

SOUTHERN EMPIRE RESOURCES CORP.

AND

MAS GOLD CORP.

ARRANGEMENT AGREEMENT

DATED AUGUST 18, 2020

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ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT dated August 18, 2020,

BETWEEN:

SOUTHERN EMPIRE RESOURCES CORP., a company incorporated under the laws of the Province of British Columbia ("**Purchaser**")

– and –

MAS GOLD CORP., a corporation incorporated under the laws of the Province of British Columbia ("**MAS Gold**")

WHEREAS Purchaser and MAS Gold wish to enter into a transaction providing for, among other things the acquisition by Purchaser of all of the MAS Gold Securities (as defined below); and

AND WHEREAS Purchaser and MAS Gold intend to carry out the transactions contemplated by this Agreement (as defined below) by way of an arrangement under the provisions of the BCA (as defined below).

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

"Acquisition Agreement" means the letter agreement dated July 11, 2020 between the Purchaser and MAS Gold pursuant to which the Purchaser agreed to acquire all of the MAS Gold Securities;

"Acquisition Proposal" means, other than the transactions with the Purchaser contemplated by this Agreement, any offer, proposal, expression of interest, or inquiry (orally or in writing) from any person or group of persons acting "jointly or in concert" (other than Purchaser or any of its affiliates) after the date hereof relating to:

- (a) any alliance, joint venture, earn-in right, acquisition, sale or transfer, direct or indirect, of:
 - (i) the assets of MAS Gold and/or one or more of its subsidiaries that, individually or in the aggregate:

- (A) constitute 20% or more of the fair market value of the consolidated assets of MAS Gold and its subsidiaries; or
 - (B) generate 20% or more of the consolidated revenue of MAS Gold and its subsidiaries; or
 - (C) generate 20% or more of the consolidated operating income of MAS Gold and its subsidiaries; or
- (ii) 20% or more of any voting or equity securities (and/or securities convertible into, or exchangeable or exercisable for voting or equity securities) of MAS Gold or any of its subsidiaries; or
- (b) any take-over bid, tender offer or exchange offer that, if consummated, would result in such person beneficially owning, directly or indirectly, 20% or more of any class of voting or equity securities (and/or securities convertible into, or exchangeable or exercisable for voting or equity securities) of MAS Gold or any of its subsidiaries; or
 - (c) a plan of arrangement, merger, amalgamation, consolidation, share exchange, share issuance, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving MAS Gold or any of its subsidiaries; or
 - (d) any other transaction, the consummation of which could reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated by this Agreement or the Arrangement or which could reasonably be expected to materially reduce the benefits to Purchaser under this Agreement or the Arrangement;

“**affiliate**” means an “affiliated entity” within the meaning of MI 61-101;

“**Agreement**” means this arrangement agreement, including the Schedules hereto, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

“**Arm’s Length**” has the meaning given to the term “arm’s length” in the Tax Act.

“**Arrangement**” means the arrangement under Part 9, Division 5 of the BCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments, supplements or other modifications thereto made in accordance with Section 8.3 or the Plan of Arrangement or made at the direction of the Court in the Final Order (with the consent of MAS Gold and Purchaser, each acting reasonably);

“**Arrangement Resolution**” means the special resolution approving the Plan of Arrangement to be considered at the MAS Gold Meeting, to be substantially in the form and content of Schedule B hereto;

“**BCA**” means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as promulgated or amended from time to time.

“**Break Fee**” has the meaning ascribed to that term in Section 7.3.1(b);

“**Business Day**” means any day, other than a Saturday, a Sunday or any other day on which the principal chartered banks located in Toronto, Ontario or Vancouver, British Columbia are not open for business during normal banking hours;

“**Change in Recommendation**” means if the MAS Gold Board (A) fails to recommend that MAS Gold Securityholders vote their MAS Gold Shares in favour of the Arrangement Resolution, (B) withdraws, withholds, amends, modifies or qualifies, or proposes publicly to withdraw, withhold, amend, modify or qualify its recommendation that MAS Gold Securityholders vote their MAS Gold Securities in favour of the Arrangement Resolution, (C) approves, accepts, endorses, or recommends or proposes publicly to approve, accept, endorse or recommend, any Acquisition Proposal or potential Acquisition Proposal, or (D) fails to reaffirm its recommendation that MAS Gold Securityholders vote their MAS Gold Securities in favour of the Arrangement Resolution within five Business Days (and in any case prior to the MAS Gold Meeting) after having been requested by Purchaser to do so (it being understood that the taking of a neutral position or no position with respect to an Acquisition Proposal beyond a period of five Business Days (or beyond the time of the MAS Gold Meeting, if sooner) shall be considered a failure of the MAS Gold Board to reaffirm its recommendation within the requisite time period);

“**Commodity Linked Agreement**” has the meaning ascribed to that term in Section 3.1(s)(iii)(G);

“**Consideration**” means the consideration payable by Purchaser in respect of each MAS Gold Share pursuant to the Plan of Arrangement in consideration for their MAS Gold Shares, being Purchaser Shares based on the Exchange Ratio;

“**Contract**” means any contract, agreement, license, franchise, lease, arrangement, commitment, understanding or other right or obligation to which a Party or any of its subsidiaries is a party or by which a Party or any of its subsidiaries is bound or affected or to which any of their respective properties or assets is subject;

“**Court**” means the Supreme Court of British Columbia;

“**Depository**” means Computershare Investor Services Inc., in its capacity as depository for the Arrangement;

“**Dissent Rights**” means the rights of dissent under the BCA in respect of the Arrangement described in the Plan of Arrangement;

“**Effective Date**” means the date designated by the Purchaser and MAS Gold by notice in writing as the effective date of the Arrangement after all the conditions of

this Agreement and the Final Order have been satisfied or waived (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or waiver of those conditions as of the Effective Date);

“**Effective Time**” means the time on the Effective Date that the Arrangement becomes effective, as set out in the Plan of Arrangement;

“**Environmental Laws**” means all applicable federal, provincial, state, local and foreign Laws, imposing liability or standards of conduct for or relating to the regulation of activities, materials, substances or wastes in connection with or for or to the protection of human health, safety, the environment or natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation);

“**Environmental Liabilities**” means, with respect to any person, all liabilities, obligations, responsibilities, response, remedial and removal costs, investigation costs, capital costs, operation and maintenance costs, losses, damages, punitive damages, property damages, consequential damages, treble damages, costs and expenses, fines, penalties and sanctions incurred as a result of or related to any claim, suit, action, administrative order, investigation, proceeding or demand by any person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law, relating to any environmental matter arising under or related to any Environmental Laws, Environmental Permits, or in connection with any Release or threatened Release or presence of a Hazardous Substance whether on, at, in, under, from or about or in the vicinity of any real or personal property;

“**Environmental Permits**” means all permits, licenses, written authorizations, certificates, approvals, program participation requirements, sign-offs or registrations required by or available with or from any Governmental Entity under any Environmental Laws;

“**Exchange Ratio**” means one Purchaser Share for every eight and one-half (8.5) MAS Gold Shares or 1/8.5;

“**Final Order**” means the final order of the Court pursuant to section 291 of the BCA, in a form acceptable to the Purchaser and MAS Gold, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, approving the Arrangement as such order may be amended by the Court (with the consent of the Purchaser and MAS Gold) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to the Purchaser and MAS Gold) on appeal;

“**Governmental Entity**” means (a) any multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency,

domestic or foreign, (b) any subdivision, agent, commission, board or authority of any of the foregoing, (c) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (d) any stock exchange, including the TSX-V;

“**Hazardous Substance**” means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous or deleterious substance, waste or material, including petroleum, polychlorinated biphenyls, asbestos and urea-formaldehyde insulation, and any other material or contaminant regulated or defined pursuant to, or that could result in liability under, any Environmental Law;

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board;

“**including**”, “**includes**” or similar expressions are not intended to be limiting and are deemed to be followed by the expression “without limitation”;

“**Interim Order**” means the interim order of the Court, in a form acceptable to MAS Gold and Purchaser, each acting reasonably, providing for, among other things, declarations and directions with respect to the Arrangement and the calling and holding of the MAS Gold Meeting, as the same may be amended by the Court (with the consent of both MAS Gold and Purchaser, each acting reasonably);

“**Key Regulatory Approvals**” means those sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Entities set out in Schedule C hereto;

“**Law**” or “**Laws**” means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgements, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity or self-regulatory authority (including the TSX-V), and the term “**applicable**” with respect to such Laws and in a context that refers to one or more persons, means such Laws as are applicable to such person or its business, undertaking, property or securities and emanate from a person having jurisdiction over the person or persons or its or their business, undertaking, property or securities;

“**Legal Proceeding**” means any litigation, action, application, suit, investigation, hearing, claim, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration proceeding or other similar proceeding, before or by any court or other tribunal and includes any appeal or review thereof and any application for leave for appeal or review;

“**Liens**” means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

“**Locked-up Securityholders**” means those MAS Gold Securityholders listed in Schedule D hereto who have entered into Voting Agreements with Purchaser pursuant to which they have agreed, subject to the terms of such Voting Agreements, to vote their MAS Gold Securities in favour of the Arrangement Resolution;

“**Losses**” means, in respect of any matter, all claims, demands, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including all interest, penalties, amounts paid in settlement and reasonable out-of-pocket professional fees and disbursements, but excluding loss of profit and special or consequential damages) arising as a consequence of such matter, net of any insurance and/or tax benefits received or receivable in respect thereof;

“**MAS Gold**” means MAS Gold Corp., a corporation existing under the Business Corporations Act (*British Columbia*);

“**MAS Gold Board**” means the board of directors of MAS Gold as the same is constituted from time to time;

“**MAS Gold Circular**” means the notice of the MAS Gold Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto, to be sent to MAS Gold Securityholders in connection with the MAS Gold Meeting, as amended, supplemented or otherwise modified from time to time;

“**MAS Gold Claims**” means any mineral claim, concession, lease, licence, permit or other right to explore for, exploit, develop, mine or produce minerals or any interest therein which MAS Gold or any of its subsidiaries owns or has a right or option to acquire or use, all as listed in the MAS Gold Public Disclosure Record or otherwise disclosed to Purchaser;

“**MAS Gold Financial Statements**” has the meaning ascribed thereto in Section 3.1(k);

