

**SUBSCRIPTION AGREEMENT FOR COMMON SHARES (PRIVATE PLACEMENT)**

*(for use in Ontario only)*

**TO: PrimeWest Mortgage Investment Corporation (the "Corporation")**

The undersigned (the "**Subscriber**") hereby irrevocably subscribes for and agrees to purchase the number of Class A Common Shares (the "**Common Shares**") of the Corporation set forth below, for the aggregate subscription price set forth below (the "**Aggregate Subscription Price**"), representing a subscription price of \$10 per Common Share, upon and subject to the terms and conditions set forth in the "Terms and Conditions of Subscription for Common Shares of Primewest Mortgage Investment Corporation" attached hereto (together with this page and the attached Schedules, the "**Subscription Agreement**"). **In addition to this face page, the Subscriber must also complete the Schedule attached hereto and appendix attached thereto. The Common Shares are subject to certain resale restrictions (as more particularly referred to herein) and will not be listed on any stock exchange.**

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

Number of Common Shares: _____
Aggregate Subscription Price: \$ _____

<b>If the Subscriber is signing as agent for a principal (a "Disclosed Principal") and is not deemed to be purchasing as principal pursuant to NI 45-106 (as defined herein) by virtue of being either (i) a trust company or trust corporation acting on behalf of a fully managed account managed by the trust company or trust corporation as the case may be, (ii) a person acting on behalf of a fully managed account by it, and in each case satisfying the criteria set forth in NI 45-106, complete the following and ensure that Schedule A is completed in respect of such principal:</b>
_____
(Name of Principal - please print)
_____
(Principal's Address)
_____
_____
(Telephone Number) (Email Address)

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

<b>Deliver the Common Shares</b> set forth below:
_____
(Name)
_____
(Account Reference, if applicable)
_____
(Contact Name)
_____
(Address)

**Acceptance:** The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement, effective \_\_\_\_\_, 2009.

**Primewest Mortgage Investment Corporation**

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

**TERMS AND CONDITIONS OF SUBSCRIPTION**  
**FOR COMMON SHARES OF PRIMEWEST MORTGAGE INVESTMENT CORPORATION**

**TERMS OF THE OFFERING**

1. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that this subscription is subject to rejection or allotment by the Corporation in whole or in part. If this subscription is rejected in whole and if the Subscriber has delivered a certified cheque or bank draft representing the subscription price for the Common Shares subscribed for hereunder, then such cheque or bank draft will be promptly returned to the Subscriber without interest and without deduction. If this subscription is accepted only in part and the Subscriber has delivered a certified cheque or bank draft as aforesaid, a cheque representing the portion of the subscription price for the portion of the Subscriber's subscription for Common Shares which is not accepted will be promptly returned to the Subscriber without interest.
2. Subscribers will not receive copies of their certificates in respect of the Common Shares subscribed for hereunder, but will receive confirmation of their investment from their investment dealer.
3. **The Subscriber is responsible for obtaining (at its own expense) such legal, tax and financial advice as it considers necessary or appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement and completion of the transactions contemplated hereby, and the Corporation shall not bear any responsibility whatsoever for any such matters. The Subscriber acknowledges and agrees that all costs and expenses incurred by the Subscriber (including any fees and disbursements or any special counsel retained by the Subscriber) relating to the purchase and issuance of the Common Shares to the Subscriber shall be borne by the Subscriber.**

