



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor
20 Queen Street West
Toronto ON M5H 3S8

CP 55, 19e étage
20, rue queen ouest
Toronto ON M5H 3S8

**IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, c. S.5, AS AMENDED**

- AND -

**IN THE MATTER OF FIRESTAR CAPITAL MANAGEMENT CORP.,
KAMPOSSE FINANCIAL CORP., FIRESTAR INVESTMENT MANAGEMENT
GROUP, MICHAEL CIAVARELLA AND MICHAEL MITTON**

- AND -

**IN THE MATTER OF AN ESCROW AGREEMENT ENTERED INTO AMONG
ARMISTICE RESOURCES LTD., EQUITY TRANSFER SERVICES INC AND IMM
INVESTMENTS INC.**

**ORDER
(Subsections 127 and 127(1))**

WHEREAS on December 21, 2004, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in connection with a Statement of Allegations filed by Staff of the Commission ("Staff");

AND WHEREAS Michael Ciavarella entered into a settlement agreement with Staff on May 17, 2011 (the "Settlement Agreement") in which the Respondent agreed to a proposed settlement commenced by the Notice of Hearing dated May 16, 2011, subject to the approval of the Commission;

AND WHEREAS upon reviewing the Settlement Agreement, the Notice of Hearing, the Statement of Allegations, and upon hearing the submissions from counsel for the Respondent and from Staff and being of the opinion that it was in the public interest to make an order concluding proceedings involving Michael Ciavarella, the Commission approved the settlement agreement and made certain consequential orders;

AND WHEREAS proceedings against the other Respondents (namely, Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group and Michael Mitton) remain outstanding;

AND WHEREAS on June 22, 2005, Armistice Resources Ltd., Equity Transfer Services Inc. (the "Escrow Agent") and IMM Investments Inc. (the "Security Holder")

entered into an Escrow Agreement (the “Escrow Agreement”) marked as Appendix “A” to this Order;

AND WHEREAS the said Escrow Agreement was entered into as a condition of Staff recommending the revocation of a cease trade order issued by the Commission on June 6, 2003;

AND WHEREAS the Escrow Agreement provides that there shall be no transfer or release of the escrow securities until the termination of the proceedings against all respondents or this Commission orders otherwise upon application of the Security Holder;

AND WHEREAS the Issuer (as defined in the Escrow Agreement) has consented in writing to the making of this Order;

AND WHEREAS the Escrow Agent (as defined in the Escrow Agreement), though properly served and aware of this application, takes no position with respect to the making of this Order;

AND WHEREAS Staff consents to the making of this Order;

AND WHEREAS the Commission is satisfied that it is in the public interest to do so;

IT IS HEREBY ORDERED THAT:

1. The Escrow Agreement made among Armistice Resources Ltd., Equity Transfer Services Inc., and IMM Investments Inc. dated June 22, 2005, as modified by the Addendum dated June 5, 2006, is hereby vacated; and
2. The Escrow Agent is hereby directed to release the escrow securities as defined in the Escrow Agreement to the Security Holder.

DATED at Toronto, this 31st day of May, 2011.

“Christopher Portner”

Christopher Portner

APPENDIX "A"

ESCROW AGREEMENT

THIS AGREEMENT is made as of the 22nd day of June, 2005.

AMONG:

ARMISTICE RESOURCES LTD. (the "Issuer")

AND:

EQUITY TRANSFER SERVICES INC. (the "Escrow Agent")

AND:

IMM INVESTMENTS INC. (the "Securityholder" or "you")
(collectively, the "Parties")

WHEREAS:

- A. This Agreement is entered into in connection with an application made by the Issuer on April 22, 2005 to the Ontario Securities Commission, (the "Commission") regarding the revocation of a cease trade order issued by the Commission on June 6, 2003 (the "CTO");
- B. This Agreement contemplates and recognizes that the Commission is carrying out proceedings (the "Proceedings") against Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton in regards to trading in shares of Pender International Inc. ("Pender"). Pender owns all of the issued and outstanding shares of the Securityholder; and
- C. This Agreement recognizes that the staff of the Commission ("Staff") have advised the Issuer that, in view of the Proceedings, the entry into by the Securityholder of an agreement substantially in the form of this Agreement is a condition to Staff making a recommendation that the CTO be revoked.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of Ten (\$10.00) Dollars and other good and valuable consideration not herein recited, the receipt and sufficiency of which consideration is acknowledged by the Parties, the Parties hereto covenant and agree as follows:

ARTICLE 1 ESCROW

1.1 Appointment of Escrow Agent

The Issuer and the Securityholder appoint the Escrow Agent to act as escrow agent under this Agreement. The Escrow Agent accepts the appointment.

