax Status. Except for matters that would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect, the Company and its Subsidiaries each (i) has made or filed all United States federal, state and local income and all foreign income and franchise tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations and (iii) has set aside on its books provision reasonably adequate for the payment of all material taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company or of any Subsidiary know of no basis for any such claim.

(ee) No General Solicitation. Neither the Company nor any Person acting on behalf of the Company has offered or sold any of the Securities by any form of general solicitation or general advertising. The Company has offered the Securities for sale only to the Purchasers and certain other “accredited investors” within the meaning of Rule 501 under the Securities Act.

(ff) Foreign Corrupt Practices. Neither the Company nor any Subsidiary, nor to the knowledge of the Company or any Subsidiary, any agent or other person acting on behalf of the Company or any Subsidiary, has (i) directly or indirectly, used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company or any Subsidiary (or made by any person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the FCPA.

(gg) Acknowledgment Regarding Purchasers’ Purchase of Securities. The Company acknowledges and agrees that each of the Purchasers is acting solely in the capacity of an arm’s length purchaser with respect to the Transaction Documents and the transactions contemplated thereby. The Company further acknowledges that no Purchaser is acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by any Purchaser or any of their respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Purchasers’ purchase of the Securities.

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The Company further represents to each Purchaser that the Company’s decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

(hh) Acknowledgement Regarding Purchaser’s Trading Activity. Anything in this Agreement or elsewhere herein to the contrary notwithstanding (except for Sections 3.2(f) and 4.14 hereof), it is understood and acknowledged by the Company that: (i) none of the Purchasers has been asked by the Company to agree, nor has any Purchaser agreed, to desist from purchasing or selling, long and/or short, securities of the Company, or “derivative” securities based on securities issued by the Company or to hold the Securities for any specified term after the date of this Agreement; (ii) past or future open market or other transactions by any Purchaser, specifically including, without limitation, Short Sales or “derivative” transactions, before or after the closing of this or future private placement transactions, may negatively impact the market price of the Company’s publicly-traded securities; (iii) any Purchaser, and counter-parties in “derivative” transactions to which any such Purchaser is a party, directly or indirectly, presently may have a “short” position in the Common Stock, and (iv) each Purchaser shall not be deemed to have any affiliation with or control over any arm’s length counter-party in any “derivative” transaction. The Company further understands and acknowledges that (y) one or more Purchasers may engage in hedging activities at various times during the period that the Securities are outstanding, including, without limitation, during the periods that the value of the Warrant Shares deliverable with respect to Securities are being determined, and (z) such hedging activities (if any) could reduce the value of the existing stockholders’ equity interests in the Company at and after the time that the hedging activities are being conducted. The Company acknowledges that such aforementioned hedging activities do not constitute a breach of any of the Transaction Documents.

(ii) Regulation M Compliance. The Company has not, and to its knowledge no one acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Securities, (ii) sold, bid for, purchased, or, paid any compensation for soliciting purchases of, any of the Securities, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company, other than, in the case of clauses (ii) and (iii), compensation paid to the Company’s placement agent in connection with the placement of the Securities.

(jj) Office of Foreign Assets Control. Neither the Company nor any Subsidiary nor, to the Company’s knowledge, any director, officer, agent, employee or affiliate of the Company or any Subsidiary is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (“OFAC”).

(kk) U.S. Real Property Holding Corporation. The Company is not and has never been a U.S. real property holding corporation within the meaning of Section 897 of the

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Internal Revenue Code of 1986, as amended, and the Company shall so certify upon Purchaser’s request.

(ll) Bank Holding Company Act. Neither the Company nor any of its Subsidiaries or Affiliates is subject to the Bank Holding Company Act of 1956, as amended (the “BHCA”) and to regulation by the Board of Governors of the Federal Reserve System (the “Federal Reserve”). Neither the Company nor any of its Subsidiaries or Affiliates owns or controls, directly or indirectly, five percent (5%) or more of the outstanding shares of any class of voting securities or twenty-five percent (25%) or more of the total equity of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve. Neither the Company nor any of its Subsidiaries or Affiliates exercises a controlling influence over the management or policies of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve.

(mm) Money Laundering. The operations of the Company and its Subsidiaries are and have been conducted at all times in compliance in all material respects with applicable financial record-keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, applicable money laundering statutes and applicable rules and regulations thereunder (collectively, the “Money Laundering Laws”), and no Action or Proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any Subsidiary with respect to the Money Laundering Laws is pending or, to the knowledge of the Company or any Subsidiary, threatened.

(nn) No Disqualification Events. With respect to the Securities to be offered and sold hereunder in reliance on Rule 506 under the Securities Act, none of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the offering hereunder, any beneficial owner of 20% or more of the Company’s outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with the Company in any capacity

at the time of sale (each, an “Issuer Covered Person” and, together, “Issuer Covered Persons”) is subject to any of the “Bad Actor” disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a “Disqualification Event”), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Purchasers a copy of any disclosures provided thereunder.

(oo) Other Covered Persons. Other than the Placement Agent, the Company is not aware of any person (other than any Issuer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Regulation D Securities.

(pp) Notice of Disqualification Events. The Company will notify the Purchasers and the Placement Agent in writing, prior to the Closing Date of (i) any Disqualification Event relating to any Issuer Covered Person and (ii) any event that

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would, with the passage of time, become a Disqualification Event relating to any Issuer Covered Person.