**REPRESENTATIONS, WARRANTIES AND COVENANTS BY SUBSCRIBER**

4. The Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) (and for the purpose of the following representations, warranties and covenants, any reference to "it" or the "**Subscriber**" includes the Subscriber and any Disclosed Principal for whom it is contracting hereunder, as applicable) represents, warrants and covenants to the Corporation and its counsel (and acknowledges that the Corporation and its counsel are relying thereon) that at both the date hereof and the Closing Date (as defined herein):
  - (a) it understands, acknowledges and is aware that the Common Shares are being offered for sale:
    - (i) in, and to residents of, the Provinces of British Columbia, Alberta, Saskatchewan and Manitoba in reliance on the "offering memorandum" exemption in Part 2.9 of National Instrument 45-106 - *Prospectus and Registration Exemptions* ("**NI 45-106**"), and that the Subscriber has not received and will not receive a copy of such offering memorandum; and;
    - (ii) in, and to the residents of, the Province of Ontario on a "**private placement**" basis pursuant to the "**accredited investor**" exemption of NI 45-106 and that the sale and delivery of the Common Shares is conditional upon such sale being exempt from the requirements as to the filing of a prospectus or delivery of an offering memorandum or upon the issuance of such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus or delivering an offering memorandum and, as a

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consequence: (i) it is restricted from using most civil remedies available under securities legislation; (ii) it may not receive information that would otherwise be required to be provided to it under securities legislation; (iii) the common law may not provide it with an adequate remedy in the event that it suffers investment loss in connection with securities acquired in a private placement; and (iv) the Corporation is relieved from certain obligations that would otherwise apply under securities legislation;

- (b) it has been independently advised as to restrictions with respect to trading in the Common Shares imposed by applicable securities legislation in the jurisdiction in which it resides; it confirms that no representation has been made to it by or on behalf of the Corporation with respect thereto; it acknowledges that it is aware of the characteristics of the Common Shares, that there is no market for the Common Shares, the risks relating to an investment therein and of the fact that it may not be able to resell the Common Shares except in accordance with limited exemptions under applicable securities legislation and regulatory policy until expiry of applicable hold periods and compliance with the other requirements of applicable law. **The Subscriber acknowledges that it should consult its own legal counsel in its jurisdiction for full particulars of applicable resale restrictions;**
- (c) it has not received or been provided with, nor has it requested, nor does it have any need to receive, any offering memorandum, any prospectus, sales or advertising literature, or any other document describing or purporting to describe the business and affairs of the Corporation, which has been prepared for delivery to, and review by, prospective purchasers in order to assist it in making an investment decision in respect of the Common Shares.
- (d) it has not become aware of any advertisement in printed media of general and regular paid circulation (or other printed public media), radio, television or telecommunications or other form of advertisement (including electronic display, such as the Internet) with respect to the distribution of the Common Shares;
- (e) it is aware that the sale of Common Shares has not been qualified under the securities legislation of any province by way of prospectus and that the Subscriber is purchasing the Common Shares pursuant to exemptions contained in or issued under the securities laws applicable in the jurisdiction in which the Subscriber resides;
- (f) unless it is purchasing under subparagraph 4(g) it is purchasing the Common Shares as principal for its own account and not for the benefit of any other person, for investment only, and not with a view to the resale or distribution of all or any of the Common Shares, it is resident in or otherwise subject to applicable securities laws of the jurisdiction set out in the "Subscriber's address" on the face page of this Subscription Agreement, it is an **"accredited investor"**, as such term is defined in NI 45-106, it was not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) of the definition of "accredited investor" in NI 45-106 and it has concurrently executed and delivered a **Representation Letter** in the form attached to this Agreement as **Schedule "A"** and has initialed in **Appendix "A"** thereto the box next to the category indicating that the Subscriber satisfies one of the categories of "accredited investor" set forth in such definition; or
- (g) if it is not purchasing the Common Shares as a principal under subparagraph 4(f) hereof, it is duly authorized to enter into this Subscription Agreement and to execute and deliver all documentation in connection with the purchase on behalf of each beneficial purchaser, each of whom is purchasing as principal for its own account, not for the benefit of any

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other person, for investment only and not with a view to the resale or distribution of all or any of the Common Shares, it acknowledges that the Corporation is required by law to disclose to certain regulatory authorities the identify of each beneficial purchaser of the Common Shares for whom it may be acting, it and each beneficial purchaser is resident in the jurisdiction set out in the "Subscriber's Address" on the face page hereof, and each beneficial purchaser complies with subparagraph 4(j) hereby by virtue of the securities laws of such place being applicable to the Subscriber;