1.1.1 Acknowledgment of Regulator

For the purposes of this Agreement, "Regulator" shall mean the Commission.

1.2 Deposit of Escrow Securities in Escrow

1.2.1 You are depositing the securities (the "escrow securities") listed opposite your name in Schedule "A" with the Escrow Agent to be held in escrow under this Agreement. You will immediately deliver or cause to be delivered to the Escrow Agent any share certificates or other evidence of these securities which you have or which you may later receive.

1.2.2 If you receive any other securities ("additional escrow securities"):

- (a) as a dividend or other distribution on escrow securities;
- (b) on the exercise of a right of purchase, conversion or exchange attaching to escrow securities, including securities received on conversion of special warrants;
- (c) on a subdivision, or compulsory or automatic conversion or exchange of escrow securities; or
- (d) from a successor issuer in a business combination, if Article 4 of this Agreement applies,

you will deposit them in escrow with the Escrow Agent. You will deliver or cause to be delivered to the Escrow Agent any share certificates or other evidence of those additional escrow securities. When this Agreement refers to escrow securities, it includes additional escrow securities.

1.2.3 You will immediately deliver to the Escrow Agent any replacement share certificates or other evidence of additional escrow securities issued to you.

1.3 Direction to Escrow Agent

The Issuer and the Securityholder direct the Escrow Agent to hold the escrow securities in escrow until they are released from escrow under this Agreement.

ARTICLE 2 RELEASE OF ESCROW SECURITIES

2.1 Release Provisions

No transfer or release of the escrow securities shall be permitted unless the Proceedings have been concluded or the Commission orders otherwise upon application of the Securityholder.

2.2 Delivery of Share Certificates for Escrow Securities

The Escrow Agent will send to each Securityholder any share certificates or other evidence of that Securityholder's escrow securities in the possession of the Escrow Agent released from escrow as soon as reasonably practicable after the release.

2.3 Replacement Certificates

If, on the date a Securityholder's escrow securities are to be released, the Escrow Agent holds a share certificate or other evidence representing more escrow securities than are to be released, the Escrow Agent will deliver the share certificate or other evidence to the Issuer or its transfer agent and request replacement share certificates or other evidence. The Issuer will cause replacement share certificates or other evidence to be prepared and delivered to the Escrow Agent. After the Escrow Agent receives the replacement share certificates or other evidence, the Escrow Agent will send to the Securityholder or at the Securityholder's direction, the replacement share certificate or other evidence of the escrow securities released. The Escrow Agent and Issuer will act as soon as reasonably practicable.

2.4 Discretionary Applications

The Regulator may consent to the release from escrow of escrow securities in other circumstances and on terms and on conditions it deems appropriate. Securities may be released from escrow provided that the Escrow Agent receives written notice from the Regulator.

ARTICLE 3 DEALING WITH ESCROW SECURITIES

3.1 Restriction on Transfer, etc.

Unless it is expressly permitted in this Agreement, you will not sell, transfer, assign, mortgage, enter into a derivative transaction concerning, or otherwise deal in any way with your escrow securities or any related share certificates or other evidence of the escrow securities. If a Securityholder is a private company controlled by one or more Principals of the Issuer, the Securityholder may not participate in a transaction that results in a change of its control or a change in the economic exposure of the Principals to the risks of holding escrow securities.

3.2 Pledge, Mortgage or Charge as Collateral for a Loan

Subject to Regulator acceptance, you may pledge, mortgage or charge your escrow securities to a financial institution as collateral for a loan, provided that no escrow securities or any share certificates or other evidence of escrow securities will be transferred or delivered by the Escrow Agent to the financial institution for this purpose. The loan agreement must provide that the escrow securities will remain in escrow if the lender realizes on the escrow securities to satisfy the loan.

3.3 Voting of Escrow Securities

Although you may exercise voting rights attached to your escrow securities, you may not, while your securities are held in escrow, exercise voting rights attached to any securities (whether in escrow or not) in support of one or more arrangements that would result in the repayment of capital being made on the escrow securities prior to a winding up of the Issuer.

