

| DRAFT

INT'L TRADE CENTRE – ONTARIO
180 WELLINGTON ST WEST
9TH FLOOR
TORONTO, ONTARIO, M5J 1J1
CANADA

| DATE OF ISSUE: [] DECEMBER
AUGUST/OCTOBER, 2007

OUR REFERENCE NUMBER: []
DATE OF EXPIRY: [] DECEMBER-AUGUST/OCTOBER,
2008
PLACE OF EXPIRY: TORONTO, ONTARIO

BENEFICIARY:

HER MAJESTY THE QUEEN IN RIGHT OF
CANADA AS REPRESENTED BY THE
MINISTER OF INDIAN AFFAIRS AND
NORTHERN DEVELOPMENT
PAYABLE TO THE RECEIVER GENERAL FOR
CANADA
RECEIVER GENERAL FOR CANADA ON
BEHALF OF THE MINISTER OF INDIAN
AFFAIRS AND NORTHERN DEVELOPMENT,
(PLS SEE ADDRESS BELOW)
C/O PO BOX 100, BUILDING 918
IQALUIT, NUNAVUT X0A 0H0
ATTENTION: REGIONAL DIRECTOR
GENERAL, NUNAVUT REGIONAL OFFICE

APPLICANT:
[ZINIFEX CANADA INC (FORMERLY WOLF DEN
RESOURCES INC.)]
401 – 1113 JADE COURT 309 COURT STREET S., UNIT
#1
THUNDER BAY, ONTARIO
P7B 6M7P7B-2Y1

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AMOUNT: CAD 1,685,210.00
ONE MILLION SIX HUNDRED EIGHTY FIVE
THOUSAND TWO HUNDRED TEN AND 00/100'S
CANADIAN DOLLARS

BENEFICIARY ADDRESS CONT'D:
QIMUGIUK BUILDING 969, 2ND FLOOR
P.O. BOX 2200,
IQALUIT, NUNAVUT X0A 0H0,
ATTN: REGIONAL DIRECTOR GENERAL,
DIAND – NUNAVUT REGION

IRREVOCABLE LETTER OF CREDIT NO. []

| AT THE REQUEST AND FOR THE ACCOUNT OF ZINIFEX CANADA INC (FORMERLY WOLF DEN RESOURCES
INC.) (THE "APPLICANT"), WE, SOCIETE GENERALE (CANADA), TORONTO, HEREBY ESTABLISH
IN YOUR FAVOUR OUR IRREVOCABLE LETTER OF CREDIT NO. [] ("CREDIT") FOR SUMS NOT
EXCEEDING IN THE AGGREGATE AMOUNT OF ONE MILLION SIX HUNDER HUNDRED AND EIGHTY
FIVE THOUSAND TWO HUNDER HUNDRED AND TEN AND 00/100'S CANADIAN DOLLARS (CAD
1,685,210.00).

| THIS CREDIT IS AVAILABLE WITH US FOR DRAWING AT SIGHT, WITHOUT ENQUIRY AS TO
WHETHER YOU HAVE A RIGHT AS BETWEEN YOURSELF AND THE APPLICANT TO MAKE SUCH
DEMAND AND WITHOUT REGOCNIZING-RECOGNIZING ANY CLAIM OF THE APPLICANT, AGAINST
PRESENTATION TO US, BY YOU OR YOUR DULY AUTHORISED REPRESENTATIVE OR AGENT, OF
THE FOLLOWING DOCUMENTS:

| 1. A SIGHT DRAFT DRAWN ON SOCIETE GENERALE (CANADA), TORONTO, SUITE 1002, 100
YONGE STREET, TORONTO ONTARIO M5C 2W1, QUOTING LETTER OF CREDIT NO. []
DATED [] AUGUST 2007; AND

| 2-1. ORIGINAL OF THIS IRREVOCABLE LETTER OF CREDIT NO. [] FOR ENDORSEMENT OF
PAYMENT THEREON; AND

| 3-2. A STATEMENT SIGNED BY AN OFFICIAL OF THE DEPARTMENT OF INDIAN AFFAIRS AND
NORTHERN DEVELOPMENT CERTIFYING:

(A) THAT THE SIGNATORY IS AN OFFICIAL OF THE DEPARTMENT OF INDIAN
AFFAIRS AND NORTHERN DEVELOPMENT AND HAS AUTHORITY TO SIGN THE

| F:\users\ibonic\CLIENT FILES\ZINIFEX CANADA INC. (FORMERLY WOLF DEN RESOURCES INC.)\LETTER OF CREDIT - LUPIN MINE
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STATEMENT ON BEHALF OF THE MINISTER OF INDIAN AFFAIRS AND
NORTHERN DEVELOPMENT (THE "MINISTER"), AND

(B) EITHER

- (I) THAT THE MINISTER IS ENTITLED TO APPLY THE AMOUNT DRAWN,
BEING ALL OR PART OF THE SECURITY POSTED AND MAINTAINED
PURSUANT TO WATER LICENSE NWB1ULU0008 ~~(THE WATER LICENCE
TYPE AND NUMBER)~~ ISSUED BY THE NORTHWEST TERRITORIES
NUNAVUT WATER BOARD, WHETHER AS ORIGINALLY ISSUED OR AS
AMENDED OR RENEWED FROM TIME TO TIME AND/OR PURSUANT TO
MINING LEASE 3563, OR
- (II) THAT THIS CREDIT IS DUE TO EXPIRE IN THIRTY (30) NINETY (90) DAYS
OR LESS AND THAT THE APPLICANT HAS NOT REPLACED THIS CREDIT
BY POSTING WITH THE MINISTER OTHER SECURITY SATISFACTORY TO
THE MINISTER.

PARTIAL DRAWINGS ARE PERMITTED.

THIS CREDIT IS EFFECTIVE FROM 12:01 A.M. ON [] AUGUST 2007 AND SHALL EXPIRE AT OUR
COUNTERS AT 11:59 P.M. [] AUGUST 2008 (THE "INITIAL EXPIRATION DATE").

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED TO BE
AUTOMATICALLY EXTENDED, WITHOUT AMENDMENT, FOR ONE YEAR FROM THE PRESENT
INITIAL EXPIRATION DATE AND EACHOR-ANY- FUTURE EXPIRATION DATE HEREOF (THE
"OPERATIVE EXPIRATION DATE"), UNLESS AT LEAST NINETY (90) DAYS PRIOR TO ANY SUCH
EXPIRY DATE, WE SHALL NOTIFY YOU IN WRITING BY REGISTERED MAIL OR COURIER THAT WE
ELECT NOT TO CONSIDER THIS LETTER OF CREDIT TO BE RENEWED FOR ANY SUCH
ADDITIONAL PERIOD.

WE HEREBY AGREE THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS
OF THIS CREDIT SHALL BE DULY HONOURED BY US IF PRESENTED FOR PAYMENT ON OR
BEFORE THE OPERATIVE EXPIRATION DATE.

EXCEPT SO FAR AS IS OTHERWISE EXPRESSLY STATED HEREIN, THIS CREDIT IS SUBJECT TO THE
UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (2007 REVISION),
INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATIONS NO. 600, NOTWITHSTANDING
ARTICLE 36 OF THE SAID PUBLICATION, IF THIS CREDIT EXPIRES DURING AN INTERRUPTION OF
BUSINESS AS DESCRIBED IN ARTICLE 36, WE AGREE TO EFFECT PAYMENT IF THIS CREDIT IS
DRAWN ON US WITHIN FIFTEEN (15) DAYS AFTER THE RESUMPTION OF BUSINESS.

SIGNED, SEALED AND DELIVERED by)

and)

as attorneys for **Société Générale (Canada)**)

Australia Branch under power of attorney)

dated)

December 2 July 11 October, 2007)

in the presence of:)

Witness)

Print name:)

Attorney

Print name:

Attorney

Print name:

THIS DOCUMENT CONSISTS OF 2 PAGE (S).