- (h) it has such knowledge in financial and business affairs capable of evaluating the merits and risks of its investment and is capable of assessing the proposed investment and it is able to bear the economic risk of loss of its investment;
- (i) that the Common Shares are not being purchased with knowledge of any material fact about the Corporation which has not been generally disclosed to the public, that he has relied solely upon the publicly available information relating to the Corporation and not upon any verbal or written representation as to fact or otherwise made by or on behalf of the Corporation;
- (j) if required by applicable securities legislation, regulation, rules, policies or orders of a securities regulatory authority, or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Corporation in filing such reports, undertakings and other documents with respect to the issuance of the Common Shares and without limiting the generality of the foregoing, the Subscriber shall complete, sign and deliver to the Corporation concurrent with the signing and delivery of this Subscription Agreement, the **Representation Letter** attached as Schedule "A" hereto as well as initial the appropriate section of Appendix "A" attached thereto and the Corporation shall be entitled to rely on the representations and warranties of the Subscriber contained therein;
- (k) it will not resell the Common Shares except in accordance with the provisions of applicable securities legislation and stock exchange rules, if applicable;
- (l) it is aware that the Common Shares have not been and will not be registered under the *United States Securities Act* of 1933, as amended ("**U.S. Securities Act**") or the securities laws of any state of the United States and that these securities may not be offered or sold, directly or indirectly, in the United States without registration under the U.S. Securities Act or compliance with requirements of an exemption from registration and the applicable laws of all applicable states and acknowledges that the Corporation has no present intention of filing a registration statement under the U.S. Securities Act in respect of the Common Shares;
- (m) the Common Shares have not been offered to the Subscriber in the United States, and the individuals making the order to purchase the Common Shares and executing and delivering this Subscription Agreement on behalf of the Subscriber were not in the United States when the order was placed and this Subscription Agreement was executed and delivered;
- (n) it is not a U.S. Person (as defined in Regulation S under the U.S. Securities Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United States) and is not purchasing the Common Shares on behalf of, or for the account or benefit of, a person in the United States or a U.S. Person;

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- (o) it undertakes and agrees that it will not offer or sell the Common Shares in the United States unless such securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States or an exemption from such registration requirements is available, and further that it will not resell the Common Shares, except in accordance with the provisions of applicable securities legislation, regulations, rules, policies and orders and stock exchange rules;
- (p) if a corporation, partnership, unincorporated association or other entity, it has the legal capacity to enter into and be bound by this Subscription Agreement and further certifies that all necessary approvals of directors, shareholders or otherwise have been given and obtained;
- (q) if an individual, it is of the full age of majority and is legally competent and execute this Subscription Agreement and take all action pursuant hereto;
- (r) it is not a "non-resident" of Canada or a "public corporation" within the meaning of the *Income Tax Act* (Canada);
- (s) it is not a "non-Canadian" within the meaning of the *Investment Canada Act* (Canada);
- (t) it does not hold directly or indirectly more than 25% of the outstanding Common Shares of the Corporation and it is aware that a subscription for Common Shares that would cause the Subscriber to exceed this 25% limit will not be accepted by the Corporation;
- (u) this Subscription Agreement has been duly and validly authorized, executed and delivered by and constitutes a legal, valid, binding and enforceable obligation of the Subscriber;
- (v) in the case of a subscription by it for Common Shares acting as agent for a Disclosed Principal, it is duly authorized to execute and deliver this Subscription Agreement and all other necessary documentation in connection with such subscription on behalf of such Disclosed Principal and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid, binding and enforceable obligation of such Disclosed Principal;
- (w) the Subscriber is not a "**control person**" of the Corporation as defined under applicable securities law and will not become a "**control person**" of the Corporation, by virtue of the acquisition of the Common Shares subscribed for pursuant to this Subscription Agreement and does not intend to act in concert with any other person to form a control group;
- (x) it acknowledges that:
  - (i) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Common Shares;
  - (ii) there is no government or other insurance covering the Common Shares;
  - (iii) there are risks associated with the purchase of the Common Shares;
  - (iv) there is no minimum number of Common Shares that must be sold before the Closing (as herein defined) and the Subscriber may be the only purchaser;
  - (v) there are restrictions on the Subscriber's ability to resell the Common Shares and it is the responsibility of the Subscriber to find out what those restrictions are and to comply with them before selling the Common Shares; and
  - (vi) the Corporation has advised the Subscriber that the Corporation is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell securities through a person or company registered to sell securities under