“**MAS Gold Lands**” means all interests and rights in real and immoveable property interests, including property rights, possession rights, licenses, leases, rights of way, rights to use, surface rights, easements and, any kind of permits or authorizations permitting the use of land or other real property interests (but excluding the MAS Gold Claims) which MAS Gold or any of its subsidiaries owns or has an right in or interest in or has an option or other right to acquire or use, all as indicated in the MAS Gold Public Disclosure Record or otherwise disclosed to Purchaser;

“**MAS Gold Material Adverse Effect**” means, in respect of MAS Gold, any change, effect, event, occurrence or state of facts that individually or in the aggregate with other such changes, effects, events, occurrences or states of fact, that (i) materially impairs or delays, or could reasonably be expected to materially impair or delay, the performance by MAS Gold of its obligations under this Agreement or materially impair or delay MAS Gold’s ability to consummate the Arrangement or any other transaction contemplated by this Agreement, or (ii) is or could reasonably be expected to be material and adverse to the business, assets, capital, properties, liabilities (contingent or otherwise), prospects, operations, financial position, results of operations or condition (financial or otherwise) of MAS Gold and its subsidiaries, taken as a whole, other than any change, effect, event, occurrence or state of facts either (x) disclosed in the MAS Gold Public Disclosure Record, or (y) resulting from:

- (a) the announcement of the execution of this Agreement or the transactions contemplated hereby or the performance of any obligation hereunder and any actions taken (or omitted to be taken) upon the request of Purchaser,
- (b) general changes in the political, economic, financial, regulatory, currency exchange, interest rate, securities market or credit market conditions, including changes resulting from the COVID-19 pandemic;
- (c) any change in applicable Laws or regulations or in IFRS;
- (d) conditions generally affecting, as a whole, the worldwide precious and base metals mining industry;
- (e) changes in the price of precious and base metals and/or changes in foreign exchange rates; or
- (f) any decrease in the market price or any decline in the trading volume of MAS Gold Shares on the TSX-V which is primarily caused by any change, effect, event, occurrence or state of facts described in clauses (a) to (e) above;

provided that, notwithstanding the foregoing, any change, effect, event, occurrence or state of facts described in clauses (b), (c), (d) and (e) of this definition shall constitute a MAS Gold Material Adverse Effect to the extent that any such change, effect, event, occurrence or state of facts has or would reasonably be expected to have, individually or in the aggregate, a disproportionate impact on the business, assets, capital, properties, liabilities, prospects, operations, results of operations or condition (financial or otherwise) of MAS Gold and its subsidiaries, taken as a whole, relative to other industry participants operating in similar locations. For greater certainty, any Order relating to Q.B. No. 708 of 2020 or any other Legal Proceeding respecting the La Ronge South Gold Joint Venture Agreement made between MAS Gold and Golden Band Resources Inc. effective June 29, 2012 (the “**La Ronge South JV**”), the existence of any Legal Proceeding respecting the La

Ronge South JV and any and all Losses or adverse effects resulting therefrom shall not constitute a MAS Gold Material Adverse Effect;

“MAS Gold Material Contract” means any Contract of MAS Gold or any of its subsidiaries (i) involving current and future aggregate actual or contingent obligations to pay (including advances) to or by MAS Gold or any of its subsidiaries of more than \$75,000 in any one year or \$200,000 during the entire term (including, if applicable, any renewals thereof), (ii) relating to current or future indebtedness of \$75,000 or more; (iii) related to litigation or settlement thereof which does or could have any actual or contingent obligations or entitlements of MAS Gold or any of its subsidiaries which have not been fully satisfied prior to the date of this Agreement, other than such Contracts which, individually or together, would have aggregate obligations or entitlements of not more than \$75,000, (iv) with any Governmental Entity; (vii) limits or purports to limit the ability of MAS Gold or any of its subsidiaries or any key executives of MAS Gold or any of its subsidiaries, to compete in any line of business or with any person or in any geographic area or during any period of time, (viii) limits or purports to limit the ability of any of MAS Gold or any of its subsidiaries to solicit any customers, clients or service or product providers of the other parties thereto, (ix) in respect of any joint venture, partnership or shareholders’ agreement, (x) involving a sharing of profits, losses, costs or liabilities by MAS Gold or any of its subsidiaries with any third party that would result in one or more third parties being entitled to more than \$75,000 in the aggregate, (xi) the termination of which would reasonably be expected to have a MAS Gold Material Adverse Effect, (xii) with annual payments by MAS Gold or any of its subsidiaries in excess of \$75,000 with a term or commitment to or by a MAS Gold or any of its subsidiaries that may reasonably extend beyond one year and which cannot be terminated without penalty on less than 60 days’ notice or which is outside the ordinary course of business, (xiii) is with a non-Arm’s Length person, or (xiv) that is a Commodity Linked Agreement;

“MAS Gold Meeting” means the special meeting of MAS Gold Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution;

“MAS Gold Options” means the outstanding options to purchase MAS Gold Shares, the particulars of which are set out in Schedule E hereto;

“MAS Gold Public Disclosure Record” means all documents and information filed by MAS Gold under applicable Securities Laws and publicly available on SEDAR, during the two years prior to the date hereof;

“MAS Gold Royalties” mean any royalties or similar economic or property interests granted under Commodity Linked Agreements which MAS Gold or any of its subsidiaries (i) owns or has an interest in; or (ii) is obligated or bound by or to which its properties are subject, all of which are listed (along with details of any advance payment obligations or rights) in the MAS Gold Public Disclosure Record;

“**MAS Gold Securities**” means, collectively, the MAS Gold Shares, the MAS Gold Options and the MAS Gold Warrants;

“**MAS Gold Securityholders**” means, collectively, the MAS Gold Shareholders and the holders of MAS Gold Options and MAS Gold Warrants;

“**MAS Gold Shareholder**” means a holder of MAS Gold Shares;

“**MAS Gold Shares**” means the common shares in the capital of MAS Gold, as currently constituted;

“**MAS Gold Warrants**” means all of the outstanding warrants to purchase MAS Gold Shares, the particulars of which are set out in Schedule E hereto;

“**material fact**” has the meaning ascribed thereto in the Securities Act;

“**MI 61-101**” means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

“**Minerals**” means all ores, and ores and concentrates derived therefrom, of precious, base and industrial minerals, including diamonds, which may be lawfully explored for, mined and sold pursuant to Claims and other instruments of title;

“**ordinary course of business**”, “**ordinary course of business consistent with past practice**”, or any similar reference, means, with respect to an action taken by a person, that such action is consistent with the past practices of such person and is taken in the ordinary course of the normal day-to-day business and operations of such person; provided that in any event such action is not unreasonable or unusual;

“**Order**” means any order, directive, judgment, decree, injunction, decision, ruling, award, adjournment or writ of any Governmental Entity;

“**Outside Date**” means November 30, 2020 but may be extended by an additional 30 days by either Party, or such later date as may be agreed to in writing by the Parties.

“**Parties**” means MAS Gold and Purchaser, and “**Party**” means any of them;

“**Permit**” means any license, permit, certificate, consent, order, grant, approval, classification, registration, flagging or other authorization of or from any Governmental Entity (but excluding the Claims);

“**person**” includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status;

“**Plan of Arrangement**” means the plan of arrangement, substantially in the form of Schedule A, and any amendments, supplements or other modifications thereto

made in accordance with Section 8.3 hereof or the Plan of Arrangement or made at the direction of the Court in the Final Order with the consent of MAS Gold and Purchaser, each acting reasonably;

“**Purchaser**” means Southern Empire Resources Corp., a company existing under the *Business Corporations Act* (British Columbia);

“**Purchaser Claims**” means any mineral claim, concession, lease, licence, permit or other right to explore for, exploit, develop, mine or produce minerals or any interest therein which Purchaser or any of its subsidiaries owns or has a right or option to acquire or use, all as listed in the Purchaser Public Disclosure Record

“**Purchaser Financial Statements**” has the meaning ascribed thereto in Section 4.1(g);

“**Purchaser Lands**” means all interests and rights in real and immoveable property interests, including property rights, possession rights, licenses, leases, rights of way, rights to use, surface rights, easements and, any kind of permits or authorizations permitting the use of land or other real property interests (but excluding the Purchaser Claims) which Purchaser or any of its subsidiaries owns or has an right in or interest in or has an option or other right to acquire or use, all as indicated in the Purchaser Public Disclosure Record;

“**Purchaser Material Adverse Effect**” means any change, effect, event, occurrence or state of facts that individually or in the aggregate with other such changes, effects, events, occurrences or states of fact, that (i) could prevent, make illegal, materially delay the consummation of, or impose material limitations or conditions on any transaction contemplated hereby, or (ii) is or would reasonably be expected to be material and adverse to the business, assets, capital, properties, liabilities (contingent or otherwise), prospects, operations, financial position, results of operations or condition (financial or otherwise) of the Purchaser and its subsidiaries, taken as a whole, other than any change, effect, event, occurrence or state of facts either (x) disclosed publicly by Purchaser in the Purchaser Public Disclosure Record, or (y) resulting from:

- (a) the announcement of the execution of this Agreement or the transactions contemplated hereby or the performance of any obligation hereunder and any actions taken (or omitted to be taken) upon the request of MAS Gold;
- (b) general changes in the political, economic, financial, regulatory, currency exchange, interest rate, securities market or credit market conditions, including changes resulting from the COVID-19 pandemic;
- (c) any change in applicable Laws or regulations or in IFRS;
- (d) conditions generally affecting, as a whole, the worldwide precious and base metals mining industry;

- (e) changes in the price of precious and base metals and/or changes in foreign exchange rates; and
- (f) any decrease in the market price or any decline in the trading volume of Purchaser Shares on the TSX-V which is primarily caused by any change, effect, event, occurrence or state of facts described in clauses (a) to (e) above;

provided that, notwithstanding the foregoing, any change, effect, event, occurrence or state of facts described in clauses (b), (c), (d) and (e) of this definition shall constitute a Purchaser Material Adverse Effect to the extent that any such change, effect, event, occurrence or state of facts has or would reasonably be expected to have, individually or in the aggregate, a disproportionate impact on the business, assets, capital, properties, liabilities, prospects, operations, results of operations or condition (financial or otherwise) of the Purchaser and its subsidiaries, taken as a whole, relative to other industry participants operating in similar locations;

