

THE EVOLUTION FUND

SUBSCRIPTION AGREEMENT

TO: The Trustees of The Evolution Fund
1623 West 2nd Avenue,
Vancouver, B.C.
V6J 1H3

1. **Subscription.** The undersigned (each being separately referred to herein as the “Investor”) hereby subscribes, subject to the terms and conditions of this Agreement, for units (“Units”) of The Evolution Fund (the “Trust”), an unincorporated open-ended limited-purpose trust established under the laws of British Columbia, for a total aggregate subscription price of \$ _____ (which for each Investor must be an amount not less than the minimum investment set out in paragraph 2 of the Subscription Instructions attached to this Agreement).
2. **Acceptance or Rejection.** The Investor hereby acknowledges that its offer to purchase Units of the Fund is subject to acceptance by the Trustees acting in their sole discretion. It is understood and agreed that if the Investor’s offer is not accepted by the Trustees, this Agreement and all subscription funds received by the Trustees will be returned forthwith to the Investor without interest or deduction, at the address indicated below (on the last page of this Agreement).
3. **Price of Units.** The Investor hereby acknowledges that its purchase of Units will take place at the net asset value per unit determined as at the close of business on the last business day of the month in which this subscription is accepted by the Trustees. The number of Units acquired by the Investor will be confirmed by or on behalf of the Trustees in a statement delivered to the Investor after the purchase date.
4. **Payment.** The Investor hereby agrees to deliver payment of the subscription price for the Units subscribed for (by certified cheque or other means acceptable to the Trustees) to the Fund at the address shown above by no later than 1:00 p.m. (Vancouver time) on the day on which the Units will be purchased. The Trustees will not accept this subscription until payment has been received.
5. **Offering Memorandum – Risk Factors, Conflicts Disclosure and Privacy Policy.** The Investor acknowledges receipt of the Offering Memorandum of the Fund dated _____, 2008 (the “Offering Memorandum”), and that it has reviewed the Offering Memorandum and in particular, the disclosure therein set out under the heading *Risk Factors*.
6. **Closing.** The Units will be acquired on _____, 20____ (the “Purchase Date”). No interest will be payable to the Investor on any such subscription funds. Any interest earned on such funds will belong to the Fund. The Trustees will hold the subscription funds advanced by each Investor in trust for the Investor until the later of (i) midnight on the second business day after this Agreement is signed by the Investor, and (ii) the Purchase Date.
7. **Transfer of Units.** Transfer of Units is generally prohibited. However, Units may be redeemed on the basis described in the Offering Memorandum.

8. Representations, Warranties and Covenants of the Investor. The Investor hereby represents and warrants to and covenants and agrees with the Trustees that:

- (a) **Legal Capacity.** If the Investor is a corporation, it is a duly incorporated and subsisting corporation with full power and authority to execute and deliver and perform its obligations under this Agreement, the execution and delivery of each of this Agreement and the performance by the Investor of its obligations hereunder have been duly authorized by all corporate action required by the Investor, and this Agreement has been duly executed and delivered by the Investor and is a legal, valid and binding obligation of, enforceable against, the Investor. If the Investor is an individual, he or she has attained the age of majority and has the legal capacity and competence to execute this Agreement, and to take all actions required pursuant hereto.
- (b) **Residence.** The Investor is a resident of the jurisdiction referred to under its address set forth on the last page to this Agreement and is not (and is not purchasing the Units for the account of) a resident of any other jurisdiction.
- (c) **Purchasing as Principal.** The Investor is purchasing the Units, and will acquire the Units, when issued, as principal, for its own account and not for the benefit of any other person.
- (d) **Purchasing for Investment Only.** The Investor is purchasing Units for investment only and not with a view to the resale or distribution of all or any of the Units.
- (e) **Offering Memorandum.** The Investor has received the Offering Memorandum.
- (f) The Investor is one of the following:
 - (i) Offering memorandum exemption (for residents of British Columbia and Alberta) – The Investor is resident in British Columbia or Alberta and (i) is purchasing as principal, for its own account and not for the benefit of any other person, (ii) has received a copy of the Offering Memorandum, and (iii) has signed Appendix A to this Agreement to acknowledge the risks associated with an investment in Units.
 - (ii) Alberta resident purchasing over \$10,000 (Alberta only) – The Investor is resident in Alberta, is purchasing the Units as principal, for its own account and not for the benefit of any other person, is purchasing Units with an aggregate purchase price of more than \$10,000, and is an “eligible investor” within the meaning of National Instrument 45-106 – Prospectus and Registration Exemptions and has signed Appendix B to this Agreement to confirm its representation and warranty regarding the specific category or categories under which it so qualifies.
- (g) **No Prospectus.** No prospectus has been filed by the Fund with any of the securities regulatory authorities of any jurisdiction in Canada in connection with the issuance of the Units, the issuance of the Units is exempt from the prospectus requirements of applicable securities laws and, as a consequence:
 - (i) the Investor is restricted from using most of the civil remedies available under securities laws;
 - (ii) the Investor may not receive information that would otherwise be required to be provided to it under securities laws; and