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applicable securities laws and, as a consequence of acquiring the Common Shares pursuant to this exemption, certain protections, rights and remedies provided by the applicable securities laws, including statutory rights of rescission or damages, may not be available to the Subscriber;

- (y) none of the Corporation, its advisors nor any of their respective directors, officers, employees or affiliates have made any representations (written or oral) to the Subscriber:
    - (i) that any person will resell or repurchase any Common Shares subscribed for hereunder;
    - (ii) that any person will refund the purchase price of any of the Common Shares subscribed for hereunder;
    - (iii) as to the future value or price of any of the Common Shares; or
    - (iv) that the Common Shares will be listed or posted for trading on any stock exchange;
  - (z) it acknowledges that the Corporation may complete additional financings in the future in order to develop the business of the Corporation and to fund its ongoing development; that there is no assurance that such financings will be available, and, if available, on reasonable terms; and such future financings may have a dilutive effect on current securityholders, including the Subscriber; and that if such future financings are not available, the Corporation may be unable to fund its ongoing development;
  - (aa) no authorization, consent, order, approval or notice of any federal, provincial, territorial, municipal or foreign regulatory body or official must be obtained or given, and no waiting period must expire, in order that this Subscription Agreement and the transactions contemplated herein can be consummated by the Subscriber;
  - (bb) it has relied solely upon publicly available information relating to the Corporation and not upon any verbal or written representation as to fact or otherwise made by or on behalf of the Corporation and it acknowledges that the Corporation's counsel is acting as counsel to the Corporation, and not as counsel to the Subscriber;
  - (cc) it acknowledges that it has been encouraged to and is responsible for obtaining (at its own expense) independent legal, income tax and financial advice as it considers necessary or appropriate in connection with its subscription for Common Shares and the execution, delivery and performance by it of this Agreement and completion of the transactions contemplated hereby, and that the Corporation shall not bear any responsibility whatsoever for any such matters and accordingly, has been independently advised as to the meanings of all terms contained herein relevant to the Subscriber for purposes of giving representations, warranties and covenants under this Agreement; and
  - (dd) it acknowledges that the Corporation is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. It further acknowledges that the Corporation cannot and is not representing that the Common Shares are or will be listed on the TSX Venture Exchange Inc., the Toronto Stock Exchange or any other exchange and no market exists for the securities of the Corporation.
5. The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Date (as herein defined) and will survive the completion of the issuance of the Common

Shares. The Subscriber acknowledges that the foregoing representations, warranties and covenants are made by it with the intent that they may be relied upon by the Corporation in determining its eligibility to purchase the Common Shares under applicable securities legislation. The Subscriber further agrees that by accepting the Common Shares subscribed for pursuant hereto, at the Closing (as herein defined), it shall be representing and warranting that the foregoing representations and warranties are true as at the Closing (as herein defined) with the same force and effect as if they had been made by it as at the Closing (as herein defined) and will survive the completion of the purchase and issuance of such Common Shares. The Corporation and its counsel shall be entitled to rely on the representations and warranties of the Subscriber contained herein and the Subscriber shall indemnify and save harmless the Corporation from any losses, claims, costs, expenses, damages or liabilities they may suffer or incur which are caused by or arise from, directly or indirectly, the Corporation's reliance thereon. The Subscriber agrees to immediately notify the Corporation of any change in any statement or other information relating to the Subscriber set forth herein which takes place prior to the Closing (as herein defined).