“Purchaser Material Contract” means any Contract of Purchaser or any of its subsidiaries (i) involving current and future aggregate actual or contingent obligations to pay (including advances) to or by Purchaser or any of its subsidiaries of more than \$75,000 in any one year or \$200,000 during the entire term (including, if applicable, any renewals thereof), (ii) relating to current or future indebtedness of \$75,000 or more; (iii) related to litigation or settlement thereof which does or could have any actual or contingent obligations or entitlements of Purchaser or any of its subsidiaries which have not been fully satisfied prior to the date of this Agreement, other than such Contracts which, individually or together, would have aggregate obligations or entitlements of not more than \$75,000, (iv) with any Governmental Entity; (vii) limits or purports to limit the ability of Purchaser or any of its subsidiaries or any key executives of Purchaser or any of its subsidiaries, to compete in any line of business or with any person or in any geographic area or during any period of time, (viii) limits or purports to limit the ability of any of Purchaser or any of its subsidiaries to solicit any customers, clients or service or product providers of the other parties thereto, (ix) in respect of any joint venture, partnership or shareholders’ agreement, (x) involving a sharing of profits, losses, costs or liabilities by Purchaser or any of its subsidiaries with any third party that would result in one or more third parties being entitled to more than \$75,000 in the aggregate, (xi) the termination of which would reasonably be expected to have a Purchaser Material Adverse Effect, (xii) with annual payments by Purchaser or any of its subsidiaries in excess of \$75,000 with a term or commitment to or by a Purchaser or any of its subsidiaries that may reasonably extend beyond one year and which cannot be terminated without penalty on less than 60 days’ notice or which is outside the ordinary course of business, (xiii) is with a non-Arm’s Length person, or (xiv) that is a Commodity Linked Agreement;

“Purchaser Options” means any options to acquire Purchaser Shares;

“**Purchaser Public Disclosure Record**” means all documents and information filed by Purchaser under applicable Securities Laws and publicly available on SEDAR;

“**Purchaser Royalties**” mean any royalties or similar economic or property interests granted under Commodity Linked Agreements which Purchaser or any of its subsidiaries (i) owns or has an interest in; or (ii) is obligated or bound by or to which its properties are subject, all of which are listed (along with details of any advance payment obligations or rights) in the Purchaser Public Disclosure Record;

“**Purchaser Shares**” means common shares in the capital of Purchaser, as currently constituted;

“**Registrar**” means the Registrar of Companies appointed pursuant to Section 400 of the BCA;

“**Release**” means any release, spill, emission, leaking, pumping, pouring, emitting, emptying, escape, injection, deposit, disposal, discharge, dispersal, dumping, leaching or migration of Hazardous Substance in the indoor or outdoor environment, including the movement of Hazardous Substance through or in the air, soil, surface water, ground water or property;

“**Representatives**” has the meaning ascribed thereto in Section 7.2.1;

“**Response Period**” has the meaning ascribed thereto in Section 7.3.1(f);

“**Returns**” means all reports, forms, elections, information statements and returns (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto relating to, or required to be filed or prepared in connection with any Taxes;

“**Review Period**” has the meaning ascribed thereto in Section 7.3.2;

“**Section 3(a)(10) Exemption**” has the meaning ascribed thereto in Section 2.3;

“**Securities Act**” means the *Securities Act* (British Columbia) and the rules, regulations, forms and published instruments, policies, bulletins and notices made thereunder, as now in effect and as they may be promulgated or amended from time to time;

“**Securities Authorities**” means, collectively, the British Columbia Securities Commission and the securities commissions and other securities regulatory authorities in the provinces and territories of Canada, as applicable;

“**Securities Laws**” means the Securities Act and the rules, regulations, forms, published instruments, policies, bulletins and notices of the Securities Authorities made thereunder, as well as applicable rules, regulations, by-laws as now in effect and as they may be promulgated or amended from time to time;

“**SEDAR**” means the System for Electronic Document Analysis Retrieval website;

“**Stock Option Plan**” means the fixed share option plan of MAS Gold, as ratified by MAS Gold Shareholders on January 21, 2020;

“**subsidiary**” means a “subsidiary entity” within the meaning of MI 61-101;

“**Superior Proposal**” means any *bona fide* unsolicited written Acquisition Proposal made by an Arm’s Length third party (not acting jointly or in concert with any insider of MAS Gold or its affiliates) that is made after the date of this Agreement (and not obtained in violation of Section 7.2 of this Agreement), to acquire all or substantially all of the assets of MAS Gold (on a consolidated basis) or 100% of the MAS Gold Shares not beneficially owned by the party making such Acquisition Proposal and any joint actor or any of their respective affiliates, whether by way of a single or multistep transaction or a series of related transactions, and that the MAS Gold Board determines in its good faith (based upon the advice from its financial advisors and outside legal counsel): (i) is reasonably capable of being completed without undue delay, taking into account all legal, financial, regulatory and other aspects of such proposal and the party making such proposal; (ii) is not subject to a due diligence or access to information condition; and (iii) would, in the opinion of the MAS Board, acting in good faith if consummated in accordance with its terms (without assuming away any risk of non-completion), result in a transaction more favourable to MAS Gold Shareholders (other than Purchaser and its affiliates and any of their respective joint actors and their respective affiliates) from a financial point of view than the terms of the Arrangement (after taking into account any adjustment to such terms proposed by Purchaser as contemplated by Section 7.3);

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

“**Taxes**” means (a) any and all taxes, imposts, levies, withholdings, duties, fees, premiums, assessments and other charges of any kind, however denominated and instalments in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Entity, including for greater certainty all income or profits taxes (including Canadian federal, provincial and territorial income taxes), payroll and employee withholding taxes, employment taxes, unemployment insurance, disability taxes, social insurance taxes, sales and use taxes, ad valorem taxes, excise taxes, goods and services taxes, harmonized sales taxes, franchise taxes, gross receipts taxes, capital taxes, business license taxes, alternative minimum taxes, estimated taxes, abandoned or unclaimed (escheat) taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, severance taxes, workers’ compensation, government pension plan premiums or contributions and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which a Party or any of its subsidiaries is required to pay, withhold or collect, together with any interest, penalties or other additions

to tax that may become payable in respect of such taxes, and any interest in respect of such interest, penalties and additions whether disputed or not, and (b) any liability for the payment of any amount described in clause (a) of this definition as a result of being a member of an affiliated, consolidated, combined or unitary group for any period, as a result of any Tax sharing or Tax allocation agreement, arrangement or understanding, or as a result of being liable for another person's Taxes as a transferee or successor, by contract or otherwise;

“**TSX-V**” means the TSX Venture Exchange;

“**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

“**U.S. Securities Act**” means the *United States Securities Act of 1933* as the same has been and hereinafter from time to time may be amended;

“**U.S. Securities Exchange Act**” means the *United States Securities Exchange Act of 1934*, as amended, and the rules and regulations promulgated from time to time thereunder;

“**U.S. Securities Laws**” means the U.S. Securities Act, the U.S. Securities Exchange Act and any applicable U.S. state securities laws; and

“**Voting Agreements**” means the voting and support agreements (including all amendments thereto) between Purchaser and the Locked-up Securityholders setting forth the terms and conditions upon which such Persons have agreed to vote their MAS Gold Securities in favour of the Arrangement Resolution.

1.2 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule, respectively, bearing that designation in this Agreement.

1.3 Number and Gender

In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa, and words importing gender include all genders.

1.4 Date for Any Action

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.5 Currency

Unless otherwise stated, all references in this Agreement to amounts of money are expressed in lawful money of Canada and “\$” refers to Canadian dollars.

1.6 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature required to be made shall be made in a manner consistent with IFRS consistently applied.

1.7 Knowledge

In this Agreement, references to “the knowledge of MAS Gold” mean the knowledge of Ronald Netolitzky, Chief Executive Officer, after due enquiry within MAS Gold and its subsidiaries, and to “the knowledge of the Purchaser” mean the knowledge of Dale Wallster, Chief Executive Officer, after due enquiry within the Purchaser and its subsidiaries.

1.8 Schedules

The following Schedules are annexed to this Agreement and are incorporated by reference into this Agreement and form a part hereof:

Schedule A	-	Plan of Arrangement
Schedule B	-	Arrangement Resolution
Schedule C	-	Key Regulatory Approvals
Schedule D	-	Locked-Up Securityholders
Schedule E	-	Outstanding MAS Options and MAS Warrants

ARTICLE 2 THE ARRANGEMENT

2.1 Arrangement

MAS Gold and Purchaser agree that the Arrangement shall be implemented in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement.

2.2 Interim Order

MAS Gold shall, as soon as reasonably practicable and in any event not later than 30 days after the date hereof, apply in a manner acceptable to the Parties, acting reasonably, pursuant to Division 5 of Part 9 of the BCA and, in cooperation with Purchaser, prepare, file and diligently pursue an application for the Interim Order, which shall provide, among other things:

- (a) for the class of persons to whom notice is to be provided in respect of the Arrangement and the MAS Gold Meeting and for the manner in which such notice is to be provided;

- (b) that the securities of MAS Gold that shall be entitled to be voted by their holders on the Arrangement Resolution shall be the MAS Gold Shares;
- (c) that the requisite approval for the Arrangement Resolution shall be (i) 66⅔% of the votes cast on the Arrangement Resolution by MAS Gold Shareholders (voting together as a single class) present in person or represented by proxy at the MAS Gold Meeting, and (ii) if required by MI 61-101, a majority of the votes attached to MAS Gold Shares held by MAS Gold Shareholders present in person or represented by proxy at the MAS Gold Meeting excluding votes attached to MAS Gold Shares held by Persons described in items (a) through (d) of section 8.1(2) of MI 61-101 ;
- (d) that, in all other respects, the terms, restrictions and conditions of MAS Gold's constating documents, including quorum requirements and all other matters, shall apply in respect of the MAS Gold Meeting;
- (e) for the grant of Dissent Rights as set forth in the Plan of Arrangement;
- (f) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;
- (g) that the MAS Gold Meeting may be adjourned or postponed from time to time by MAS Gold (with the prior written consent of Purchaser, acting reasonably) without the need for additional approval of the Court;
- (h) that the record date for MAS Gold Securityholders entitled to receive notice of and vote at the MAS Gold Meeting will not change in respect of any adjourned MAS Gold Meeting;
- (i) that it is the Parties' intention to rely upon the exemption from the registration requirements of the U.S. Securities Act provided by the Section 3(a)(10) Exemption and applicable exemptions under relevant state laws to implement the transactions contemplated hereby in respect of those MAS Gold Securityholders who are resident in the United States; and
- (j) for such other matters as MAS Gold and the Purchaser may reasonably require.