- (iii) the Fund is relieved from certain obligations that would otherwise apply under securities laws.
- (h) Company or Unincorporated Organization. If the Investor is a corporation or a partnership, syndicate, trust or other form of unincorporated organization, the Investor was not incorporated or created solely, nor is it being used primarily, to purchase or hold securities as an accredited investor, or to purchase securities without a prospectus under applicable law.
- (i) No Review. The Investor understands that no federal, provincial, state or other agency within the Investor's jurisdiction of residence or otherwise has reviewed or passed upon any of the Units or made any finding or determination concerning the fairness or advisability of this investment.
- (j) Resale Restrictions. The Investor has been independently advised as to and is aware of the applicable restrictions on the resale of Units imposed by securities laws in the jurisdiction in which the Investor resides and is aware of the risks and other characteristics of the Units and of the fact that the Investor may not be able to resell the Units except in accordance with applicable securities laws. The Fund is not under any obligation to qualify the resale of the Units under a prospectus or assist the Investor in complying with any exemption from the prospectus requirement or resale restrictions set out under applicable securities laws.
- (k) No Consents or Approvals Required. No consent or approval of any person is required in connection with the execution and delivery of this Agreement by the Investor.
- (l) No Undisclosed Information. The Units are not being purchased by the Investor as a result of any material information concerning the Fund that is not disclosed in the Offering Memorandum, and the Investor's decision to tender this offer to acquire the Units has not been made as a result of any verbal or other written representation made by or on behalf of the Fund or any other person.
- (m) Investment Risk. The Investor understands that the purchase of the Units involves a high degree of risk and should only be considered by persons who can bear the loss of their entire investment.
- (n) Status of Investor. The Investor has such knowledge, skill and experience in business, financial and investment matters so that the Investor is capable of evaluating the merits and risks of an investment in the units. To the extent necessary, the Investor has retained, at his, her or its own expense, and relied upon, appropriate professional advice regarding the investment, tax and legal merits and consequences of this subscription and owning the Units.
- (o) Irrevocable Offer. Except as contemplated by section 6 of this Agreement, the Investor's offer to subscribe for the Units as herein set out is unconditional, irrevocable and non-transferable and has not been induced by any warranties or representations with regard to the present or future value of Units, that any person will resell or repurchase the Units, or that any person will refund the purchase price for the Units.

9. Reliance Upon Representations, Warranties and Covenants. The Investor acknowledges that the foregoing representations, warranties and covenants are made by it with the intent that they may be relied upon by the Trustees and their counsel in determining the

eligibility of the Investor to purchase the units under securities laws. The Investor further agrees that by accepting the units subscribed for pursuant hereto, at the Purchase Date, it will be representing and warranting that the foregoing representations, warranties and covenants are true as at the Purchase Date with the same force and effect as if they had been made by it on the Purchase Date. The Trustees and their counsel shall be entitled to rely on the representations, warranties and covenants of the Investor contained hereto, and the Investor shall indemnify and hold harmless the Fund, the Trustees and their counsel for any losses, claims, costs, expenses, damages or liabilities they may suffer or incur which are caused by or arise from, directly or indirectly, their reliance thereon.

10. Survival of Representations, Warranties and Covenants. All the representations, warranties and covenants set out in this Agreement will be true as at the date of this Subscription Agreement and on the Purchase Date, as if the representations, warranties and covenants were made at that time and will survive the Purchase Date.

11. Costs. The Investor acknowledges and agrees that except as may otherwise be provided for in this Agreement, all costs and expenses incurred by the Investor (including any fees and disbursements of any special counsel retained by the Investor) relating to the sale of the Units to the Investor will be borne by the Investor.

12. Amendment. Neither this Agreement nor any provisions hereof will 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.

13. Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof will be assignable by either the Fund or the Investor without the prior written consent of the other party.

14. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable thereto.

15. Interpretation. The section and other headings contained in this Agreement are for reference purposes only and will not affect the meaning or interpretation of this Agreement. Words imparting the neuter gender include the masculine or feminine gender and words in the singular include the plural and vice versa.

16. Notices. All notices and other communications provided for herein will be in writing and will be deemed to have been duly given if delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid or by facsimile or other electronic means indicating the date of receipt and the signatures of the parties:

(a) If to the Trustees, at the following address or facsimile number:

The Evolution Fund
1623 West 2nd Avenue
Vancouver, BC
V6J 1H3

E-mail: info@evolutionfund.ca
Attention: Michael Hines
Facsimile: 604-628-3806

(b) If to the Investor, at the address and facsimile number set out on the last page of this Agreement.