3.4 Dividends on Escrow Securities

You may receive a dividend or other distribution on your escrow securities, and elect the manner of payment from the standard options offered by the Issuer. If the Escrow Agent receives a dividend or other distribution on your escrow securities, other than additional escrow securities, the Escrow Agent will pay the dividend or other distribution to you on receipt.

3.5 Exercise of Other Rights Attaching to Escrow Securities

You may exercise your rights to exchange or convert your escrow securities in accordance with this Agreement.

ARTICLE 4 BUSINESS COMBINATIONS

4.1 Business Combinations

This Article applies to the following (“business combinations”):

- (a) a formal take-over bid for all outstanding securities of the Issuer or which, if successful, would result in a change of control of the Issuer
- (b) a formal issuer bid for all outstanding equity securities of the Issuer
- (c) a statutory arrangement
- (d) an amalgamation
- (e) a merger
- (f) a reorganization that has an effect similar to an amalgamation or merger

4.2 Delivery to Escrow Agent

4.2.1 You may tender your escrow securities to a person or company in a business combination. At least five business days prior to the date the escrow securities must be tendered under the business combination, you must deliver to the Escrow Agent:

- (a) a written direction signed by you that directs the Escrow Agent to deliver to the depository under the business combination any share certificates or other evidence of the escrow securities and a completed and executed cover letter or similar document and, where required, transfer power of attorney completed and executed for transfer in accordance with the requirements of the Issuer's depository, and any other documentation specified or provided by you and required to be delivered to the depository under the business combination;
- (b) written consent of the Regulator; and
- (c) any other information concerning the business combination as the Escrow Agent may reasonably require.

4.3 Delivery to Depository

4.3.1 As soon as reasonably practicable, and in any event no later than three business days after the Escrow Agent receives the documents and information required under Section 4.2, the Escrow Agent will deliver to the depository, in accordance with the direction, any share certificates or other evidence of the escrow securities, and a letter addressed to the depository that:

- (a) identifies the escrow securities that are being tendered;
- (b) states that the escrow securities are held in escrow;
- (c) states that the escrow securities are delivered only for the purposes of the business combination and that they will be released from escrow only after the Escrow Agent receives the information described in Section 4.4;
- (d) if any share certificates or other evidence of the escrow securities have been delivered to the depository, requires the depository to return to the Escrow Agent, as soon as practicable, the share certificates or other evidence of escrow securities that are not released from escrow into the business combination; and
- (e) where applicable, requires the depository to deliver or cause to be delivered to the Escrow Agent, as soon as practicable, share certificates or other evidence of additional escrow securities that you acquire under the business combination.

4.4 Release of Escrow Securities to Depository

4.4.1 The Escrow Agent will release from escrow the tendered escrow securities provided that:

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- (a) you or the Issuer make application to release the tendered securities on a date at least 10 business days and not more than 30 business days prior to the date of the proposed release date;
- (b) the Regulator does not provide notice of its objection to the Escrow Agent prior to 1:00 p.m. (Toronto time) on such specified date; and
- (c) the Escrow Agent receives a declaration signed by the depositary or, if the direction identifies the depositary as acting on behalf of another person or company in respect of the business combination, by that other person or company, that:
 - (i) the terms and conditions of the business combination have been met or waived; and
 - (ii) the escrow securities have either been taken up and paid for or are subject to an unconditional obligation to be taken up and paid for under the business combination.

4.5 Escrow of New Securities

- (a) If you receive securities (“new securities”) of another issuer (“successor issuer”) in exchange for your escrow securities, the new securities will be subject to escrow in substitution for the tendered escrow securities.

ARTICLE 5 RESIGNATION OF ESCROW AGENT

5.1 Resignation of Escrow Agent

5.1.1 If the Escrow Agent wishes to resign as escrow agent, the Escrow Agent will give written notice to the Issuer and the Regulator.

5.1.2 If the Issuer wishes to terminate the Escrow Agent as escrow agent, the Issuer will give written notice to the Escrow Agent and the Regulator.

5.1.3 If the Escrow Agent resigns or is terminated, the Issuer will be responsible for ensuring that the Escrow Agent is replaced not later than the resignation or termination date by another escrow agent that is acceptable to the Regulator and that has accepted such appointment, which appointment will be binding on the Issuer and the Securityholder.