3.2 Representations and Warranties of the Purchasers. Each Purchaser, for itself and for no other Purchaser, hereby represents and warrants as of the date hereof and as of the Closing Date to the Company as follows (unless as of a specific date therein, in which case they shall be accurate as of such date):

(a) Organization; Authority. Such Purchaser is either an individual or an entity duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation with full right, corporate, partnership, limited liability company or similar power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of the Transaction Documents and performance by such Purchaser of the transactions contemplated by the Transaction Documents have been duly authorized by all necessary corporate, partnership, limited liability company or similar action, as applicable, on the part of such Purchaser. Each Transaction Document to which it is a party has been duly executed by such Purchaser, and when delivered by such Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Purchaser, enforceable against it in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors’ rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(b) Understandings or Arrangements. Such Purchaser is acquiring the Securities as principal for its own account and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such Securities (this representation and warranty not limiting such Purchaser’s right to sell the Securities pursuant to the Registration Statement or otherwise in compliance with applicable federal and state securities laws). Such Purchaser is acquiring the Securities hereunder in the ordinary course of its business. Such Purchaser understands that the Warrants and Warrant Shares are “restricted securities” and have not been registered under the Securities Act or any applicable state securities law and is acquiring the Restricted Securities as principal for its own account and not with a view to or for distributing or reselling such Restricted Securities or any part thereof in violation of the Securities Act or any applicable state securities law, has no present intention of distributing any of such Restricted Securities in violation of the Securities Act or any applicable state securities law and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such Restricted Securities in violation of the Securities Act or any applicable state securities law (this representation and warranty not limiting such Purchaser’s right to sell the Restricted Securities pursuant to a registration statement or otherwise in compliance with applicable federal and state securities laws).

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(c) Purchaser Status. At the time such Purchaser was offered the Securities, it was, and as of the date hereof it is, and on the Closing Date and on each date on which it exercises any Warrants, it will be an “accredited investor” as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act.

(d) Canadian Private Placement. Purchaser acknowledges that the Securities have not been registered or qualified for distribution in any Province or Territory of Canada, and are not eligible for resale in Canada for a period ending four (4) months plus one day from the Closing Date (the “Canadian Transfer Restriction”). The Purchaser is acquiring the Securities for its own account and not with a view toward, or for sale in connection with, any distribution thereof, or with any intention of distributing or selling the Securities in any Province or Territory of Canada.

(e) Experience of Such Purchaser. Such Purchaser, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Securities, and has so evaluated the merits and risks of such investment. Such Purchaser is able to bear the economic risk of an investment in the Securities and, at the present time, is able to afford a complete loss of such investment.

(f) Access to Information. Such Purchaser acknowledges that it has had the opportunity to review the Transaction Documents (including all exhibits and schedules thereto) and the SEC Reports and has been afforded, (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the offering of the Securities and the merits and risks of investing in the Securities; (ii) access to information about the Company and its financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Such Purchaser acknowledges and agrees that neither the Placement Agent nor any Affiliate of the Placement Agent has provided such Purchaser with any information or advice with respect to the Securities nor is such information or advice necessary or desired. Neither the Placement Agent nor any Affiliate has made or makes any representation as to the Company or the quality of the Securities and the Placement Agent and any Affiliate may have acquired non-public information with respect to the Company which such Purchaser agrees need not be provided to it. In

connection with the issuance of the Securities to such Purchaser, neither the Placement Agent nor any of its Affiliates has acted as a financial advisor or fiduciary to such Purchaser.

(g) Report of Trade. The Purchaser acknowledges that the Company may be required to file a report with the Canadian securities commissions or other securities regulatory authorities containing personal information about the Purchaser. This report will include the full name, address and telephone number of the Purchaser, the number and type of securities purchased, the total purchase price paid for the securities, the date of the closing and the exemption relied upon under applicable securities laws to complete such purchase.

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(h) Canadian Legends. The Purchaser acknowledges that the Securities are not being qualified pursuant to a prospectus for distribution to the public in Canada under applicable Canadian securities laws and are not freely tradeable in any Province or Territory of Canada. Any certificate representing the Shares, the Warrants and the Warrant Shares (if issued prior to the day that is four months and one day after the Closing Date) will bear, or if such Shares, Warrants and Warrant Shares are entered into a direct registration or other electronic book-entry system then the Purchaser acknowledges notice of such Securities being subject to, the legend set forth below until the day that is four months and one day after the Closing Date:

UNLESS PERMITTED UNDER APPLICABLE SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY IN CANADA BEFORE SEPTEMBER 7, 2016.

In addition, the certificates representing the Shares, and if issued before the day that is four months and one day after the Closing Date, the Warrant Shares, will bear the following legend:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE ("TSX"); HOWEVER, THE SAID SECURITIES CANNOT BE TRADED THROUGH THE FACILITIES OF THE TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON THE TSX.

Notwithstanding anything herein to the contrary, the terms of this Agreement and the Warrant require the Company to deliver the Shares and Warrant Shares, at the Closing or upon exercise of the Warrants via the DWAC system and accordingly such Securities will have no restrictions on resale on any facilities of the U.S. Trading Market.

(i) Certain Transactions and Confidentiality. Other than consummating the transactions contemplated hereunder, such Purchaser has not, nor has any Person acting on behalf of or pursuant to any understanding with such Purchaser, directly or indirectly executed any purchases or sales, including Short Sales, of the securities of the Company during the period commencing as of the time that such Purchaser first received a term sheet (written or oral) from the Company or any other Person representing the Company setting forth the material terms of the transactions contemplated hereunder and ending immediately prior to the execution hereof. Notwithstanding the foregoing, in the case of a Purchaser that is a multi-managed investment vehicle whereby separate portfolio managers manage separate portions of such Purchaser's assets and the portfolio managers have no direct knowledge of the investment decisions made by the portfolio managers managing other portions of such Purchaser's assets, the representation set forth above shall only apply with respect to the portion of assets managed by the portfolio manager that made the investment decision to purchase the Securities covered by this Agreement. Other than to other Persons party to this Agreement or to such Purchaser's representatives, including, without limitation, its officers, directors, partners, legal and other advisors, employees, agents and Affiliates,

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such Purchaser has maintained the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). Notwithstanding the foregoing, for the avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to the identification of the availability of, or securing of, available shares to borrow in order to effect Short Sales or similar transactions in the future.

(j) General Solicitation. Such Purchaser is not purchasing the Securities as a result of any advertisement, article, notice or other communication regarding the Securities published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general solicitation or general advertisement.

