

**IN THE MATTER OF
THE SECURITIES ACT, 1988, S.S. 1988, c. S-42.2**

AND

**IN THE MATTER OF
GALLOWAI METAL MINING CORPORATION
AND
BUL RIVER MINERAL CORPORATION**

AGREEMENT AND UNDERTAKINGS

WHEREAS:

A. The Director of the Saskatchewan Securities Commission (the "Director") has issued a Notice of Hearing against Gallowai Metal Mining Corporation ("Gallowai") and Bul River Mineral Corporation ("Bul River") dated September 17, 1998 (the "Notice of Hearing");

B. The Director and Bul River and Gallowai have agreed to settle the matters set out in the Notice of Hearing as follows:

- 1) Gallowai and Bul River and their affiliates and subsidiaries, as those terms are defined in subsection 2(2) of the *The Securities Act, 1988*, SS 1988, c. S-42.2 (the "Act") (the "Issuers"), each agree and undertake that they:
 - a. Each shall trade its securities in Saskatchewan only pursuant to the registration and prospectus exemptions contained in clauses 81(1)(d) and 39(1)(e) of the Act, unless or until:
 - i) The Commission has given written approval to trade its securities pursuant to another exemption under the Act; or
 - ii) The Commission issued a prospectus receipt to it.
 - b. Shall require prospective purchasers of their securities to obtain independent advice from a lawyer, accountant, or registered dealer or advisor as these terms are defined in Saskatchewan Local Policy Statement 5.2 - "Qualified Investor Exemption in clauses 39(1)(y) and 81(1)(s)" ("LP 5.2") and shall file with the Commission, together with the required Form 19 for the trade, an affidavit for each purchaser and certificate of the advisor who advised the purchaser in a form substantially similar to those required by LP 5.2.

- c. Shall, by the terms of the Subscription Agreements for their shares, require each purchaser of their securities to incur total liability for the entire investment amount, pay the purchase price of such securities in full on or before December 31st of the second year following the date of the trade with the payment or installment payments made by a purchaser in any calendar year being at least equal to the entire investment amount divided by the number of years of the total payment period (a maximum of three years).
 - d. Will hold meetings in Saskatchewan for the purpose of soliciting sales of their securities only if no more than four individuals who are not shareholders are present. (This does not preclude shareholder information meetings between representatives of Gallowai and Bul River and persons who are shareholders, or their representatives).
 - e. Waive any right they may have under the Act or otherwise to a hearing, review, judicial review or appeal of the matters set out herein.
- 2) The Director hereby agrees that this Agreement resolves all matters described in the Notice of Hearing and further agrees to request the withdrawal of the Notice of Hearing without claiming costs. Nothing in this Agreement shall prohibit the Director from considering and dealing with any matter not set out in the Notice of Hearing or any new complaint brought to the Director's attention in respect of Bul River and Gallowai.

IN WITNESS WHEREOF Gallowai and Bul River and the Director have executed this Agreement and Undertaking on this 25th day of November, 1998.

SIGNED, SEALED AND DELIVERED) GALLOWAI METAL MINING CORPORATION

in the presence of:

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) Per:

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"Lillian Morash"

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"Ross Hale Stanfield"

SIGNED, SEALED AND DELIVERED
in the presence of:

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BUL RIVER MINERAL CORPORATION

Per:

"Lillian Morash"

"Ross Hale Stanfield"

Signed in the presence of:

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SASKATCHEWAN SECURITIES COMMISSION

Per:

"Patti Pacholek"

"Barbara L. Shourounis"

Barbara L. Shourounis, Director