5.1.4 The resignation or termination of the Escrow Agent will be effective, and the Escrow Agent will cease to be bound by this Agreement, on the date that is 60 days after the date of receipt of the notices referred to above by the Escrow Agent or Issuer, as applicable, or on such other date as the Escrow Agent and the Issuer may agree upon (the “**resignation or termination date**”), provided that the resignation or termination date will not be less than 10 business days before a release date.

5.1.5 If the Issuer has not appointed a successor escrow agent within 60 days of the resignation or termination date, the Escrow Agent will apply, at the Issuer's expense, to a court of competent jurisdiction for the appointment of a successor escrow agent, and the duties and responsibilities of the Escrow Agent will cease immediately upon such appointment.

5.1.6 On any new appointment under this section, the successor Escrow Agent will be vested with the same powers, rights, duties and obligations as if it had been originally named herein as Escrow Agent, without any further assurance, conveyance, act or deed. The predecessor Escrow Agent, upon receipt of payment for any outstanding account for its services and expenses then unpaid, will transfer, deliver and pay over to the successor Escrow Agent, who will be entitled to receive, all securities, records or other property on deposit with the predecessor Escrow Agent in relation to this Agreement and the predecessor Escrow Agent will thereupon be discharged as Escrow Agent.

5.1.7 If any changes are made to Article 6 of this Agreement as a result of the appointment of the successor Escrow Agent, those changes must not be inconsistent with the terms of this Agreement and the Issuer to this Agreement will file a copy of the new Agreement with the Regulator.

ARTICLE 6 OTHER CONTRACTUAL ARRANGEMENTS

6.1 Escrow Agent Not a Trustee

The Escrow Agent accepts duties and responsibilities under this Agreement, and the escrow securities and any share certificates or other evidence of these securities, solely as a custodian, bailee and agent. No trust is intended to be, or is or will be, created hereby and the Escrow Agent shall owe no duties hereunder as a trustee.

6.2 Escrow Agent Not Responsible for Genuineness

The Escrow Agent will not be responsible or liable in any manner whatever for the sufficiency, correctness, genuineness or validity of any escrow security deposited with it.

6.3 Escrow Agent Not Responsible for Furnished Information

The Escrow Agent will have no responsibility for seeking, obtaining, compiling, preparing or determining the accuracy of any information or document, including the representative capacity in which a party purports to act, that the Escrow Agent receives as a condition to a release from escrow or a transfer of escrow securities within escrow under this Agreement.

6.4 Escrow Agent Not Responsible after Release

The Escrow Agent will have no responsibility for escrow securities that it has released to a Securityholder.

6.5 Indemnification of Escrow Agent

The Issuer and each Securityholder hereby jointly and severally agree to indemnify and hold harmless the Escrow Agent, its affiliates, and their current and former directors, officers, employees and agents from and against any and all claims, demands, losses, penalties, costs, expenses, fees and liabilities, including, without limitation, legal fees and expenses, directly or indirectly arising out of, in connection with, or in respect of, this Agreement, except where same result directly and principally from gross negligence, wilful misconduct or bad faith on the part of the Escrow Agent. This indemnity survives the release of the escrow securities, the resignation or termination of the Escrow Agent and the termination of this Agreement.

6.6 Additional Provisions

6.6.1 The Escrow Agent will be protected in acting and relying reasonably upon any notice, direction, instruction, order, certificate, confirmation, request, waiver, consent, receipt, statutory declaration or other paper or document (collectively referred to as "Documents") furnished to it and purportedly signed by any officer or person required to or entitled to execute and deliver to the Escrow Agent any such Document in connection with this Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth or accuracy of any information therein contained, which it in good faith believes to be genuine.

6.6.2 The Escrow Agent will not be bound by any notice of a claim or demand with respect thereto, or any waiver, modification, amendment, termination or rescission of this Agreement unless received by it in writing, and signed by the other Parties and approved by the Regulator, and, if the duties or indemnification of the Escrow Agent in this Agreement are affected, unless it has given its prior written consent.

6.6.3 The Escrow Agent may consult with or retain such legal counsel and advisors as it may reasonably require for the purpose of discharging its duties or determining its rights under this Agreement and may rely and act upon the advice of such counsel or advisor. The Escrow Agent will give written notice to the Issuer as soon as practicable that it has retained legal counsel or other advisors. The Issuer will pay or reimburse the Escrow Agent for any reasonable fees, expenses and disbursements of such counsel or advisors.