The Company acknowledges and agrees that the representations contained in this Section 3.2 shall not modify, amend or affect such Purchaser's right to rely on the Company's representations and warranties contained in this Agreement or any representations and warranties contained in any other Transaction Document or any other document or instrument executed and/or delivered in connection with this Agreement or the consummation of the transactions contemplated hereby.

ARTICLE IV. OTHER AGREEMENTS OF THE PARTIES

4.1 Transfer Restrictions.

(a) The Shares shall be issued free of all legends except that of the Canadian legend referred to in Section 3.2(h) if applicable. The Securities may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of Restricted Securities other than pursuant to an effective registration statement or Rule 144, to the Company or to an Affiliate of a Purchaser, the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Securities under the Securities Act. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights and obligations of a Purchaser under this Agreement.

(b) In addition to the Canadian legends referred to in Section 3.2(h), the Purchasers agree to the imprinting, so long as is required by this Section 4.1, of a legend on any of the Warrants and Warrant Shares in the following form:

[NEITHER] THIS SECURITY [NOR THE SECURITIES INTO WHICH THIS SECURITY IS EXERCISABLE] HAS [NOT] BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND, ACCORDINGLY, MAY NOT

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BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THIS SECURITY [AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY] MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A REGISTERED BROKER-DEALER OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN “ACCREDITED INVESTOR” AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SECURITIES.

The Company acknowledges and agrees that a Purchaser may from time to time pledge pursuant to a bona fide margin agreement with a registered broker-dealer or grant a security interest in some or all of the Securities to a financial institution that is an “accredited investor” as defined in Rule 501(a) under the Securities Act, and, if required under the terms of such arrangement, such Purchaser may transfer pledged or secured Securities to the pledgees or secured parties. Such a pledge or transfer would not be subject to approval of the Company and no legal opinion of legal counsel of the pledgee, secured party or pledgor shall be required in connection therewith. Further, no notice shall be required of such pledge.

(c) Certificates evidencing the Warrant Shares shall not contain the legend set forth in Section 4.1(b) hereof, (i) following a sale under an effective registration statement covering the resale of such security, (ii) following any sale of such Warrant Shares pursuant to Rule 144, if such Warrant Shares are eligible for sale under Rule 144, or (iii) if the Warrant Shares are eligible for sale under Rule 144 by the holder thereof without reference to volume, manner of sale or public information requirements. The Company shall cause its counsel to issue a legal opinion to the Transfer Agent if required by the Transfer Agent to effect the removal of the legend hereunder. If all or any portion of a Warrant is exercised at a time when such Warrant Shares may be sold under Rule 144 by the holder thereof without reference to volume, manner of sale or public information requirements, then such Warrant Shares shall be issued free of all legends. The Company agrees that upon notice of sale of Warrant Shares at such time as such legend is no longer required under this Section 4.1(c), it will, no later than three Trading Days following the delivery by a Purchaser to the Company or the Transfer Agent of a certificate representing Warrant Shares, as the case may be, issued with a restrictive legend (such third Trading Day, the “Legend Removal Date”), deliver or cause to be delivered to such Purchaser a certificate representing such shares that is free from all restrictive and other legends. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 4. Certificates for Securities subject to legend removal hereunder shall be transmitted by the Transfer Agent to the Purchaser by crediting the account of the Purchaser’s prime broker with the Depository Trust Company System as directed by such Purchaser.

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(d) Each Purchaser, severally and not jointly with the other Purchasers, agrees with the Company that such Purchaser will sell any Securities pursuant to either the registration requirements of the Securities Act, including any applicable prospectus delivery requirements, or an exemption therefrom, and that if Securities are sold pursuant to a registration statement, they will be sold in compliance with the plan of distribution set forth therein, and acknowledges that the removal of the restrictive legend from certificates representing Securities as set forth in this Section 4.1 is predicated upon the Company’s reliance upon this understanding.

4.2 Furnishing of Information. Until the earliest of the time that (i) no Purchaser owns Restricted Securities or (ii) the Warrants have expired, the Company covenants to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to the Exchange Act even if the Company is not then subject to the reporting requirements of the Exchange Act.

4.3 Integration. The Company shall not sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that would be integrated with the offer or sale of the Securities in a manner that would require the registration under the Securities Act of the sale of the Restricted Securities or that would be integrated with the offer or sale of the Restricted Securities for purposes of the rules and regulations of any Trading Market such that it would require shareholder approval prior to the closing of such other transaction unless shareholder approval is obtained before the closing of such subsequent transaction.

4.4 Securities Laws Disclosure; Publicity. The Company shall (a) by 9:00 a.m. (New York City time) on the Trading Day immediately following the date hereof, issue a press release disclosing the material terms of the transactions contemplated hereby, and (b) file a Current Report on Form 8-K, including the Transaction Documents as exhibits thereto, with the Commission within the time required by the Exchange Act. From and after the issuance of such press release, the Company represents to the Purchasers that it shall have publicly disclosed all material, non-public information delivered to any of the Purchasers by the Company or any of its Subsidiaries, or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by the Transaction Documents. In addition, effective upon the issuance of such press release, the Company acknowledges and agrees that any and all confidentiality or similar obligations under any agreement, whether written or oral, between the Company, any of its Subsidiaries or any of their respective officers, directors, agents, employees or Affiliates on the one hand, and any of the Purchasers or any of their Affiliates on the other hand, shall terminate. The Company and each Purchaser shall consult with each other in issuing any other press releases with respect to the transactions contemplated hereby, and neither the Company nor any Purchaser shall issue any such press release nor otherwise make any such public statement without the prior consent of the Company, with respect to any press release of any Purchaser, or without the prior consent of each Purchaser, with respect to any press release of the Company, which consent shall not unreasonably be withheld or delayed, except if such disclosure is required by law, in which case the disclosing party shall promptly provide the other party with prior notice of such public statement or communication. Notwithstanding the foregoing, the Company shall not publicly disclose the name of any Purchaser, or include the name of any Purchaser in any filing with the Commission or any regulatory agency or Trading

Market, without the prior written consent of such Purchaser, except (a) as required by federal securities law in connection with the filing of final Transaction Documents with the Commission and (b) to the extent such disclosure is required by law or Trading Market regulations, in which case the Company shall provide the Purchasers with prior notice of such disclosure permitted under this clause (b).