2.3 U.S. Securities Matters

The Parties intend that the issuance of the Purchaser Shares under the Arrangement will be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof (the "**Section 3(a)(10) Exemption**"), will not be subject to registration or qualification under state "blue sky" or securities laws and will otherwise be in compliance with all U.S. Securities Laws. Each Party agrees to act in good faith, consistent with the intent of the Parties and the intended treatment of the Arrangement set forth in this Section 2.3.

In order to ensure the availability of the Section 3(a)(10) Exemption, the Parties agree that the Arrangement will be carried out on the following basis:

- (a) the Arrangement will be subject to the approval of the Court;
- (b) the Court will be advised as to the intention of the Parties to rely on the Section 3(a)(10) Exemption prior to the hearing required to approve the Arrangement;
- (c) the Court will be required to satisfy itself as to the fairness and reasonableness of the Arrangement;
- (d) the Final Order will expressly state that the Arrangement is approved by the Court as being fair to the persons to whom the Purchaser Shares will be issued;
- (e) the Parties will ensure that each person entitled to receive Purchaser Shares on completion of the Arrangement will be given adequate notice advising them of their right to attend the hearing of the Court to give approval of the Arrangement and providing them with sufficient information necessary for them to exercise that right;
- (f) each person to whom Purchaser Shares will be issued pursuant to the Arrangement will be advised that the Purchaser Shares issued pursuant to the Arrangement have not been registered under the U.S. Securities Act and will be issued by Purchaser in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act and with respect to securities issued to affiliates (as such term is defined under Rule 144 as promulgated under the U.S. Securities Act) of Purchaser, and will be subject to certain restrictions on resale under the securities laws of the United States, including Rule 144 under the U.S. Securities Act;
- (g) the Interim Order approving the MAS Gold Meeting will specify that each person to whom Purchaser Shares will be issued pursuant to the Arrangement will have the right to appear before the Court at the hearing of the Court to give approval of the Arrangement so long as such securityholder enters an appearance within a reasonable time; and
- (h) the Final Order shall include a statement substantially to the following effect:

“This Order will serve as the basis of a claim to an exemption, pursuant to Section 3(a)(10) of the United States Securities Act of 1933, as amended, from the registration requirements otherwise imposed by that act, regarding the distribution of securities of Southern Empire Resources Corp. pursuant to the Plan of Arrangement.”

2.4 MAS Gold Meeting

- (a) Subject to the terms of this Agreement, MAS Gold shall convene and conduct the MAS Gold Meeting in accordance with the Interim Order, MAS Gold’s articles of incorporation and bylaws and applicable Law within 90 days from the date on which this Agreement is entered into or as soon as reasonably practicable thereafter, provided that the record date for MAS Gold Securityholders entitled to receive

notice, attend and vote at the MAS Gold Meeting shall be a date satisfactory to the Purchaser, acting reasonably. Except as required by applicable Law, or with the prior written consent of the Purchaser, the Arrangement Resolution and the approval of any matters expressly permitted by this Agreement in order to give effect to the Arrangement shall be the only matter of business transacted at the MAS Gold Meeting; *provided that*, if MAS Gold is required by applicable Law, or permitted by the Purchaser in writing, to transact any other item of business at the MAS Gold Meeting, MAS Gold shall cause the Arrangement Resolution to be considered and voted upon before any other item of business to be transacted at the MAS Gold Meeting.

- (b) Subject to the terms of this Agreement, MAS Gold shall solicit proxies in favour of the approval of the Arrangement Resolution and take all other action necessary or desirable to secure the approval of the Arrangement Resolution, including, if so requested by Purchaser, acting reasonably, using proxy solicitation services.
- (c) MAS Gold shall give notice to Purchaser of the MAS Gold Meeting and allow Purchaser's representatives and legal counsel to attend the MAS Gold Meeting.
- (d) MAS Gold shall advise Purchaser as Purchaser may reasonably request, and at least on a daily basis on each of the last ten Business Days prior to the date of the MAS Gold Meeting, as to the aggregate tally of the proxies received by MAS Gold.
- (e) MAS Gold will promptly advise Purchaser of any written notice of dissent or purported exercise by any MAS Gold Shareholder of Dissent Rights received by MAS Gold and any withdrawal of Dissent Rights received by MAS Gold and, subject to applicable Law, any written communications sent by or on behalf of MAS Gold to any MAS Gold Shareholder who is exercising or purporting to exercise Dissent Rights.
- (f) at the request of Purchaser from time to time, use commercially reasonable efforts to provide Purchaser within 3 Business Days after said request with a list (in both written and electronic form) of (i) the MAS Gold Shareholders, together with their addresses and respective holdings of MAS Gold Shares, (ii) the names, addresses and holdings of all Persons having rights issued by MAS Gold to acquire MAS Gold Shares (including holders of MAS Gold Options and MAS Gold Warrants), and (iii) participants and book-based nominee registrants such as CDS & Co., CEDE & Co. and DTC, and non-objecting beneficial owners of MAS Gold Shares, together with their addresses and respective holdings of MAS Gold Shares and Purchaser agrees it shall use such lists in compliance with Law.
- (g) As soon as practicable, and in any event not later than twenty-six (26) days following the date on which this Agreement is entered into, MAS Gold shall convene a meeting of the MAS Gold Board or approve a written consent resolution of the MAS Gold Board to approve the MAS Gold Circular.
- (h) Except as required by a Governmental Entity or as permitted by Article 7, MAS

Gold will not adjourn, postpone or cancel the MAS Gold Meeting except: (i) if a quorum is not present; (ii) if required by applicable Laws; (iii) if required by the MAS Gold Shareholders; (iv) if otherwise agreed to by the Parties in writing; or (v) if this Agreement is terminated in accordance with the terms hereof.

- (i) MAS Gold shall promptly advise the Purchaser of any communication (written or oral) received by MAS Gold from the TSX-V, any of the Securities Authorities or any other Governmental Entity in connection with the MAS Gold Meeting.
- (j) For greater certainty, no Change in Recommendation shall relieve MAS Gold from its obligation to proceed to call and hold the MAS Gold Meeting and to hold the vote on the Arrangement Resolution (provided that, except as required under applicable Laws, MAS Gold shall be relieved from its obligations to actively solicit proxies in favour of the Arrangement in such circumstances), except in circumstances where this Agreement is terminated in accordance with the terms hereof.

2.5 MAS Gold Circular

- (a) MAS Gold shall prepare the MAS Gold Circular in compliance with Securities Laws and file on a timely basis, and in any event within 30 days of the date of this Agreement, the MAS Gold Circular with respect to the MAS Gold Meeting in all jurisdictions where the same is required to be filed and mail the same as required by the Interim Order and in accordance with all applicable Laws, in all jurisdictions where the same is required, complying in all material respects with all applicable Laws on the date of mailing thereof.
- (b) MAS Gold shall ensure that the MAS Gold Circular complies in all material respects with all applicable Laws, and, without limiting the generality of the foregoing, that the MAS Gold Circular shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made (other than in each case with respect to any information relating to and provided by Purchaser for inclusion in the MAS Gold Circular) and shall provide MAS Gold Shareholders with information in sufficient detail to permit them to form a reasoned judgement concerning the matters to be placed before them at the MAS Gold Meeting. Subject to Section 7.2, the MAS Gold Circular shall include (a) the unanimous (with respect to the members of the MAS Gold Board that are entitled to vote) recommendation of the MAS Gold Board that MAS Gold Shareholders vote their MAS Gold Shares in favour of the Arrangement Resolution, and a statement that each director and officer of MAS Gold intends to vote all of his or her MAS Gold Shares in favour of the Arrangement Resolution, and (b) a summary and a copy of the opinion of a financial advisor, to the effect that, as of the date of such opinion, and subject to the assumptions, limitations and qualifications set forth therein, the consideration to be received pursuant to the Plan of Arrangement by MAS Gold Shareholders (other than the Purchaser) is fair, from a financial point of view, to such MAS Gold

Shareholders. The content of the MAS Gold Circular shall comply with the terms of this Agreement.

- (c) Purchaser shall furnish to MAS Gold such information regarding Purchaser as may be reasonably required by MAS Gold in the preparation of the MAS Gold Circular on a timely basis, and Purchaser shall ensure that no such information will include any untrue statement of a material fact or omit to state a material fact required to be stated in the MAS Gold Circular in order to make any information so furnished or any information concerning Purchaser not misleading in light of the circumstances in which it is disclosed. The information regarding the Purchaser furnished pursuant to this Section 2.5(b) shall include any information required by Section 14.2 of Form 51-102F5 of National Instrument 51-102 – *Continuous Disclosure Obligations*, to allow Purchaser to rely upon the Section 3(a)(10) Exemption with respect to the issuance of Purchaser Shares in exchange for MAS Gold Shares and as required by the Interim Order or applicable Laws for inclusion in the Mas Gold Circular or in any amendments or supplements to such Mas Gold Circular. Purchaser shall also use commercially reasonable efforts to obtain any necessary consents from any of its auditors and any other advisors to the use of any financial, technical or other expert information required to be included in the MAS Gold Circular and to the identification in the MAS Gold Circular of each such advisor. MAS Gold shall not be responsible for any information relating to Purchaser and its affiliates provided by Purchaser for inclusion in the MAS Gold Circular.
- (d) Purchaser and its legal counsel shall be given a reasonable opportunity to review and comment on the MAS Gold Circular, prior to the MAS Gold Circular being printed, mailed to MAS Gold Securityholders and filed with the Securities Authorities, and reasonable consideration shall be given to any comments made by Purchaser and its counsel, provided that all information relating solely to Purchaser included in the MAS Gold Circular, and any information describing the terms and conditions of this Agreement, the Voting Agreements and/or the Plan of Arrangement, shall be in form and content satisfactory to Purchaser, acting reasonably. MAS Gold shall provide Purchaser with a final copy of the MAS Gold Circular prior to its mailing.
- (e) The Parties shall each promptly notify each other if at any time before the Effective Date it becomes aware (in the case of Purchaser only in respect of information relating to itself) that the MAS Gold Circular contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the MAS Gold Circular, and the Parties shall co-operate in the preparation of any amendment or supplement to the MAS Gold Circular, as required or appropriate, and MAS Gold shall promptly mail or otherwise publicly disseminate any amendment or supplement to the MAS Gold Circular to MAS Gold Shareholders and, if required by the Court or applicable Laws, file the same with the Securities Authorities and as otherwise required.