17. **Binding Effect.** The provisions of this Agreement will be binding upon and accrue to the benefit of the parties hereto and their respective heirs, legal representatives, successors and permitted assigns, as the case may be.

18. **Notification of Changes.** The parties hereby covenant and agree to notify the other party upon the occurrence of any event prior to the Closing which would cause any party's representations, warranties or covenants contained in this Agreement to be false or incorrect.

19. **Entire Agreement.** This Agreement, including the appendices hereto, constitutes the entire agreement between the Investor and the Trustees on behalf of the Fund with respect to the units, and there are no other agreements, warranties, representations, conditions or covenants, written or oral, express or implied, in respect of, or which affect, the transaction herein contemplated.

20. **Further Assurances.** The Investor covenants and agrees to execute and deliver such further documents and to provide such further assurances as may be required by the Trustees to give effect to this subscription, including, without limiting the generality of the foregoing, all documents, assurances, undertakings and other information as may be required from time to time under applicable securities laws, and by all regulatory or governmental bodies or stock exchanges having jurisdiction over the Fund's affairs.

21. **Language.** The parties hereto have agreed that this Agreement, the Offering Memorandum and all documents related thereto, be drawn up in the English language only. Les parties aux présentes ont convenu que cette convention, la notice d'offre et tous les documents y afférent soient rédigés en langue anglaise seulement.

22. Counterparts and Facsimile. This Agreement may be executed in counterparts or by facsimile or both, each counterpart or facsimile of which will be deemed to be an original, but all of which, taken together, and delivered will constitute one and the same Agreement. This Agreement will not be effective as to any party hereto until such time as this Agreement or a counterpart thereof has been executed and delivered, by facsimile or otherwise, by each party hereto.

DATED at Vancouver, in the Province of British Columbia/Alberta

on this _____ day of _____, 20_____.

(Signature of subscriber / authorized signatory)

(Signature of co-subscriber / authorized signatory)

(Name of subscriber - Please print in full)

(Name of co-subscriber - Please print in full)

(Address of subscriber – Include postal code)

(Address of co-subscriber – Include postal code)

(Social insurance number or business number, if a corporation)

(Social insurance number or business number, if a corporation)

(Telephone)

(Telephone)

(Facsimile number)

(Facsimile number)

(Email address)

(Email address)

ACCEPTANCE

The undersigned Trustee hereby accepts this subscription on behalf of all the Trustees.

DATED at _____ in the Province of British Columbia

on this ____ day of _____, 20_____.

THE EVOLUTION FUND

By: _____
Trustee

You are buying “exempt market securities”

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

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

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

You will receive an offering memorandum

Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

Unless you purchase these securities through a registered dealer, you will not get professional advice about whether the investment is suitable for you. If you are not purchasing these securities through a registered dealer, you can still seek that advice from an adviser or investment dealer registered with a securities commission. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange and they may never be listed. You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A “non-reporting issuer” does not have to publish financial information or notify the public of changes in its business. You may not receive on-going information about this issuer.

For more information on the exempt market contact the British Columbia Securities Commission at (604) 899-6500 (outside the local area, call toll-free at 1-800-373-6393) or visit its website at www.bcsc.bc.ca.

APPENDIX B

ELIGIBLE INVESTOR CERTIFICATE
(pursuant to subparagraph 8(f)(ii))

Note: Applicable securities laws require us to obtain this certificate from each Investor in Alberta purchasing over \$10,000 in Units, that is purchasing Units in reliance on the offering memorandum exemption. Please complete one copy of this form for each Investor or co-Investor.

By selecting the applicable categories below and signing where indicated, the Investor is hereby confirming its representation and warranty regarding the category or categories under which the Investor qualifies as an "eligible investor" within the meaning of National Instrument 45-106 *Prospectus and Registration Exemptions*.

- (a) The Investor is an individual who, either alone or together with a spouse, whose net assets exceed \$400,000
- (b) The Investor is an individual whose net income before taxes exceeded \$75,000 in each of the past two most recent calendar years (or whose net income before taxes combined with that of a spouse exceeded \$125,000 in each of those years) and, in either case, who has a reasonable expectation of exceeding that net income level in the current year.
- (c) The Investor is a person, other than an individual or investment fund, that has net assets of at least \$5 million as shown on its most recently prepared financial statements.
- (d) The Investor is an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada, as a representative of a person or company 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 registered under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador).
- (e) The Investor is a person or company in respect of which all the owners of interests, direct, indirect, or beneficial, except the voting securities required by law to be owned by directors, are persons or companies that are accredited investors.

Signature of Investor/Co-Investor*/Authorized Signatory

*Please complete one copy of this form for each Co-Investor