4.5 Shareholder Rights Plan. No claim will be made or enforced by the Company or, with the consent of the Company, any other Person, that any Purchaser is an “Acquiring Person” under any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or similar anti-takeover plan or arrangement in effect or hereafter adopted by the Company, or that any Purchaser could be deemed to trigger the provisions of any such plan or arrangement, by virtue of receiving Securities under the Transaction Documents or under any other agreement between the Company and the Purchasers.

4.6 Non-Public Information. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, which shall be disclosed pursuant to Section 4.4, the Company covenants and agrees that neither it, nor any other Person acting on its behalf will provide any Purchaser or its agents or counsel with any information that constitutes, or the Company reasonably believes constitutes, material non-public information, unless prior thereto such Purchaser shall have consented to the receipt of such information and agreed with the Company to keep such information confidential. The Company understands and confirms that each Purchaser shall be relying on the foregoing covenant in effecting transactions in securities of the Company. To the extent that the Company delivers any material, non-public information to a Purchaser without such Purchaser’s consent, the Company hereby covenants and agrees that such Purchaser shall not have any duty of confidentiality to the Company, any of its Subsidiaries, or any of their respective officers, directors, agents, employees or Affiliates, or a duty to the Company, any of its Subsidiaries or any of their respective officers, directors, agents, employees or Affiliates not to trade on the basis of, such material, non-public information, provided that the Purchaser shall remain subject to applicable law. To the extent that any notice provided pursuant to any Transaction Document constitutes, or contains, material, non-public information regarding the Company or any Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Company understands and confirms that each Purchaser shall be relying on the foregoing covenant in effecting transactions in securities of the Company.

4.7 Use of Proceeds. Except as set forth on Schedule 4.7, the Company shall use the net proceeds from the sale of the Securities hereunder for working capital purposes and shall not use such proceeds: (a) for the satisfaction of any portion of the Company’s debt (other than payment of trade payables in the ordinary course of the Company’s business and prior practices), (b) for the redemption of any Common Stock or Common Stock Equivalents, (c) for the settlement of any outstanding litigation or (d) in violation of FCPA or OFAC regulations.

4.8 Indemnification of Purchasers. Subject to the provisions of this Section 4.8, the Company will indemnify and hold each Purchaser and its directors, officers, shareholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls such Purchaser (within the meaning of Section 15 of the Securities Act and

Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (each, a “Purchaser Party”) harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys’ fees and costs of investigation that any such Purchaser Party may suffer or incur as a result of or relating to (a) any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement or in the other Transaction Documents or (b) any action instituted against the Purchaser Parties in any capacity, or any of them or their respective Affiliates, by any stockholder of the Company who is not an Affiliate of such Purchaser Party, with respect to any of the transactions contemplated by the Transaction Documents (unless such action is based upon a breach of such Purchaser Party’s representations, warranties or covenants under the Transaction Documents or any agreements or understandings such Purchaser Party may have with any such stockholder or any violations by such Purchaser Party of state or federal securities laws or any conduct by such Purchaser Party which constitutes fraud, gross negligence, willful misconduct or malfeasance). If any action shall be brought against any Purchaser Party in respect of which indemnity may be sought pursuant to this Agreement, such Purchaser Party shall promptly notify the Company in writing, and the Company shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Purchaser Party. Any Purchaser Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Purchaser Party except to the extent that (i) the employment thereof has been specifically authorized by the Company in writing, (ii) the Company has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable opinion of counsel, a material conflict on any material issue between the position of the Company and the position of such Purchaser Party, in which case the Company shall be responsible for the reasonable fees and expenses of no more than one such separate counsel. The Company will not be liable to any Purchaser Party under this Agreement (y) for any settlement by a Purchaser Party effected without the Company’s prior written consent, which shall not be unreasonably withheld or delayed; or (z) to the extent, but only to the extent that a loss, claim, damage or liability is attributable to any Purchaser Party’s breach of any of the representations, warranties, covenants or agreements made by such Purchaser Party in this Agreement or in the other Transaction Documents. The indemnification required by this Section 4.8 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred. The indemnity agreements contained herein shall be in addition to any cause of action or similar right of any Purchaser Party against the Company or others and any liabilities the Company may be subject to pursuant to law.

4.9 Reservation of Common Stock; Shareholder Approval. As of the date hereof, the Company has reserved and the Company shall continue to reserve and keep available at all times, free of preemptive rights, a sufficient number of shares of Common Stock for the purpose of enabling the Company to issue Shares pursuant to this Agreement and, following the date that Shareholder Approval is obtained and deemed effective, will reserve and continue to reserve and keep available at all times, free of preemptive rights, a sufficient number of shares of Common Stock for the purpose of enabling the Company to issue all of Warrant Shares pursuant to any exercise of the Warrants. In addition, the Company shall hold a special meeting of shareholders

(which may also be at the annual meeting of shareholders) on or before May 19, 2016, with the recommendation of the Company's Board of Directors that such proposal be approved, and the Company shall solicit proxies from its shareholders in connection therewith in the same manner as all other management proposals in such proxy statement and all management-appointed proxyholders shall vote their proxies in favor of such proposal. If the Company does not obtain Shareholder Approval at the first meeting, the Company shall call a meeting every four months thereafter to seek Shareholder Approval until the Shareholder Approval is obtained.