- (f) In a timely and expeditious manner and subject to providing Purchaser with a reasonable opportunity to comment thereon, MAS Gold shall prepare and file any mutually agreed (or as otherwise required by applicable Laws) amendments, supplements or other modifications to the MAS Gold Circular (which amendments, supplements or other modifications shall be in a form satisfactory to the Parties, acting reasonably), complying in all material respects with all applicable Laws on the date of the mailing thereof.

2.6 Final Order

If (i) the Interim Order is obtained, (ii) the Arrangement Resolution is passed at the MAS Gold Meeting by MAS Gold Shareholders, as provided for in the Interim Order and as required by applicable Law, and (iii) the Key Regulatory Approvals and Key Third Party Consents are obtained, and subject to the terms of this Agreement, MAS Gold shall as soon as reasonably practicable thereafter and in any event within seven Business Days thereafter take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Division 5 of Part 9 of the BCA.

2.7 Court Proceedings

Subject to the terms of this Agreement, Purchaser will cooperate with, assist and consent to MAS Gold seeking the Interim Order and the Final Order, including by providing MAS Gold on a timely basis any information required to be supplied by Purchaser in connection therewith. MAS Gold will provide legal counsel to Purchaser with reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and will give reasonable consideration to all such comments. MAS Gold will also provide legal counsel to Purchaser on a timely basis with copies of any notice of appearance or notice of intent to oppose and any evidence served on MAS Gold or its legal counsel in respect of the application for the Interim Order or the Final Order or any appeal therefrom. Subject to applicable Law, MAS Gold will not file any material with the Court in connection with the Arrangement or serve any such material, and will not agree to modify or amend materials so filed or served, except as contemplated hereby or with Purchaser's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; for greater certainty nothing herein shall require Purchaser to agree or consent to any increase in Consideration or other modification or amendment to such filed or served materials that expands or increases Purchaser's obligations set forth in any such filed or served materials or under this Agreement.

2.8 Effective Date

Unless this Agreement is terminated pursuant to the provisions herein, subject to the satisfaction or, where not prohibited and subject to applicable Law, the waiver of the conditions set forth in Article 6 by the applicable Party for whose benefit such conditions exist (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver of those conditions as of the Effective Date by the applicable Party for whose benefit such conditions exist), unless another time or date is agreed to in writing by the Parties, the Arrangement shall become effective at the Effective Time on the Effective Date. From and after the Effective Time, the Plan of Arrangement shall have all of the

effects provided by applicable Law, including the BCA. The closing of the transactions contemplated hereby shall take place at the offices of Northwest Law Group in Vancouver, or at such other location as may be agreed upon by the Parties.

2.9 Payment of Consideration

Purchaser shall, following receipt of the Final Order and prior to Effective Date, ensure that the Depositary has been provided with sufficient Purchaser Shares to pay the Consideration to be paid pursuant to the Arrangement.

2.10 Preparation of Filings

Purchaser and MAS Gold shall co-operate in the preparation of any application for any other orders, registrations, consents, filings, rulings, exemptions, no-action letters and approvals and the preparation of any documents reasonably deemed by either of the Parties to be necessary to discharge its respective obligations or otherwise advisable under applicable Laws in connection with this Agreement or the Plan of Arrangement.

2.11 Announcement and Shareholder Communications

MAS Gold and Purchaser shall each publicly announce the transactions contemplated hereby promptly following the execution of this Agreement by the Parties, the text and timing of each such announcement to be approved by MAS Gold and Purchaser in advance, acting reasonably. Purchaser and MAS Gold agree to co-operate in the preparation of presentations, if any, to MAS Gold Securityholders regarding the Plan of Arrangement, and no Party shall (i) issue any press release or otherwise make public announcements with respect to this Agreement or the Plan of Arrangement without the consent of the other Party (which consent shall not be unreasonably withheld or delayed) or (ii) make any filing with any Governmental Entity with respect thereto without prior consultation with the other Party; *provided, however*, that the foregoing shall be subject to each Party's overriding obligation to make any disclosure or filing required under applicable Laws, provided that the Party making such disclosure shall use all commercially reasonable efforts to give prior oral or written notice to the other Party and reasonable opportunity to review or comment on the disclosure or filing, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing. For greater certainty, the Parties hereby agree that they will file the material change report required to be filed following the public announcement of this Agreement by any Party hereto not later than the tenth day following such announcement and that a copy of this Agreement will only be publicly filed on the date such material change report is filed and the filed Agreement will contain such redactions as each Party may reasonably request, provided such redactions are permitted by applicable Law.

2.12 Withholding Taxes

Purchaser, MAS Gold and the Depositary, as applicable, shall be entitled to deduct and withhold from any Consideration payable or otherwise deliverable to any holder of MAS Gold Securities such amounts as Purchaser or MAS Gold may be required to deduct and withhold therefrom under any provision of applicable Laws in respect of Taxes. To the extent that any amounts are so deducted and withheld, such amounts shall be treated for all purposes under this

Agreement as having been paid to the person to whom such amounts would otherwise have been paid, provided that such withheld amounts are actually remitted to the appropriate Government Entity. To satisfy the amount required to be deducted or withheld from any payment to any holder of MAS Gold Securities, Purchaser, MAS Gold or the Depositary, as applicable, may sell or otherwise dispose of any portion of the Consideration otherwise payable to such holder in the form of Purchaser Shares as is necessary to provide sufficient funds to enable Purchaser, MAS Gold or the Depositary, as applicable, to comply with such deduction and/or withholding requirements and Purchaser, MAS Gold and the Depositary as applicable, shall notify the holder thereof and remit any unapplied balance of the net proceeds of such sale.

2.13 Voting Agreements

MAS Gold shall, concurrently with the execution and delivery to Purchaser of this Agreement, deliver to Purchaser duly executed Voting Agreements, in a form acceptable to Purchaser, acting reasonably, from each of the Locked-up Securityholders.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF MAS GOLD

3.1 Representations and Warranties

MAS Gold hereby represents and warrants to and in favour of Purchaser as follows and acknowledges that Purchaser is relying upon such representations and warranties in connection with the entering into of this Agreement:

- (a) Board Approval. As of the date hereof, the MAS Gold Board, after consultation with its financial and legal advisors, has determined unanimously (with respect to the members of the MAS Gold Board that are entitled to vote) that the Plan of Arrangement is fair to the MAS Gold Securityholders and is in the best interests of MAS Gold and has resolved unanimously (with respect to the members of the MAS Gold Board that are entitled to vote) to recommend to the MAS Gold Securityholders that they vote in favour of the Arrangement Resolution. The MAS Gold Board has approved the Arrangement pursuant to the Plan of Arrangement and the execution and performance of this Agreement and the performance of the Plan of Arrangement.
- (b) Fairness Opinion. The MAS Gold Board has retained Evans & Evans, Inc. to provide a fairness opinion to opine that, subject to the assumptions, limitations and qualifications set forth therein, the consideration to be received pursuant to the Plan of Arrangement by the holders of MAS Gold Shares (other than the Purchaser) is fair, from a financial point of view, to such holders of MAS Gold Shares.
- (c) Organization and Qualification. Each of MAS Gold and its subsidiaries is a corporation incorporated or an entity existing under all applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate or other power, authority and capacity to own its property and assets as now owned and to carry on its business as it is now being conducted. Each of MAS Gold and its subsidiaries (i) has all licenses, Permits, certificates, orders and other

authorizations of or from any Governmental Entity necessary to conduct its business substantially as now conducted, and (ii) is registered or otherwise authorized and qualified to do business and each is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, except where the failure to be so registered or in good standing would not reasonably be expected to have a MAS Gold Material Adverse Effect.

- (d) Authority Relative to this Agreement. MAS Gold has the requisite corporate power, authority and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by MAS Gold and the performance by MAS Gold of its obligations under this Agreement have been authorized by the MAS Gold Board and no other corporate proceedings on the part of MAS Gold are necessary to authorize the execution and delivery of this Agreement or the performance by MAS Gold of its obligations under this Agreement or the Arrangement pursuant to the Plan of Arrangement, except as expressly contemplated in the Agreement including the approval by the MAS Gold Board of the MAS Gold Circular, approval by the MAS Gold Shareholders in the manner required by the Interim Order and Law and approval by the Court. This Agreement has been executed and delivered by MAS Gold and constitutes a legal, valid and binding obligation of MAS Gold, enforceable against MAS Gold in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.
- (e) No Violation. None of the authorization, execution and delivery of this Agreement by MAS Gold, the completion of the transactions contemplated by this Agreement or the Plan of Arrangement, or compliance by MAS Gold with any of the provisions hereof or thereof will: (1) violate, conflict with, or result (with or without notice or the passage of time) in a violation or breach of any provision of, or require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in the creation of any Lien upon, any of the properties or assets of MAS Gold or any of its subsidiaries, or cause any indebtedness to come due before its stated maturity or cause any credit commitment to cease to be available or cause any payment or other obligation to be imposed on MAS Gold or any of its subsidiaries, under any of the terms, conditions or provisions of (A) their respective articles, charters or by-laws or other comparable organizational documents, or (B) any note, bond, mortgage, indenture, loan agreement, deed of trust, Lien, license, permit, or other Contract; or (2) subject to obtaining the Key Regulatory Approvals, (x) result (with or without notice or the passage of time) in a violation or breach of or constitute a default under any provisions of any Laws applicable to MAS Gold or any of its subsidiaries or any of its properties or assets; or (y) cause the suspension or revocation of any Permit currently in effect in respect of MAS Gold, or any of its subsidiaries. Except as disclosed to Purchaser, the authorization, execution and delivery by MAS Gold of

this Agreement, the performance by MAS Gold of its obligations under this Agreement and the consummation by MAS Gold of the Arrangement, will not (3) give rise to any rights of first refusal or trigger any change in control provisions or any restrictions or limitation under any such note, bond, mortgage, indenture, contract, license, franchise or Permit, or result in the imposition of any encumbrance, charge or Lien upon any of MAS Gold's assets or the assets of any of its subsidiaries; or (4) result in the imposition of any Liens upon any assets of MAS Gold or any of its subsidiaries. Other than the Key Regulatory Approvals, no consents, approvals and notices are required from any third party in order for MAS Gold and its subsidiaries to proceed with the execution and delivery of this Agreement and the completion of the transactions expressly permitted by this Agreement and the Arrangement pursuant to the Plan of Arrangement.