6.6.4 In the event of any disagreement arising under the terms of this Agreement, the Escrow Agent will be entitled, at its option, to refuse to comply with any and all demands whatsoever until the dispute is settled either by a written agreement among the Parties or by a court of competent jurisdiction.

6.6.5 The Escrow Agent will have no duties or responsibilities except as expressly provided in this Agreement and will have no duty or responsibility arising under any other agreement, including any agreement referred to in this Agreement, to which the Escrow Agent is not a party.

6.6.6 The Escrow Agent will have the right not to act and will not be liable for refusing to act unless it has received clear and reasonable documentation that complies with the terms of

this Agreement. Such documentation must not require the exercise of any discretion or independent judgment.

6.6.7 The Escrow Agent is authorized to cancel any share certificate delivered to it and hold such Securityholder's escrow securities in electronic, or uncertificated form only, pending release of such securities from escrow.

6.6.8 The Escrow Agent will have no responsibility with respect to any escrow securities in respect of which no share certificate or other evidence or electronic or uncertificated form of these securities has been delivered to it, or otherwise received by it.

6.7 Limitation of Liability of Escrow Agent

The Escrow Agent will not be liable to any of the Parties hereunder for any action taken or omitted to be taken by it under or in connection with this Agreement, except for losses directly, principally and immediately caused by its bad faith, wilful misconduct or gross negligence. Under no circumstances will the Escrow Agent be liable for any special, indirect, incidental, consequential, exemplary, aggravated or punitive losses or damages hereunder, including any loss of profits, whether foreseeable or unforeseeable. Notwithstanding the foregoing or any other provision of this Agreement, in no event will the collective liability of the Escrow Agent under or in connection with this Agreement to any one or more Parties, except for losses directly caused by its bad faith or wilful misconduct, exceed the amount of its annual fees under this Agreement or the amount of three thousand dollars (\$3,000.00), whichever amount shall be greater.

6.8 Remuneration of Escrow Agent

The Issuer will pay the Escrow Agent reasonable remuneration for its services under this Agreement, which fees are subject to revision from time to time on 30 days' written notice. The Issuer will reimburse the Escrow Agent for its expenses and disbursements. Any amount due under this section and unpaid 30 days after request for such payment, will bear interest from the expiration of such period at a rate per annum equal to the then current rate charged by the Escrow Agent, payable on demand.

**ARTICLE 7
NOTICES**

7.1 Notice to Escrow Agent

Documents will be considered to have been delivered to the Escrow Agent on the next business day following the date of transmission, if delivered by fax, the date of delivery, if delivered by hand during normal business hours or by prepaid courier, or 5 business days after the date of mailing, if delivered by mail, to the following:

Equity Transfer Services Inc.
Suite 420, 120 Adelaide Street West
Toronto, Ontario M5H 4C3

Facsimile: (416) 361-0470

7.2 Notice to Issuer

Documents will be considered to have been delivered to the Issuer on the next business day following the date of transmission, if delivered by fax, the date of delivery, if delivered by hand or by prepaid courier, or 5 business days after the date of mailing, if delivered by mail, to the following:

Todd J. Morgan, President
40 Harding Avenue
Kirkland Lake, P2N 1B5

Facsimile: (705) 642-9187

7.3 Deliveries to Securityholder

Documents will be considered to have been delivered to the Securityholder on the date of delivery, if delivered by hand or by prepaid courier, or 5 business days after the date of mailing, if delivered by mail, to the address on the Issuer's share register.

Any share certificates or other evidence of the Securityholder's escrow securities will be sent to the Securityholder's address on the Issuer's share register unless the Securityholder has advised the Escrow Agent in writing otherwise at least ten business days before the escrow securities are released from escrow. The Issuer will provide the Escrow Agent with the Securityholder's address as listed on the Issuer's share register.

7.4 Change of Address

7.4.1 The Escrow Agent may change its address for delivery by delivering notice of the change of address to the Issuer and to the Securityholder.

7.4.2 The Issuer may change its address for delivery by delivering notice of the change of address to the Escrow Agent and to the Securityholder.

7.4.3 A Securityholder may change the Securityholder's address for delivery by delivering notice of the change of address to the Issuer and to the Escrow Agent.