6. The Subscriber agrees to indemnify and hold harmless the Corporation, and its directors, officers, employees, agents, advisors and shareholders from and against any and all loss, liability, claim, damage and expense whatsoever including, but not limited to, any and all fees, costs and expenses whatsoever reasonably incurred in investigating, preparing or defending against any litigation, administrative proceeding or investigation commenced or threatened or any claim whatsoever arising out of or based upon any representation or warranty of the Subscriber contained herein or in any document furnished by the Subscriber to the Corporation in connection herewith being untrue in any material respect or any breach or failure by the Subscriber to comply with any covenant or agreement made by the Subscriber herein or in any document furnished by the Subscriber to the Corporation in connection herewith.
7. The Subscriber represents and warrants that the funds representing the Aggregate Subscription Price which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the "**PCMLTFA**") and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of its knowledge (a) none of the subscription funds to be provided by the Subscriber: (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States of America, or any other jurisdiction; or (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber, and (b) it shall promptly notify the Corporation if the Subscriber discovers that any of such representations ceases to be true, and will provide the Corporation with appropriate information in connection therewith.

#### **REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE CORPORATION**

8. The Corporation hereby represents and warrants to the Subscriber (and acknowledges that the Subscriber is relying thereon) that:
  - (a) the Corporation has the full corporate power and authority to execute and deliver this Subscription Agreement and to issue the Common Shares;
  - (b) this Subscription Agreement constitutes a binding obligation of the Corporation enforceable in accordance with its terms;
  - (c) the execution and delivery of, and the performance of the terms of this Subscription Agreement by the Corporation does not and will not constitute a breach of or default under the constating documents of the Corporation or any law, regulation, order or ruling

applicable to the Corporation or any law, regulation, order or ruling applicable to the Corporation or any agreement, contract or indenture to which the Corporation is a party or by which it is bound;

- (d) it will issue as fully paid and non-assessable to the Subscriber the number of Common Shares for which the Subscriber has subscribed pursuant to this Subscription Agreement;
- (e) the Corporation is now, and as at the Closing Date shall be, a valid and subsisting Corporation under the laws of Saskatchewan;
- (f) as at the Closing Date, the authorized share capital of the Corporation shall include an unlimited number of a class of shares designated "common shares";
- (g) the Corporation has been organized to qualify as a mortgage investment corporation (a "MIC") as defined in the Income Tax Act (Canada);
- (h) all requisite authorizations, approvals, consents, orders, qualifications, exemptions and licenses required to be obtained by the Corporation under applicable Laws or any agreements or documents by which the Corporation is bound to permit or authorize the execution, delivery and performance of this Subscription Agreement by the Corporation have been obtained and are in full force and effect unamended. "**Laws**" means all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, or any provisions of the foregoing, including general principles of common and civil law and equity, binding on or affecting the person referred to in the context in which such word is used; and "**Law**" means any one of them;
- (i) the Corporation is conducting and has conducted its business in compliance in all material respects with all the applicable Laws, regulations and rules of each jurisdiction in which it carries on business, and the Corporation is not in the conduct of its business and operations and the use of all or any part of its property in breach of any Laws in any material respect;
- (j) there are no actions, suits or proceedings, judicial or administrative pending or threatened by or against or affecting the Corporation, the Corporation's business, or any of the officers or directors of the Corporation in connection with their affairs or their roles as such officers or directors, at law or in equity, or before or by any federal, provincial, local or other court, department, board, bureau, or agency, and the Corporation is not aware of any existing ground on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success, nor is the Corporation or any property thereof subject to or affected by any existing judgment, order, decree or other action or proceeding;
- (k) the Corporation is not in default or breach of its obligations under any one or more contracts, agreements (written or oral), commitments, indentures or other instruments to which it is a party or any statute, regulation, judgment, decree, order or law by which it is bound or affected, and there exists no state of facts which after notice or lapse of time or both would constitute such a default or breach, and all such contracts, agreements, commitments, indentures and other instruments are now in good standing and in full force and effect and the Corporation is entitled to all benefits thereunder; and
- (l) the Subscription Agreement, when executed on behalf of the Corporation, shall constitute a legally binding and enforceable obligation and agreement of the Corporation, enforceable in accordance with its terms.