- (f) Capitalization. The authorized share capital of MAS Gold consists of unlimited number of MAS Gold Shares. As of the close of business on June 30, 2020, there are issued and outstanding 49,538,763 MAS Gold Shares. In addition, as of the close of business on June 30, 2020, an aggregate of 3,400,000 MAS Gold Shares are issuable upon the exercise of the MAS Gold Options and an aggregate of 14,550,724 MAS Gold Shares are issuable upon the exercise of the MAS Gold Warrants. Except as disclosed above or in the MAS Gold Public Disclosure Record, there are no options, warrants, conversion privileges or other rights, shareholder rights plans, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by MAS Gold of any securities of MAS Gold (including MAS Gold Shares), or any securities or obligations convertible into, or exchangeable or exercisable for, or otherwise evidencing a right or obligation to acquire, any securities of MAS Gold (including MAS Gold Shares) or subsidiaries of MAS Gold. All outstanding MAS Gold Shares have been duly authorized and validly issued, are fully paid and non-assessable, and all MAS Gold Shares issuable upon the exercise of rights under the MAS Gold Options and MAS Gold Warrants in accordance with their respective terms have been duly authorized and, upon issuance, will be validly issued as fully paid and non-assessable, and are not and will not be subject to, or issued in violation of, any pre-emptive rights. All MAS Gold Securities have been issued in compliance with all applicable Laws and Securities Laws. There are no securities of MAS Gold or of any of its subsidiaries outstanding which have the right to vote generally (or, other than the MAS Gold Options and the MAS Gold Warrants, are convertible into, or exchangeable or exercisable for securities having the right to vote generally) with the MAS Gold Shareholders on any matter. There are no outstanding contractual or other obligations of MAS Gold or any subsidiary to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any outstanding securities of any of its subsidiaries. There are no outstanding bonds, debentures or other evidences of indebtedness of MAS Gold or any of its subsidiaries having the right to vote with the holders of the outstanding MAS Gold Shares on any matters.
- (g) No Shareholder Rights Plan. MAS Gold is not party to any shareholder rights plan

or similar agreement.

- (h) Reporting Status and Securities Laws Matters. MAS Gold is a “reporting issuer” and is in compliance in all material respects with applicable Canadian provincial Securities Laws in British Columbia and Alberta. No delisting, suspension of trading in or cease trading order with respect to any securities of MAS Gold and, to the knowledge of MAS Gold, no inquiry or investigation (formal or informal) of any Securities Authority, is in effect or ongoing or, to the knowledge of MAS Gold, expected to be implemented or undertaken. The MAS Gold Shares are listed and posted for trading on the TSX-V. MAS Gold is in compliance in all material respects with all requirements of the TSX-V.
- (i) Ownership of Subsidiaries. The MAS Gold Public Disclosure Record includes a complete and accurate list of all subsidiaries, direct and indirect, of MAS Gold, and each such subsidiary is wholly-owned. All of the issued and outstanding shares of capital stock and other ownership interests in the subsidiaries of MAS Gold are authorized, validly issued, fully paid and non-assessable, and all such shares and other ownership interests held directly or indirectly by MAS Gold are legally and beneficially owned free and clear of all Liens, and there are no outstanding options, warrants, rights, entitlements, understandings or commitments (contingent or otherwise) regarding the right to purchase or acquire, or securities convertible into, or exchangeable or exercisable for, any such shares of capital stock or other ownership interests in or material assets or properties of any of the subsidiaries of MAS Gold. There are no contracts, commitments, agreements, understandings, arrangements or restrictions which require any subsidiaries of MAS Gold to issue, sell or deliver any shares in its share capital or other ownership interests, or any securities or obligations convertible into, or exchangeable or exercisable for, any shares of its share capital or other ownership interests. There are no outstanding options, rights, entitlements, understandings or commitments (contingent or otherwise) providing to any third party the right to acquire any shares or other ownership interests in any subsidiaries of MAS Gold. All ownership interests of MAS Gold and its subsidiaries are owned free and clear of all Liens of any kind or nature whatsoever held by third parties.
- (j) Public Filings. MAS Gold has filed all documents in the MAS Gold Public Disclosure Record required to be filed by it in accordance with applicable Securities Laws with the Securities Authorities or the NEX exchange. All such documents and information comprising the MAS Gold Public Disclosure Record, as of their respective dates (and the dates of any amendments thereto filed prior to the date of this Agreement), (1) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, and (2) complied in all material respects with the requirements of applicable Securities Laws, and any amendments to the MAS Gold Public Disclosure Record required to be made have been filed on a timely basis with the Securities Authorities or the TSX-V. MAS Gold has not filed any confidential material change report with any Securities Authorities that at the date of this

Agreement remains confidential. There has been no change in a material fact or a material change (as those terms are defined under the Securities Act) in any of the information contained in the MAS Gold Public Disclosure Record, except for changes in material facts or material changes that are reflected in a subsequently filed document included in the MAS Gold Public Disclosure Record filed prior to the date of this Agreement.

- (k) MAS Gold Financial Statements. MAS Gold's audited financial statements as at and for the fiscal years ended September 30, 2019 and 2018 (including the notes thereto and related management's discussion and analysis) and MAS Gold's unaudited interim financial statements as at and for the three and six month periods ended March 31, 2020 (collectively, the "**MAS Gold Financial Statements**") were prepared in accordance with IFRS and fairly present in all material respects the consolidated financial position, results of operations and changes in financial position of MAS Gold and its subsidiaries as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal period-end adjustments) and reflect reserves required by IFRS in respect of all material contingent liabilities, if any, of MAS Gold and its subsidiaries on a consolidated basis. There has been no material change in MAS Gold's accounting policies since March 31, 2020.

Since March 31, 2020, neither MAS Gold nor its subsidiaries nor, to the knowledge of MAS Gold, any director, officer, employee, auditor, accountant or representative of MAS Gold or any of its subsidiaries has received or otherwise had or obtained knowledge of any complaint, allegation, assertion, or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of MAS Gold or any of its subsidiaries or their respective internal accounting controls, including any complaint, allegation, assertion, or claim that MAS Gold or any of its subsidiaries has engaged in questionable accounting or auditing practices, which has not been resolved to the satisfaction of the audit committee of the MAS Gold Board.

- (l) Books and Records. The financial books, records and accounts of MAS Gold and its subsidiaries, in all material respects: (i) have been maintained in accordance with IFRS, (ii) are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of MAS Gold and its subsidiaries, and (iii) accurately and fairly reflect the basis for the MAS Gold Financial Statements.
- (m) No Undisclosed Liabilities. MAS Gold and its subsidiaries have no outstanding indebtedness or liabilities and are not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any person, other than those specifically identified in the MAS Gold Financial Statements or, incurred in the ordinary course of business since the date of the most recent financial statements of MAS Gold filed on SEDAR.

- (n) No Material Change. Since March 31, 2020, except as disclosed in the MAS Gold Public Disclosure Record prior to the date of this Agreement, there has been no MAS Gold Material Adverse Effect; and there has been no dividend or distribution of any kind declared, paid or made by MAS Gold on any MAS Gold Shares.
- (o) Contracts. Except as disclosed to Purchaser, MAS Gold Public Disclosure Record includes a complete and accurate list of all MAS Gold Material Contracts. All MAS Gold Material Contracts are in full force and effect, and MAS Gold or its subsidiaries are entitled to all rights and benefits thereunder in accordance with the terms thereof. All of the MAS Gold Material Contracts are valid and binding obligations of MAS Gold enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction. MAS Gold and its subsidiaries have complied in all material respects with all terms of such MAS Gold Material Contracts, have paid all amounts due thereunder, have not waived any rights thereunder and no default or breach exists in respect thereof on the part of MAS Gold or any of its subsidiaries or, to the knowledge of MAS Gold or any of its subsidiaries, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a default or breach or trigger a right of termination of any of the MAS Gold Material Contracts. As at the date hereof, neither MAS Gold nor any of its subsidiaries has received written notice that any party to a MAS Gold Material Contract intends to cancel, terminate or otherwise modify or not renew such MAS Gold Material Contract, and to the knowledge of MAS Gold or any of its subsidiaries, no such action has been threatened. Except as disclosed in the MAS Gold Public Disclosure Record or disclosed to Purchaser, neither MAS Gold nor any of its subsidiaries is a party to any MAS Gold Material Contract that contains any Commodity Linked Agreement, contingent or future payment obligation, non-competition obligation, standstill covenant, area of interest restriction or other comparable restrictive covenant, or otherwise restricts or limits in any material way the actions or business of MAS Gold or any of its subsidiaries.
- (p) Payment of Consideration Under MAS Gold Material Contracts. Other than as disclosed in the MAS Gold Public Disclosure Record or otherwise disclosed to Purchaser, all consideration (whether cash, shares or other consideration including royalty rights) made, provided or issued to or by MAS Gold or one of its subsidiaries as consideration under a MAS Gold Material Contract has been issued to or by MAS Gold or its subsidiary, as applicable, in accordance with the terms of such MAS Gold Material Contract.
- (q) Litigation. Other than as disclosed in the MAS Gold Public Disclosure Record, Q.B No 708 of 2020 and any other Legal Proceeding respecting the La Ronge South JV there are no claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of MAS Gold, threatened affecting MAS Gold or any of its subsidiaries or affecting any of their respective property or assets at law or in

equity before or by any Governmental Entity, including matters arising under Environmental Laws. None of MAS Gold or any of its subsidiaries or their respective assets or properties is subject to any outstanding judgement, order, writ, injunction or decree.