7.5 Postal Interruption

A party to this Agreement will not mail a Document if the party is aware of an actual or impending disruption of postal service.

**ARTICLE 8
GENERAL**

8.1 Termination, Amendment, and Waiver of Agreement

8.1.1 This Agreement shall only terminate:

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- (a) with respect to all the Parties:
 - (i) as specifically provided in this Agreement;
 - (ii) subject to Section 8.1.2, upon the agreement of all Parties; or
 - (iii) when the Securities of the Securityholder have been released from escrow pursuant to Section 2.1 of this Agreement; and

8.1.2 An agreement to terminate this Agreement pursuant to subsection 8.1.1(a)(ii) shall not be effective unless and until the agreement to terminate:

- (a) is evidenced by a memorandum in writing signed by all Parties; and
- (b) has been consented to in writing by the Regulator.

8.1.3 No amendment or waiver of this Agreement or any part of this Agreement shall be effective unless the amendment or waiver:

- (a) is evidenced by a memorandum in writing signed by all Parties; and
- (b) has been approved in writing by the Regulator.

8.1.4 No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether similar or not), nor shall any waiver constitute a continuing waiver, unless expressly provided.

8.2 Severance of Illegal Provision

Any provision or part of a provision of this Agreement determined by a court of competent jurisdiction to be invalid, illegal or unenforceable shall be deemed stricken to the extent necessary to eliminate any invalidity, illegality or unenforceability, and the rest of the Agreement and all other provisions and parts thereof shall remain in full force and effect and be binding upon the parties hereto as though the said illegal and/or unenforceable provision or part thereof had never been included in this Agreement.

8.3 Further Assurances

The Parties will execute and deliver any further documents and perform any further acts reasonably requested by any of the Parties to this Agreement which are necessary to carry out the intent of this Agreement.

8.4 Time

Time is of the essence of this Agreement.

8.5 Consent of Regulator to Amendment

The Regulator must approve any amendment to this Agreement.

8.6 Governing Laws

The laws of Ontario and the applicable laws of Canada will govern this Agreement.

8.7 Counterparts

The Parties may execute this Agreement by fax and in counterparts, each of which will be considered an original and all of which will be one agreement.

8.8 Singular and Plural

Wherever a singular expression is used in this Agreement, that expression is considered as including the plural or the body corporate where required by the context.

8.9 Language

This Agreement has been drawn up in the English language at the request of all parties. Cet acte a été rédigé en anglais à la demande de toutes les parties.

8.10 Benefit and Binding Effect

This Agreement will benefit and bind the Parties and their heirs, executors, administrators, successors and permitted assigns and all persons claiming through them as if they had been a Party to this Agreement.

8.11 Entire Agreement

This is the entire agreement among the Parties concerning the subject matter set out in this Agreement and supersedes any and all prior understandings and agreements.

8.12 Successor to Escrow Agent

Any corporation with which the Escrow Agent may be amalgamated, merged or consolidated, or any corporation succeeding to the business of the Escrow Agent will be the successor of the Escrow Agent under this Agreement without any further act on its part or on the part or any of the Parties, provided that the successor is recognized by the Regulator.

The Parties have executed and delivered this Agreement as of the date set out above.

EQUITY TRANSFER SERVICES INC.

By: 
Name: _____
Title: **Richard M. Barnowski**
Vice President

By: _____
Name: _____
Title: _____

ARMISTICE RESOURCES LTD.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

IMM INVESTMENTS INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EQUITY TRANSFER SERVICES INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

ARMISTICE RESOURCES LTD.

By: _____
Name: ~~_____~~ TODD J. MORGAN
Title: ~~_____~~ PRESIDENT

By: _____
Name:
Title:

IMM INVESTMENTS INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

EQUITY TRANSFER SERVICES INC.

By: _____
Name:
Title:

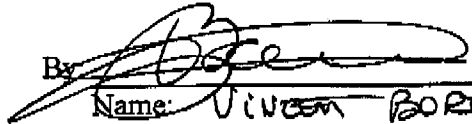
By: _____
Name:
Title:

ARMISTICE RESOURCES LTD.

By: _____
Name:
Title:

By: _____
Name:
Title:

IMM INVESTMENTS INC.