4.10 Listing of Common Stock. The Company hereby agrees to use commercially reasonable best efforts to maintain the listing or quotation of the Common Stock on the Trading Markets on which it is currently listed, and concurrently with the Closing, the Company shall apply to list or quote all of the Shares and, immediately following Shareholder Approval, the Warrant Shares on such Trading Markets and promptly use commercially reasonable best efforts to secure the listing of all of the Shares and, immediately following Shareholder Approval, the Warrant Shares on such Trading Markets. The Company further agrees, if the Company applies to have the Common Stock traded on any other Trading Market, it will then include in such application all of the Shares and Warrant Shares, and will take such other action as is necessary to cause all of the Shares and Warrant Shares to be listed or quoted on such other Trading Market as promptly as possible. The Company will then take all action reasonably necessary to continue the listing and trading of its Common Stock on a Trading Market and will comply in all material respects with the Company's reporting, filing and other obligations under the bylaws or rules of the Trading Market. The Company agrees to maintain the eligibility of the Common Stock for electronic transfer through the Depository Trust Company or another established clearing corporation, including, without limitation, by timely payment of fees to the Depository Trust Company or such other established clearing corporation in connection with such electronic transfer.

4.11 Form D; Blue Sky Filings. The Company agrees to timely file a Form D with respect to the Securities as required under Regulation D and to provide a copy thereof, promptly upon request of any Purchaser. The Company shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to qualify the Securities for, sale to the Purchasers at the Closing under applicable securities or "Blue Sky" laws of the states of the United States, and shall provide evidence of such actions promptly upon request of any Purchaser.

4.12 Subsequent Equity Sales.

(a) From the date hereof until 90 days after the Closing Date, neither the Company nor any Subsidiary shall issue, enter into any agreement to issue or announce the issuance or proposed issuance of any shares of Common Stock or Common Stock Equivalents.

(b) Notwithstanding the foregoing, this Section 4.12 shall not apply in respect of an Exempt Issuance.

4.13 Equal Treatment of Purchasers. No consideration (including any modification of any Transaction Document) shall be offered or paid to any Person to amend or consent to a

waiver or modification of any provision of this Agreement unless the same consideration is also offered to all of the parties to this Agreement. For clarification purposes, this provision constitutes a separate right granted to each Purchaser by the Company and negotiated separately by each Purchaser, and is intended for the Company to treat the Purchasers as a class and shall not in any way be construed as the Purchasers acting in concert or as a group with respect to the purchase, disposition or voting of Securities or otherwise.

4.14 Certain Transactions and Confidentiality. Each Purchaser, severally and not jointly with the other Purchasers, covenants that neither it nor any Affiliate acting on its behalf or pursuant to any understanding with it will execute any purchases or sales, including Short Sales of any of the Company's securities during the period commencing with the execution of this Agreement and ending at such time that the transactions contemplated by this Agreement are first publicly announced pursuant to the initial press release as described in Section 4.4. Each Purchaser, severally and not jointly with the other Purchasers, covenants that until such time as the transactions contemplated by this Agreement are publicly disclosed by the Company pursuant to the initial press release as described in Section 4.4, such Purchaser will maintain the confidentiality of the existence and terms of this transaction and the information included in the Disclosure Schedules. Notwithstanding the foregoing and notwithstanding anything contained in this Agreement to the contrary, the Company expressly acknowledges and agrees that (i) no Purchaser makes any representation, warranty or covenant hereby that it will not engage in effecting transactions in any securities of the Company after the time that the transactions contemplated by this Agreement are first publicly announced pursuant to the initial press release as described in Section 4.4, (ii) no Purchaser shall be restricted or prohibited from effecting any transactions in any securities of the Company in accordance with applicable securities laws from and after the time that the transactions contemplated by this Agreement are first publicly announced pursuant to the initial press release as described in Section 4.4 and (iii) no Purchaser shall have any duty of confidentiality or duty not to trade in the securities of the Company to the Company or its Subsidiaries after the issuance of the initial press release as described in Section 4.4. Notwithstanding the foregoing, in the case of a Purchaser that is a multi-managed investment vehicle whereby separate portfolio managers manage separate portions of such Purchaser's assets and the portfolio managers have no direct knowledge of the investment decisions made by the portfolio managers managing other portions of such Purchaser's assets, the covenant set forth above shall only apply with respect to the portion of assets managed by the portfolio manager that made the investment decision to purchase the Securities covered by this Agreement.

4.15 Capital Changes. Until the one year anniversary of the Closing Date, the Company shall not undertake a reverse or forward stock split or reclassification of the Common Stock without the prior written consent of the Purchasers holding a majority in interest of the Shares.

4.16 Exercise Procedures. The form of Notice of Exercise included in the Warrants set forth the totality of the procedures required of the Purchasers in order to exercise the Warrants. No additional legal opinion, other information or instructions shall be required of the Purchasers to exercise their Warrants. Without limiting the preceding sentences, no ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise form be required in order to exercise the Warrants. The

Company shall honor exercises of the Warrants and shall deliver Warrant Shares in accordance with the terms, conditions and time periods set forth in the Transaction Documents.

4.17 **Resale Restrictions.** Each Purchaser covenants and agrees that it will not, during the period ending on the date that is four (4) months plus one (1) day after the Closing Date, sell or otherwise effect a trade of any of the Shares or Warrants held by such Purchaser, or any Warrant Shares issued to such Purchaser upon exercise of Warrants, to any person resident in Canada or any person acquiring such Shares or Warrants or Warrant Shares for the benefit of another person resident in Canada, other than in a transaction made in compliance with the prospectus and registration requirements of applicable Canadian securities laws or which otherwise is made in reliance on any available exemptions therefrom. Notwithstanding anything herein to the contrary, a sale of Shares or Warrant Shares through the facilities of any U.S. Trading Market shall be deemed to be in compliance with this Section 4.17.

ARTICLE V. MISCELLANEOUS

5.1 **Termination.** This Agreement may be terminated by any Purchaser, as to such Purchaser's obligations hereunder only and without any effect whatsoever on the obligations between the Company and the other Purchasers, by written notice to the other parties, if the Closing has not been consummated on or before May 9, 2016; provided, however, that no such termination will affect the right of any party to sue for any breach by any other party (or parties).