**GENERAL**

9. The Subscriber acknowledges that this Subscription Agreement and the Schedules hereto require the Subscriber to provide certain personal information to the Corporation. Such information is being collected by the Corporation for the purposes of completing this offering, which includes, without limitation, determining the Subscriber's eligibility to purchase the Common Shares under applicable securities legislation, preparing and registering certificates representing Common Shares to be issued to the Subscriber and completing filings required by any stock exchange or securities regulatory authority. The Subscriber's personal information may be disclosed by the Corporation to: (a) stock exchanges or securities regulatory authorities; (b) the Corporation's registrar and transfer agent; (c) Canada Revenue Agency; and (d) any of the other parties involved in this offering, including legal counsel and may be included in record books in connection with this offering. By executing this Subscription Agreement, the Subscriber is deemed to be consenting to the foregoing collection, use and disclosure of the Subscriber's personal information. The Subscriber also consents to the filing of copies or originals of any of the Subscriber's documents described in this Subscription Agreement hereof as may be required to be filed with any securities regulatory authority in connection with the transactions contemplated hereby.
10. The Corporation agrees that upon acceptance of the within subscription and fulfillment of all of the terms of this Subscription Agreement, including unconditional receipt of the Aggregate Subscription Price, the Corporation shall pay to the Subscriber, if acting as agent for a Disclosed Principal, a 6% commission on such Aggregate Subscription Price.
11. Neither this Subscription Agreement nor any interest herein nor any of the rights arising hereunder may be assigned or transferred by the Subscriber in the manner, except with the prior written consent of the Corporation. Subject to the foregoing, this Subscription Agreement shall enure to the benefit of and be binding upon the heirs, executors, successors and permitted assigns of the Subscriber and on the successors and assigns of the Corporation.
12. The contract arising out of this Subscription Agreement and all documents relating thereto shall be governed by and construed in accordance with the laws of the Province of Saskatchewan and the federal laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Saskatchewan.
13. This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof and supersedes any prior negotiations, understandings and agreements, and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.
14. The terms and provisions of this Subscription Agreement shall be binding upon and enure to the benefit of the Subscriber and the Corporation and their respective heirs, executors, administrators, successors and assigns; provided that this Subscription Agreement shall not be assignable by any party without prior written consent of the other parties.
15. The Subscriber agrees that this subscription is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber.
16. Neither this Subscription Agreement nor any provision hereof shall be modified, changed, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, change, discharge or termination is sought.

17. The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.
18. The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof.
19. The covenants, representations and warranties contained herein shall survive the Closing of the transactions contemplated hereby.
20. In this Subscription Agreement (including Schedules), references to "\$" or money amounts are to Canadian dollars.
21. The parties hereto acknowledge and confirm that they have requested that this Subscription Agreement as well as all notices and other documents contemplated hereby be drawn up in the English language. Les parties aux présentes reconnaissent et confirment qu'elles ont convenu que la présente convention de souscription ainsi que tous les avis et documents qui s'y rattachent soient rédigés dans la langue anglaise.
22. Words importing the singular number shall include the plural and vice versa and words importing the masculine, feminine or neuter genders shall include the other genders.
23. Time shall be of the essence hereof.
24. This Subscription Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document.