- (r) Taxes. Other than as disclosed in the MAS Gold Public Disclosure Record:
- (i) MAS Gold and each of its subsidiaries has duly and timely filed all Returns required to be filed by them prior to the date hereof and all such Returns are complete and correct in all material respects.
 - (ii) MAS Gold and each of its subsidiaries has paid on a timely basis all Taxes which are due and payable, all assessments and reassessments, and all other Taxes due and payable by them on or before the date hereof, other than those which are being or have been contested in good faith and in respect of which reserves have been provided in the MAS Gold Financial Statements.
 - (iii) No material deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of MAS Gold or any of its subsidiaries, and neither MAS Gold nor any of its subsidiaries is a party to any action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of MAS Gold, threatened against MAS Gold or any of its subsidiaries or any of their respective assets, that would reasonably be expected to have a MAS Gold Material Adverse Effect.
 - (iv) No claim has been made by any Government Entity in a jurisdiction where MAS Gold and any of its subsidiaries does not file Returns that MAS Gold or any of its subsidiaries is or may be subject to Tax by that jurisdiction.
 - (v) There are no Liens for unpaid Taxes (other than in respect of Taxes not yet due and payable) upon any of the assets of MAS Gold or any of its subsidiaries.
 - (vi) MAS Gold and each of its subsidiaries has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so, except where the failure to do so would not, individually or in the aggregate, result in a MAS Gold Material Adverse Effect.
 - (vii) There are no outstanding agreements extending or waiving the statutory period of limitations applicable to any claim for, or the period for the collection or assessment or reassessment of, Taxes due from MAS Gold or any of its subsidiaries for any taxable period and no request for any such waiver or extension is currently pending.
 - (viii) Except where the failure to do so would not, individually or in the aggregate,

result in an MAS Gold Material Adverse Effect, each of MAS Gold and its subsidiaries has:

- (A) withheld from each payment made to any person, including any of its present or former employees, officers and directors, and all persons who are or are deemed to be non-residents of Canada for purposes of the Tax Act, all amounts required by applicable Law to be withheld, and has remitted such withheld amounts within the prescribed periods to the appropriate Governmental Entity; and
 - (B) charged, collected and remitted on a timely basis all Taxes as required under applicable Law on any sale, supply or delivery whatsoever, made by it.
- (ix) MAS Gold and each of its subsidiaries is resident for purposes of the Tax Act and any applicable income tax treaty in its respective jurisdiction of formation.
- (s) Property.
- (i) The:
 - (A) The MAS Gold Claims are the only mining concessions, claims, leases, licenses, Permits or other rights to explore for minerals that (x) MAS Gold or any of its subsidiaries have any legal or equitable interest in and (y) are required to conduct MAS Gold's or any of its subsidiaries' business as it is now being conducted;
 - (B) The MAS Gold Lands are the only interests in real property, including licences, leases, rights of way, rights to use, surface rights, easements or other real property interests that (x) MAS Gold or any of its subsidiaries have any legal or equitable interest in and (y) are required to conduct MAS Gold's or any of its subsidiaries' business as it is now being conducted; and
 - (C) The MAS Gold Royalties are the only royalty interests that MAS Gold or any of its subsidiaries have (i) any legal or equitable interest in or (ii) any obligation in respect of or to which their properties are subject. All MAS Gold Royalties held by MAS Gold or a subsidiary are held by MAS Gold or a subsidiary free and clear of all Liens.
 - (ii) Each MAS Gold Claim is in good standing and each MAS Gold Claim and all of the Mas Gold Lands are held by MAS Gold or its subsidiaries free and clear of all Liens (excepting the MAS Gold Royalties) and MAS Gold and its subsidiaries are lawfully authorized to hold the interests of MAS Gold and its subsidiaries in the MAS Gold Claims, the MAS Gold Lands and the MAS Gold Royalties.

- (iii) Applying customary standards in the mining industry in Canada, as applicable:
- (A) each MAS Gold Claim has been properly filed, located, granted and recorded in compliance with applicable Laws and is comprised of valid and subsisting mineral claims in each case in all material respects;
 - (B) any and all assessment work required to be performed and filed under the MAS Gold Claims has been performed and filed;
 - (C) any and all Taxes and other payments required to be paid in respect of the MAS Gold Claims, the MAS Gold Lands and the MAS Gold Royalties have been paid;
 - (D) any and all filings required to be filed in respect of the MAS Gold Claims, the MAS Gold Lands and the MAS Gold Royalties have been filed;
 - (E) except as disclosed to the Purchaser or in the MAS Gold Public Disclosure Record, MAS Gold or its subsidiaries have the exclusive right to deal with the MAS Gold Claims and the MAS Gold Lands;
 - (F) except as disclosed to the Purchaser or in the MAS Gold Public Disclosure Record, no other person has any material interest in the MAS Gold Claims and the MAS Gold Lands or any right to acquire any such interest;
 - (G) except as disclosed to the Purchaser or in the MAS Gold Public Disclosure Record, neither MAS Gold nor any of its subsidiaries have granted or entered into, and none of the assets, properties or mineral rights of MAS Gold or its subsidiaries are subject to (a) any back-in rights, farm-in rights, earn-in rights, streaming arrangements, royalty rights, off-take rights, rights of first offer, option rights, joint venture agreements, right of participation, rights of first refusal or similar rights or provisions or any agency marketing fees, volume or production based payments or commodity based payments (whether based on price of a commodity or volume of gold, silver, copper or other material produced or otherwise) or any other arrangements or payments (actual or contingent) where a person would receive or be entitled to receive a payment or payments or a fee or fees in connection with the production or sale of minerals from, or economic return from, the MAS Gold Claims or MAS Gold Lands or (b) any agreement, commitment or understanding that provides for contingent or future payments (whether in cash, shares or other property) (each of such a “**Commodity Linked Agreement**”);

- (H) other than Q.B No 708 of 2020 and any other Legal Proceeding respecting the La Ronge South JV or as disclosed in the MAS Gold Public Disclosure Record, there are no adverse claims, actions, suits or proceedings that have been commenced or, to the knowledge of MAS Gold, that are pending or threatened, affecting or which could affect the title to or right to explore the MAS Gold Claims or MAS Gold Lands, including the title to or ownership by MAS Gold or its subsidiaries of any of the foregoing, which might involve the possibility of any judgement or liability affecting the MAS Gold Claims or the MAS Gold Lands; and
 - (I) neither MAS Gold nor its subsidiaries have received any notice, whether written or oral from any Governmental Entity or any person with jurisdiction or applicable authority of any revocation or intention to revoke MAS Gold's or any of its subsidiaries' interests in the MAS Gold Claims or MAS Gold Lands.
- (iv) All work and activities carried out on the MAS Gold Claims and the MAS Gold Lands by MAS Gold or any of its subsidiaries or, to the knowledge of MAS Gold or any of its subsidiaries, any other person appointed by MAS Gold or any of its subsidiaries have been carried out in all material respects in compliance with all applicable Laws, and neither MAS Gold nor any of its subsidiaries, nor, to the knowledge of MAS Gold or any of its subsidiaries, any other person has received any notice of any material breach of any such applicable Laws.
 - (v) MAS Gold and its subsidiaries have made full disclosure to Purchaser of all material facts of which MAS Gold or any of its subsidiaries has knowledge relating to the MAS Gold Claims, the MAS Gold Lands and the MAS Gold Royalties, including the details of any bonds, mine closure costs or cash deposits lodged or indemnities granted in respect thereof.
- (t) Expropriation. No material property or assets of MAS Gold or any of its subsidiaries has been taken, condemned or expropriated by any Governmental Entity nor has any written notice or proceeding in respect thereof been given or commenced nor does MAS Gold or any of its subsidiaries know of any intent or proposal to give such notice or commence any such proceedings.
 - (u) Permits. MAS Gold and each of its subsidiaries has obtained and is in compliance in all material respects with all material Permits required by applicable Laws, necessary to conduct their businesses as they are now being conducted. None of MAS Gold or any of its subsidiaries has knowledge of any facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in material compliance with or renew in the ordinary course such Permits as are necessary to conduct their businesses as they are now being conducted.
 - (v) Environmental Matters. Other than as disclosed in the MAS Gold Public

Disclosure Record, each of MAS Gold and its subsidiaries and their respective businesses, operations, and properties:

- (i) is in compliance in all material respects with all Environmental Laws and all terms and conditions of all Environmental Permits;
 - (ii) has not received any order, request or notice from any person alleging a material violation of any Environmental Law;
 - (iii) except where it would result in a MAS Gold Material Adverse Effect, (A) is not a party to any litigation or administrative proceeding, nor to its knowledge is any litigation or administrative proceeding threatened against it or its property or assets, which in either case (1) asserts or alleges that it violated any Environmental Laws, (2) asserts or alleges that it is required to clean up, remove or take remedial or other response action due to the Release of any Hazardous Substances, or (3) asserts or alleges that it is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arises out of or is related to the Release of any Hazardous Substances, (B) has no knowledge of any conditions existing currently which could reasonably be expected to subject it to material damages, penalties, injunctive relief or cleanup costs under any Environmental Laws or which require or are likely to require material costs in connection with any cleanup, removal, remedial action or other response by it pursuant to applicable Environmental Laws; and (C) is not subject to any judgment, decree, order or citation related to or arising out of applicable Environmental Law and to its knowledge has not been named or listed as a potentially responsible party by any Governmental Entity in a matter arising under any Environmental Laws; and
 - (iv) does not know of any facts, circumstances or conditions, including any Release of Hazardous Substance, that would reasonably be expected to result in any material Environmental Liabilities.
- (w) Regulatory.
- (i) MAS Gold and its subsidiaries have operated and are currently operating in material compliance with all applicable Laws, including all applicable rules, regulations, guidelines and policies of any Governmental Entity having jurisdiction over MAS Gold or its subsidiaries or their respective activities.
 - (ii) MAS Gold and its subsidiaries have operated and are currently operating their respective businesses in compliance in with all Permits in all material respects and have made all requisite declarations and filings with Governmental Entities. MAS Gold and its subsidiaries have not received any written notices or other correspondence from Governmental Entities regarding any circumstances that have existed or currently exist which

would lead to a loss, suspension, or modification of, or a refusal to issue, any Permit relating to its activities which would be expected to materially restrict, curtail, limit or adversely affect the ability of MAS Gold or its subsidiaries to operate their respective businesses.

- (x) Employee Benefits. Other than the Stock Option Plan, neither MAS Gold or any of its subsidiaries has any agreements, health, welfare, supplemental unemployment benefit, bonus, incentive, profit sharing, deferred compensation, stock purchase, stock compensation, stock option, disability, pension or retirement plans and other employee compensation or benefit plans, policies, arrangements, practices or undertakings, whether oral or written, formal or informal, funded or unfunded, insured or uninsured which are maintained by or binding upon MAS Gold or such subsidiary or in respect of which MAS Gold or any of its subsidiaries has any actual or potential liability.

- (y) Labour and Employment.
 - (i) No employees are on long-term disability leave, extended absence or worker's compensation leave. None of the employees of MAS Gold has indicated an intention to resign their employment. All current assessments under applicable workers compensation legislation in relation to the employees have been paid or accrued by MAS Gold and its subsidiaries, as applicable, and MAS Gold and its subsidiaries are not subject to any special or penalty assessment under such legislation which has not been paid.