5.2 **Fees and Expenses.** Except as expressly set forth in the Transaction Documents to the contrary, each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement. The Company shall pay all Transfer Agent fees (including, without limitation, any fees required for same-day processing of any instruction letter delivered by the Company and any exercise notice delivered by a Purchaser), stamp taxes and other taxes and duties levied in connection with the delivery of any Securities to the Purchasers.

5.3 **Entire Agreement.** The Transaction Documents, together with the exhibits and schedules thereto, the Prospectus and the Prospectus Supplement, contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

5.4 **Notices.** Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of: (a) the date of transmission, if such notice or communication is delivered via facsimile or email attachment at the facsimile number or email address as set forth on the signature pages attached hereto at or prior to 5:30 p.m. (New York City time) on a Trading Day, (b) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile or email attachment at the facsimile number or email address as set forth on the signature pages attached hereto on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (c) the second (2nd) Trading Day following the date

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of mailing, if sent by U.S. nationally recognized overnight courier service or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as set forth on the signature pages attached hereto. To the extent that any notice provided pursuant to any Transaction Document constitutes, or contains, material, non-public information regarding the Company or any Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K.

5.5 **Amendments; Waivers.** No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and Purchasers which purchased at least a majority in interest of the Shares based on the initial Subscription Amounts hereunder or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought, provided that if any amendment, modification or waiver disproportionately and adversely impacts a Purchaser (or group of Purchasers), the consent of such disproportionately impacted Purchaser (or group of Purchasers) shall also be required. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right. Any proposed amendment or waiver that disproportionately, materially and adversely affects the rights and obligations of any Purchaser relative to the comparable rights and obligations of the other Purchasers shall require the prior written consent of such adversely affected Purchaser. Any amendment effected in accordance with this Section 5.5 shall be binding upon each Purchaser and holder of Securities and the Company.

5.6 **Headings.** The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

5.7 **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of each Purchaser (other than by merger). Any Purchaser may assign any or all of its rights under this Agreement to any Person to whom such Purchaser assigns or transfers any Securities, provided that such transferee agrees in writing to be bound, with respect to the transferred Securities, by the provisions of the Transaction Documents that apply to the "Purchasers".

5.8 **No Third-Party Beneficiaries; Warrant Agreement.** The Placement Agent shall be the third party beneficiary of the representations and warranties of the Company in Section 3.1 and the representations and warranties of the Purchasers in Section 3.2. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except as otherwise set forth in Section 4.8 and this Section 5.8. The Company shall be liable to the affected Purchasers for, and each Purchaser shall be a third-party beneficiary of, the Warrant Agreement as to any breaches of such agreement by either the Company or the Warrant Agent, notwithstanding any disclaimers of such liabilities to the Warrant holders set forth in the Warrant Agreement.

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5.9 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal Proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any Action or Proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such Action or Proceeding is improper or is an inconvenient venue for such Action or Proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such Action or Proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. If any party shall commence an Action or Proceeding to enforce any provisions of the Transaction Documents, then, in addition to the obligations of the Company under Section 4.8, the prevailing party in such Action or Proceeding shall be reimbursed by the non-prevailing party for its reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such Action or Proceeding.

5.10 Survival. The representations and warranties contained herein shall survive the Closing and the delivery of the Securities for a period of one (1) year.

5.11 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

5.12 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that

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they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

5.13 Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) any of the other Transaction Documents, whenever any Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights; provided, however, that in the case of a rescission of an exercise of a Warrant, the applicable Purchaser shall be required to return any shares of Common Stock subject to any such rescinded exercise notice concurrently with the return to such Purchaser of the aggregate exercise price paid to the Company for such shares and the restoration of such Purchaser's right to acquire such shares pursuant to such Purchaser's Warrant (including, issuance of a replacement warrant certificate evidencing such restored right).

5.14 Replacement of Securities. If any certificate or instrument evidencing any Securities is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof (in the case of mutilation), or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction. The applicant for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs (including customary indemnity) associated with the issuance of such replacement Securities.

5.15 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Purchasers and the Company will be entitled to specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in the Transaction Documents and hereby agree to waive and not to assert in any Action for specific performance of any such obligation the defense that a remedy at law would be adequate.

5.16 Payment Set Aside. To the extent that the Company makes a payment or payments to any Purchaser pursuant to any Transaction Document or a Purchaser enforces or exercises its rights thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other Person under any law (including, without limitation, any bankruptcy law, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

5.17 Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under any Transaction Document are several and not joint with the obligations of

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any other Purchaser, and no Purchaser shall be responsible in any way for the performance or non-performance of the obligations of any other Purchaser under any Transaction Document. Nothing contained herein or in any other Transaction Document, and no action taken by any Purchaser pursuant hereto or thereto, shall be deemed to constitute the Purchasers as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that

the Purchasers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Purchaser shall be entitled to independently protect and enforce its rights including, without limitation, the rights arising out of this Agreement or out of the other Transaction Documents, and it shall not be necessary for any other Purchaser to be joined as an additional party in any Proceeding for such purpose. Each Purchaser has been represented by its own separate legal counsel in its review and negotiation of the Transaction Documents. For reasons of administrative convenience only, each Purchaser and its respective counsel have chosen to communicate with the Company through EGS. EGS does not represent any of the Purchasers and only represents the Placement Agent. The Company has elected to provide all Purchasers with the same terms and Transaction Documents for the convenience of the Company and not because it was required or requested to do so by any of the Purchasers. It is expressly understood and agreed that each provision contained in this Agreement and in each other Transaction Document is between the Company and a Purchaser, solely, and not between the Company and the Purchasers collectively and not between and among the Purchasers.

5.18 Liquidated Damages. The Company’s obligations to pay any amounts owing under the Transaction Documents is a continuing obligation of the Company and shall not terminate until all unpaid amounts have been paid notwithstanding the fact that the instrument or security pursuant to which such partial liquidated damages or other amounts are due and payable shall have been canceled.