## **CLOSING**

The closing (the "**Closing**") of the issuance of the Common Shares herein subscribed is to occur on August 18, 2009 or such earlier date as the Corporation may determine (the "**Closing Date**") and shall be at the offices of the Corporation at 700 - 750 Spadina Crescent East, Saskatoon Saskatchewan S7K 3H3. The Subscriber covenants and agrees with the Corporation that on or before Closing, it shall:

- (a) deliver or cause to deliver to Union Securities Ltd. (the "Agent"), or its nominee, for delivery to the Corporation at Closing:
  - (i) this Subscription Agreement duly completed and executed relating to subscription, registration, delivery and payment particulars together with the **Representation Letter** attached as Schedule "A" hereto as well as initial the appropriate section of Appendix "A" attached thereto;
  - (ii) a certified cheque or bank draft payable to the Agent or its nominee, for the aggregate subscription price of the Common Shares subscribed for under this Subscription Agreement; and
- (b) execute and complete such other documentation as may be required by applicable securities legislation to exempt the sale of the Common Shares from the registration requirements.

The Corporation shall be entitled to rely on delivery of a facsimile copy of this executed Subscription Agreement and acceptance by the Corporation of such facsimile subscriptions shall be legally effective to create a valid and binding obligation of the Subscriber enforceable against the Subscriber in accordance with the terms hereof.

The Corporation will hold the Aggregate Subscription Price in trust until the later of: (1) midnight on the second business day after the day on which the funds and a properly completed Subscription Agreement are received by the Agent; and (2) the date the Corporation accepts the Subscription.

**RESALE RESTRICTIONS**

Unless otherwise permitted under applicable securities legislation, a Subscriber is not permitted to trade its Common Shares in any Canadian jurisdiction before the date that is four months and a day after the Closing Date.

**SCHEDULE "A"**

**REPRESENTATION LETTER  
(FOR ACCREDITED INVESTORS)**

**TO: Primewest Mortgage Investment Corporation (the "Corporation")**

In connection with the purchase of Class A Common Shares of the Corporation (the "**Common Shares**") at a price of \$10 per Common Share by the undersigned subscriber (the "**Subscriber**"), the Subscriber hereby represents, warrants, covenants and certifies to the Corporation that:

1. The Subscriber is resident in the Province of Ontario.
2. The Subscriber is, unless it is a person or company described in paragraph (p) or (q) in the attached Appendix "A" that is deemed pursuant to the provisions of section 1.1 of National Instrument 45-106 entitled "Prospectus and Registration Exemptions" ("**NI 45-106**"), to be purchasing the Common Shares as principal for its own account.
3. The Subscriber is an "**accredited investor**" within the meaning of NI 45-106 by virtue of satisfying the indicated criterion as set out in Appendix "A" to this Representation Letter.
4. The Subscriber was not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) in the attached Appendix "A".
5. Upon execution of this Representation Letter and completion of Appendix "A" attached hereto by the Subscriber, this Representation Letter shall be incorporated into and form a part of the Subscription Agreement.

Dated: \_\_\_\_\_, 2009

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

By: \_\_\_\_\_  
Signature of Subscriber

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

\_\_\_\_\_  
Title:

**IMPORTANT: PLEASE INITIAL THE APPLICABLE PROVISION IN  
APPENDIX "A" ON THE NEXT PAGES**

**APPENDIX "A" TO SCHEDULE "A"**

**NOTE: THE SUBSCRIBER MUST INITIAL BESIDE THE APPLICABLE PROVISION OF THE DEFINITION BELOW**

**Accredited Investor** - (defined in National Instrument 45-106 entitled "Prospectus and Registration Exemptions") means:

- \_\_\_\_\_ (a) a Canadian financial institution, or a Schedule III bank; or
- \_\_\_\_\_ (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- \_\_\_\_\_ (c) a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary; or
- \_\_\_\_\_ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, other than a person registered solely as a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador); or
- \_\_\_\_\_ (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d); or
- \_\_\_\_\_ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada; or
- \_\_\_\_\_ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec; or
- \_\_\_\_\_ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government; or
- \_\_\_\_\_ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada; or
- \_\_\_\_\_ (j) an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000<sup>(1)</sup>; or

*Note - if individual accredited investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under section (t) below, which must be initialed.*