By: 
Name: VIVIAN BORTNER
Title:

By: _____
Name:
Title:

Schedule "A" to Escrow Agreement

Securityholder

Name: IMM INVESTMENTS INC.

Signature: Per: 

Address for Notice:

123 Commence Valley Drive, Suite 300, Thornhill Ontario L3T 7W8

Securities:

Class and Type (i.e. Value Securities or Surplus Securities)	Number	Certificate(s) (if applicable)
Common Shares-Value	20,000,000	GS5 and GS6
Common Share Purchase Warrants	20,000,000	W-8 and W-7

ACKNOWLEDGEMENT AND RECEIPT

TO: THE ONTARIO SECURITIES COMMISSION
AND TO: ARMISTICES RESOURCES

DATE: July 28, 2005

Re: Share and Warrant Certificates of Armistice Resources Inc. registered in name of IMM Investments Inc.

Pursuant to the escrow arrangement described in the escrow agreement, dated June 22, 2005 between IMM Investments Inc., Armistice Resources Inc. and Equity Transfer Services Inc. (the "Escrow Agreement"), Equity Transfer Services Inc. hereby acknowledges receipt of the following:

1. Certificate No. GS5 in the name of IMM Investments Inc. representing 7,000,000 common shares of Armistice Resources Ltd.; *b*
2. Certificate No. GS6 in the name of IMM Investments Inc. representing 13,000,000 common shares of Armistice Resources Ltd.; *b*
3. Warrant Certificate No. W-7 in the name of IMM Investments Inc. representing 7,000,000 common share purchase warrants of Armistice Resources Ltd.; *b*
4. Warrant Certificate No. W-8 in the name of IMM Investments Inc. representing 13,000,000 common share purchase warrants of Armistice Resources Ltd.; and *b*
5. Executed copy of the Escrow Agreement.

And Equity Transfer Services Inc. hereby acknowledges that it is holding the securities noted above in escrow pursuant to the Escrow Agreement.

EQUITY TRANSFER SERVICES INC.

By: 
Richard Barnowski

ADDENDUM TO ESCROW AGREEMENT

THIS AGREEMENT is made as of the 5th day of June, 2006.

AMONG:

ARMISTICE RESOURCES LTD. (the “**Issuer**”)

AND:

EQUITY TRANSFER SERVICES INC. (the “**Escrow Agent**”)

AND:

IMM INVESTMENTS INC. (the “**Securityholder**” or “**you**”)
(collectively, the “**Parties**”)

WHEREAS the parties entered into an Escrow Agreement made as of June 22, 2005 (the “**Original Escrow Agreement**”) which provided that no transfer or release of certain escrow securities held by you shall be permitted unless proceedings have been concluded before the Ontario Securities Commission, or the Commission orders otherwise upon application by you;

NOW THEREFORE THIS ADDENDUM AGREEMENT WITNESSETH that in consideration of the sum of Ten (\$10.00) Dollars and other good and valuable consideration not herein recited, the receipt and sufficiency of which consideration is acknowledged by the Parties, the Parties hereto covenant and agree as follows:

1.1 Voting of Escrow Securities

Section 3.3 of the Original Escrow Agreement is deleted and replaced with the following provision:

“You may not exercise any voting rights attached to your escrow securities during the time that this Agreement is in force and effect.”

1.2 Counterparts

The Parties may execute this Agreement by fax and in counterparts, each of which will be considered an original and all of which together with the Original Escrow Agreement will be one agreement.

The Parties have executed and delivered this Agreement as of the date set out above.

EQUITY TRANSFER SERVICES INC.

CMikos Beau

By: _____

Name: Carol Mikos/ Beau Cairns

Title:

ARMISTICE RESOURCES LTD.

By: _____

Name:

Title:

IMM INVESTMENTS INC.

By: _____

Name:

Title:

EQUITY TRANSFER SERVICES INC.

By: _____
Name:
Title:

ARMISTICE RESOURCES LTD.

By: _____
Name: TODD J. MORGAN
Title: PRESIDENT, CEO & CHAIRMAN

IMM INVESTMENTS INC.

By: _____
Name:
Title:

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EQUITY TRANSFER SERVICES INC.

By: _____
Name:
Title:

ARMISTICE RESOURCES LTD.

By: _____
Name:
Title:

IMM INVESTMENTS INC.

By: 
Name: VINCENT BORDENCA
Title:

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