5.19 Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding Business Day.

5.20 Construction. The parties agree that each of them and/or their respective counsel have reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments thereto. In addition, each and every reference to share prices and shares of Common Stock in any Transaction Document shall be subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

5.21 **WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.**

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(Signature Pages Follow)

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IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

GOLDEN MINERALS COMPANY

Address for Notice:

By: _____
Name:
Title:

Fax: _____

With a copy to (which shall not constitute notice):

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOR PURCHASER FOLLOWS]

[PURCHASER SIGNATURE PAGES TO AUMN SECURITIES PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the undersigned have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Purchaser: _____

Signature of Authorized Signatory of Purchaser: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Email Address of Authorized Signatory: _____

Facsimile Number of Authorized Signatory: _____

Address for Notice to Purchaser: _____

Address for Delivery of Securities to Purchaser (if not same as address for notice):

Subscription Amount: \$

Shares:

Warrant Shares:

EIN Number:

[SIGNATURE PAGES CONTINUE]

AGREEMENT REGARDING WARRANTS EXERCISE AND NOTE CONVERSION

This Agreement Regarding Warrants Exercise and Note Conversion (this “Agreement”) is made and entered into effective as of this 2nd day of May, 2016, by and between Golden Minerals Company, a Delaware corporation (the “Company”) and Sentient Global Resources Fund IV, L.P., a Cayman Island exempted limited partnership (“Sentient”).

WHEREAS, Sentient and its affiliates currently own approximately 49% of the Company’s outstanding common stock, par value \$0.01 per share (“Common Stock”);

WHEREAS, the Company is considering certain financing opportunities through the sale of Common Stock or securities convertible into Common Stock (the “Financing”);

WHEREAS, pursuant to a private placement with Sentient on September 18, 2012, Sentient has the right to purchase 1,129,872 shares of Common Stock pursuant to exercise of its 1,365,794 outstanding warrants acquired thereunder (the “2012 Warrants”);

WHEREAS, pursuant to a private placement with Sentient on September 10, 2014, Sentient has the right to purchase 2,900,000 shares of Common Stock pursuant to exercise of its 5,800,000 outstanding warrants acquired thereunder (the “2014 Warrants”, and together with the 2012 Warrants, the “Warrants”);

WHEREAS, on October 27, 2015, the Company entered into a Loan Agreement (the “Loan Agreement”) with Sentient, pursuant to which the Company borrowed \$5.0 million, the entire amount available under the Loan Agreement, pursuant to a Senior Secured Convertible Note (the “Note”) in favor of Sentient, with principal and accrued interest due and payable on October 27, 2016 (the “Maturity Date”);

WHEREAS, as of the date hereof, approximately \$1.2 million principal and accrued interest remain outstanding under the Note and due at the Maturity Date, all of which may be converted into shares of the Common Stock pursuant to the Note (the “Conversion Rights”);

WHEREAS, in the aggregate, approximately 8,000,000 shares of Common Stock are reserved for issuance upon exercise of the Warrants and upon exercise of the Conversion Rights;

WHEREAS, the Company has 100,000,000 shares of authorized Common Stock, of which approximately 6,000,000 remain available for issuance and are not reserved for issuance pursuant to convertible securities (including estimated shares reserved for issuance resulting from anti-dilution triggers upon a Financing), including the Warrants and the Note;

WHEREAS, the Company has submitted for approval by the shareholders at the 2016 annual meeting to be held May 19, 2016, a proposal to increase its authorized Common Stock from 100,000,000 to 200,000,000;

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WHEREAS, if Sentient agrees to not exercise the Warrants and its Conversion Rights under the Note until such time the Company increases its authorized Common Stock by at least 8,000,000 shares, then the Company will have approximately 14,000,000 shares of Common Stock available for issuance in the Financing;

WHEREAS, pursuant to the Loan Agreement, the Company must use commercially reasonable best efforts to raise no less than \$5,000,000 through the sale of equity or securities convertible into equity prior to the Maturity Date; and

WHEREAS, in order to permit the Company to complete the Financing, the parties hereto have agreed to enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to permit the Company to consummate the Financing, Sentient and the Company hereby agree as follows:

1. **Financing.** The Company represents to Sentient that the completion of the Financing should provide sufficient capital for the Company to fund its operations under its current business plans. As a substantial stockholder of the Company, Sentient would benefit indirectly from the Financing.
2. **Agreements Concerning Warrant Exercise Rights.** In connection with the Financing, subject to the terms and conditions contained herein, Sentient agrees that it will not exercise the Warrants until after the Termination Date (as defined below). Sentient further agrees to not enforce its rights pursuant to the first sentence of Section 7 of the warrant agreements governing the Warrants which require that the Company will reserve and keep available out of its authorized but unissued and unreserved Common Stock the number of shares issuable upon exercise of the Warrants (the “Warrant Shares Reservation Obligation”) until after the Termination Date. Sentient agrees that the Company’s temporary inability to maintain the Warrant Shares Reservation Obligation pursuant to this Agreement does not constitute a breach, violation or default under the warrant agreements governing the Warrants.
3. **Agreements Concerning Note Conversion Rights.** In connection with the Financing, subject to the terms and conditions contained herein, Sentient agrees that it will not exercise its Conversion Rights under the Note until after the Termination Date. Sentient further agrees to not enforce its rights pursuant to the provisions of Section 2(b) of the Note which provides that the Company will reserve from its authorized and unissued Common Stock a sufficient number of shares, free from preemptive rights, to provide for the issuance of Common Stock upon the full conversion of the Note (the “Note Conversion Shares Reservation Obligation”) until after the Termination Date. Sentient agrees that the Company’s temporary inability to maintain the Note Conversion Shares Reservation Obligation pursuant to this Agreement does not constitute a breach, violation or default under the Note or Loan Agreement.