- \_\_\_\_\_ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year; or

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- \_\_\_\_\_ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000; or
- \_\_\_\_\_ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements; or
- \_\_\_\_\_ (n) an investment fund that distributes or has distributed its securities only to:
  - (i) a person that is or was an accredited investor at the time of the distribution,
  - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [*Minimum amount investment*] and 2.19 [*Additional investment in investment funds*] of NI 45-106, or
  - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [*Investment fund reinvestment*] of NI 45-106; or
- \_\_\_\_\_ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt; or
- \_\_\_\_\_ (p) a trust company or trust corporation registered or authorized to carry on business under the Trust and Loan Companies Act (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be; or
- \_\_\_\_\_ (q) a person acting on behalf of a fully managed account managed by that person, if that person:
  - (i) is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction; and
  - (ii) in Ontario, is purchasing a security that is not a security of an investment fund; or
- \_\_\_\_\_ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded; or
- \_\_\_\_\_ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function; or
- \_\_\_\_\_ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors (as defined in NI 45-106); or
- \_\_\_\_\_ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser; or
- \_\_\_\_\_ (v) a person that is recognized or designated by the Ontario Securities Commission as an accredited investor.

For the Purposes hereof:

- (a) **“Canadian financial institution”** means
  - (i) an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act, or
  - (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (b) **“financial assets”** means
  - (i) cash,
  - (ii) securities, or
  - (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
- (c) **“foreign jurisdiction”** means a country other than Canada or a political subdivision of a country other than Canada;
- (d) **“fully managed account”** means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction;
- (e) **“investment fund”** has the same meaning as in National Instrument 81-106 *Investment Fund Continuous Disclosure*;
- (f) **“jurisdiction”** means a province or territory of Canada except when used in the term foreign jurisdiction;
- (g) **“local jurisdiction”** means the jurisdiction in which the Canadian securities regulatory authority is situate;
- (h) **“non-redeemable investment fund”** has the same meaning as in National Instrument 8 1-106 *Investment Fund Continuous Disclosure*;
- (i) **“person”** includes
  - (i) an individual,
  - (ii) a corporation,
  - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
  - (iv) an individual or other person in that person’s capacity as a trustee, executor,

administrator or personal or other legal representative;

- (j) **“regulator”** means, for the local jurisdiction, the person referred to in Appendix D of National Instrument 14-101 Definitions opposite the name of the local jurisdiction;
- (k) **“related liabilities”** means
  - (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
  - (ii) liabilities that are secured by financial assets;
- (l) **“Schedule III bank”** means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (m) **“spouse”** means, an individual who,
  - (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual,
  - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
  - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii) above, or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (n) **“subsidiary”** means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

All monetary references are in Canadian Dollars,

Note:

<sup>1</sup> The following is an excerpt from the Companion Policy to National Instrument 45-106 which provides guidance as to the meaning of beneficial ownership of financial assets:

“Paragraph (j) of the “accredited investor” definition refers to an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$1,000,000. As a general matter, it should not be difficult to determine whether financial assets are beneficially owned by an individual, an individual’s spouse, or both, in any particular instance. However, financial assets held in a trust or in other types of investment vehicles for the benefit of an individual may raise questions as to whether the individual beneficially owns the financial assets in the circumstances. The following factors are indicative of beneficial ownership of financial assets:

- (a) Physical or constructive possession of evidence of ownership of the financial asset;
- (b) Entitlement to receipt of any income generated by the financial asset;



- (c) Risk of loss of the value of the financial asset; and
- (d) The ability to dispose of the financial asset or otherwise deal with it as the individual sees fit.

For example, securities held in a self-directed RRSP, for the sole benefit of an individual are beneficially owned by that individual. In general, financial assets in a spousal RRSP would also be included for the purposes of the threshold test because paragraph (j) takes into account financial assets owned beneficially by a spouse. However, financial assets held in a group RRSP under which the individual would not have the ability to acquire the financial assets and deal with them directly would not meet these beneficial ownership requirements.”