4. **Termination Date.** The agreements of Sentient contained in Sections 2 and 3 above shall terminate on the earlier to occur of (i) July 19, 2016, or (ii) the date on which the shareholders approve the increase in the Company's authorized Common Stock from 100,000,000 to 200,000,000 and the amendment to the Company's Amended and Restated

Certificate of Incorporation is filed and accepted by the Delaware Secretary of State (the "**Termination Date**"). Notwithstanding the foregoing, if the Financing has not closed within five (5) business days after the date this Agreement is executed and delivered, this Agreement shall automatically terminate and that termination date shall be the "**Termination Date**" for purposes of this Agreement. No later than the Termination Date, the Company shall reserve a sufficient number of shares of the authorized and unissued Common Stock of the Company to satisfy the Company's obligations to issue shares upon the exercise of the Warrants and upon exercise of the Conversion Rights.

5. **Continuing Warrants Rights and Obligations.** Except as expressly provided in this Agreement, all rights and obligations under the Warrants, the warrant agreements, and all other transaction documents related thereto, shall remain unmodified, shall remain and continue in full force and effect, including but not limited to the anti-dilution protections contained therein, and nothing in this Agreement except as provided above shall act to cancel, amend, modify or supersede such continuing rights and obligations. The terms of the agreements governing the Warrants are hereby confirmed, approved and ratified.

6. **Continuing Note Rights and Obligations.** Except as expressly provided in this Agreement, all rights and obligations under the Loan Agreement, the Note, and all other transaction documents related thereto, shall remain unmodified, shall remain and continue in full force and effect, including but not limited to the anti-dilution protections contained therein, and nothing in this Agreement except as provided above shall act to cancel, amend, modify or supersede such continuing rights and obligations. The terms of the Loan Agreement, the Note and the other documents concerning the transactions referenced in the Loan Agreement are hereby confirmed, approved and ratified.

7. **Additional Representations and Warranties.** The Company makes the following representations and warranties, which shall survive the execution and delivery of this Agreement: (a) Prior to and as of the date first referenced above, no Event of Default has occurred and as of the date first referenced above no Event of Default under the Loan Agreement and the other documents executed and delivered in connection therewith will exist immediately after giving effect to the agreements contained herein; and (b) Each of the representations and warranties of the Company set forth in the Loan Agreement are true and correct as though such representations and warranties were made at and as of the date of this Agreement, except to the extent that any such representations or warranties are made as of a specified date or with respect to a specified period of time, in which case such representations and warranties shall be made as of such specified date or with respect to such specified period. Each of the representations and warranties made under the Loan Agreement shall survive to the extent provided therein and not be waived by the execution and delivery of this Agreement.

8. **Governing Law; Entire Agreement.** This Agreement shall be governed by the laws of the State of Colorado. Unless otherwise specifically addressed herein, this Agreement constitutes the sole and entire agreement of the parties with respect to its subject matters, supersedes all prior verbal and written understandings and agreements between the parties relating to its subject matters, and may not be modified except in a writing signed by both parties.

9. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute one and the same agreement.

10. **Further Assurances.** The parties agree that from time to time, without further consideration, they will promptly execute and deliver all further instruments and documents, and take all further action that may be necessary or reasonably desirable, or that the Company or Sentient may request, in order to effect the intent of the parties as set forth herein. The Company further agrees, upon written request from Sentient, to use commercially reasonable efforts to cause its indirect subsidiaries Minera William, S.A. de C.V., Minera Labri, S.A. de C.V. and Servicios Velardena, S.A. de C.V., each of which are guarantors under the Loan Agreement and Note, to execute and file a Consent and Reaffirmation of Guaranty in favor of Sentient concerning such guarantor's obligations under each respective Corporate Guaranty and Solidary Obligation, and any other loan document executed and delivered by such guarantor with respect to the Loan Agreement.

11. **Conditions Precedent.** The agreements described in Sections 2 and 3 above, are subject to the satisfaction of (or waiver by Sentient in its sole discretion) the following conditions precedent:

(a) a Reaffirmation of Guaranty and corporate resolutions consenting to and acknowledging such reaffirmation, each in form and substance acceptable to Sentient, shall have been executed and delivered to Sentient by of ECU Silver Mining, Inc. and ASM Services S.à r.l., each of which are guarantors under the Loan Agreement and Note;

(b) the Company shall have paid to Sentient's attorneys' fees and expenses it has incurred or paid in connection with the preparation of this Agreement and related instruments;

(c) the Company shall have executed and delivered such other documents and instruments that Sentient may reasonably request to effect the purposes of this Agreement,

(d) a legal opinion of Davis Graham & Stubbs LLP, and

(e) Satisfaction that the rules of the TSX, NYSE MKT and Multilateral Instrument 61-101 are satisfied, to the extent the transactions described herein require such satisfaction.

12. **Expenses.** The Company agrees to pay all costs and expenses incurred by Sentient in connection with the preparation, execution and delivery of this Agreement and any other documents or instruments which may be delivered in connection herewith.

13. **Release.** In consideration of the amendments provided herein, the Company releases and discharges Sentient, and its affiliates, partners, directors, officers, employees, agents, successors and assigns from all claims and causes of action of any nature whatsoever, which the Company, its successors and assigns ever had or have as of the date hereof against Sentient that arise, directly or indirectly, out of or are related to the Warrants or the Loan Agreement, including the administration of the Loan. The Company acknowledges that the obligations arising under the Loan Agreement are not subject to any counterclaim, offset, defense or right of recoupment against Sentient.

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[Signature Page Follows]

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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed on the day and year first above written.

GOLDEN MINERALS COMPANY, a Delaware corporation

By: /s/ Warren M. Rehn
Name: Warren M. Rehn
Title: President and Chief Executive Officer

SENTIENT GLOBAL RESOURCES FUND IV, L.P., a Cayman Islands exempted limited partnership

By: Sentient GP IV, L.P., General Partner
By: Sentient Executive GP IV, Limited, General Partner

By: /s/ Andrew Pullar
Name: Andrew Pullar
Title: Director

Signature Page to Agreement Regarding Warrants Exercise and Note Conversion