 - (ii) Except for those (i) written employment contracts with salaried employees of MAS Gold and any of its subsidiaries and (ii) contracts with material consultants of MAS Gold and any of its subsidiaries, there are no written Contracts of employment or contract entered into with any such employees or consultants or any oral Contracts of employment or consulting. Except as disclosed to the Purchaser, no employee of MAS Gold or any of its subsidiaries is party to a change of control, severance, termination, golden parachute or similar agreement or provision or would receive payments under such agreement or provision as a result of the Arrangement.

 - (iii) Neither MAS Gold nor any of its subsidiaries is subject to any collective agreement, either directly or by operation of law, with any trade union or association which may qualify as a trade union. There are no outstanding or, to the knowledge of MAS Gold, threatened labour tribunal (administrative or judicial) proceedings of any kind related to any labour or employment obligation under any applicable Laws, including unfair labour practice proceedings or any proceedings which could result in certification of a trade union as bargaining agent for any employees of MAS Gold or any of its subsidiaries. There are no threatened or apparent union organizing activities involving employees of MAS Gold or any of its subsidiaries nor is MAS Gold or any of its subsidiaries currently negotiating any collective agreement.

- (z) Compliance with Laws. MAS Gold and its subsidiaries have complied in all material respects with and are not in material violation of any applicable Laws.
- (aa) Absence of Cease Trade Orders. No order ceasing or suspending trading in the MAS Gold Shares (or any of them) or any other securities of MAS Gold is outstanding and no proceedings for this purpose have been instituted or, to the knowledge of MAS Gold, are pending, contemplated or threatened.
- (bb) Winding Up. No order has been made, petition presented or meeting convened for the purpose of winding up of MAS Gold or any of its subsidiaries, or for the appointment of any provisional liquidator or in relation to any other process whereby the business is terminated and the assets of MAS Gold or any of its subsidiaries are distributed amongst the creditors and/or shareholders or other contributors, and there are no proceedings under any applicable insolvency, bankruptcy, reorganisation or similar laws in any relevant jurisdiction, and no events have occurred which, under applicable Laws, would be reasonably likely to justify any such cases or proceedings.
- (cc) Administration and Receivership. No person has taken any step, legal proceeding or other procedure with a view to the appointment of an administrator, whether out of court or otherwise, in relation to MAS Gold or any of its subsidiaries, and no receiver (including any administrative receiver) has been appointed in respect of the whole or any part of any of the property, assets and/or undertaking of any of MAS Gold or any of its subsidiaries nor has any such order been made (including, in any relevant jurisdiction, any other order by which, during the period it is in force, the affairs, business and assets of the company concerned are managed by a person appointed for the purpose by any Governmental Entity).
- (dd) Voluntary Arrangement, Etc. None of MAS Gold or any of its subsidiaries has taken any step with a view to a suspension of payments or a moratorium of any indebtedness or has made any voluntary arrangement with any of its creditors.
- (ee) Related Party Transactions. Except as set forth in the MAS Gold Public Disclosure Record or as disclosed to Purchaser, there are no Contracts or other transactions currently in place between MAS Gold or any of its subsidiaries, on the one hand, and, on the other hand: (i) any holder of record or, to the knowledge of MAS Gold, beneficial owner of 10% or more of the MAS Gold Shares; (ii) any officer or director of MAS Gold or any of its subsidiaries; or (iii) to the knowledge of MAS Gold, any affiliate or associate of any such, officer, director, holder of record or beneficial owner.
- (ff) Restrictions on Business Activities. Except as disclosed to Purchaser, there is no arbitral award, judgment, injunction, order or decree binding upon MAS Gold or any of its subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing in any material respect (i) any business practice of any of them, (ii) any acquisition or disposition of property by any of them, or (iii) the conduct of the business by any of them as currently conducted.

- (gg) Brokers. Other than the financial advisor to MAS Gold in connection with this Agreement and the transactions contemplated thereunder, no broker, investment banker, financial advisor or other person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of MAS Gold.
- (hh) Insurance. All insurance maintained by MAS Gold or any of its subsidiaries is in full force and effect and in good standing and neither MAS Gold nor any of its subsidiaries is in material default, whether as to payment of premium or otherwise, under the terms of any such insurance nor has MAS Gold or any of its subsidiaries failed to give any notice or present any material claim under any such insurance in a due and timely fashion or received notice or otherwise become aware of any intent of an insurer to either claim any default on the part of MAS Gold or any of its subsidiaries or not to renew any policy of insurance on its expiry or to increase any deductible or cost.

3.2 Survival of Representations and Warranties

The representations and warranties of MAS Gold contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF PURCHASER

4.1 Representations and Warranties

Purchaser hereby represents and warrants to and in favour of MAS Gold as follows and acknowledges that MAS Gold is relying upon such representations and warranties in connection with the entering into of this Agreement:

- (a) Organization and Qualification. Each of Purchaser and its subsidiaries is a corporation incorporated or an entity existing under all applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate or other power, authority and capacity to own its property and assets as now owned and to carry on its business as it is now being conducted. Each of Purchaser and its subsidiaries (i) has all licenses, Permits, certificates, orders and other authorizations of or from any Governmental Entity necessary to conduct its business substantially as now conducted, and (ii) is registered or otherwise authorized and qualified to do business and each is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, except where the failure to be so registered or in good standing would not reasonably be expected to have a Purchaser Material Adverse Effect.
- (b) Authority Relative to this Agreement. Purchaser has the requisite corporate power,

authority and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by Purchaser and the performance by it of its obligations under this Agreement have been authorized by its board of directors and no other corporate proceedings on the part of Purchaser are necessary to authorize the execution and delivery by it of this Agreement or the performance of its obligations under this Agreement or the Arrangement pursuant to the Plan of Arrangement. This Agreement has been executed and delivered by Purchaser and constitutes a legal, valid and binding obligation of Purchaser, enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

- (c) No Violations. None of the authorization, execution and delivery of this Agreement by the Purchaser, the completion of the transactions contemplated by this Agreement or the Plan of Arrangement, or compliance by the Purchaser with any of the provisions hereof or thereof will: (1) violate, conflict with, or result (with or without notice or the passage of time) in a violation or breach of any provision of, or require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in the creation of any Lien upon, any of the properties or assets of the Purchaser or any of its subsidiaries, or cause any indebtedness to come due before its stated maturity or cause any credit commitment to cease to be available or cause any payment or other obligation to be imposed on the Purchaser or any of its subsidiaries, under any of the terms, conditions or provisions of (A) their respective articles, charters or by-laws or other comparable organizational documents, or (B) any note, bond, mortgage, indenture, loan agreement, deed of trust, Lien, license, permit, or other Contract; or (2) subject to obtaining the Key Regulatory Approvals, (x) result (with or without notice or the passage of time) in a violation or breach of or constitute a default under any provisions of any Laws applicable to the Purchaser or any of its subsidiaries or any of its properties or assets; or (y) cause the suspension or revocation of any Permit currently in effect in respect of the Purchaser, or any of its subsidiaries. The authorization, execution and delivery by the Purchaser of this Agreement, the performance by the Purchaser of its obligations under this Agreement and the consummation by the Purchaser of the Arrangement, will not (3) give rise to any rights of first refusal or trigger any change in control provisions or any restrictions or limitation under any such note, bond, mortgage, indenture, contract, license, franchise or Permit, or result in the imposition of any encumbrance, charge or Lien upon any of the Purchaser's assets or the assets of any of its subsidiaries; or (4) result in the imposition of any Liens upon any assets of the Purchaser or any of its subsidiaries. Other than the Key Regulatory Approvals, no consents, approvals and notices are required from any third party in order for the Purchaser and its subsidiaries to proceed with the execution and delivery of this Agreement and the completion of the transactions expressly permitted by this Agreement and the Arrangement pursuant to the Plan of Arrangement.

- (d) Capitalization. The authorized share capital of Purchaser consists of an unlimited number of Purchaser Shares. As of the close of business on June 30, 2020, there are issued and outstanding 50,906,800 Purchaser Shares. In addition, as of the close of business on June 30, 2020 an aggregate of 4,250,000 options to purchase Purchaser Shares were issued and outstanding. Except as disclosed the Purchaser Disclosure Record, there are no options, warrants, conversion privileges or other rights, shareholder rights plans, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by Purchaser of any securities of Purchaser (including Purchaser Shares), or any securities or obligations convertible into, or exchangeable or exercisable for, or otherwise evidencing a right or obligation to acquire, any securities of Purchaser (including Purchaser Shares) or subsidiaries of Purchaser. All securities of Purchaser to be issued to MAS Gold Securityholders pursuant to the Agreement will be duly authorized and will be issued as fully paid and non-assessable shares. There are no outstanding contractual or other obligations of Purchaser or any subsidiary to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any outstanding securities of any of its subsidiaries. There are no outstanding bonds, debentures or other evidences of indebtedness of Purchaser or any of its subsidiaries having the right to vote with the holders of the outstanding Purchaser Shares on any matters.
- (e) Reporting Status and Securities Laws Matters. Purchaser is a “reporting issuer” and not on the list of reporting issuers in default under applicable Canadian provincial Securities Laws in the provinces of British Columbia and Alberta. No delisting, suspension of trading in or cease trading order with respect to any securities of and, to the knowledge of Purchaser, no inquiry or investigation (formal or informal) of any Securities Authority, is in effect or ongoing or, to the knowledge of Purchaser, expected to be implemented or undertaken. The Purchaser Shares are listed and posted for trading on the TSX-V. Purchaser is in compliance in all material respects with all requirements of the TSX-V.
- (f) Ownership of Subsidiaries. The Purchaser Public Disclosure Record includes a complete and accurate list of all subsidiaries, direct and indirect, of the Purchaser, and each such subsidiary is wholly-owned. All of the issued and outstanding shares of capital stock and other ownership interests in the subsidiaries of the Purchaser are duly authorized, validly issued, fully paid and non-assessable, and all such shares and other ownership interests held directly or indirectly by the Purchaser are legally and beneficially owned free and clear of all Liens, and there are no outstanding options, warrants, rights, entitlements, understandings or commitments (contingent or otherwise) regarding the right to purchase or acquire, or securities convertible into, or exchangeable or exercisable for, any such shares of capital stock or other ownership interests in or material assets or properties of any of the subsidiaries of the Purchaser. There are no contracts, commitments, agreements, understandings, arrangements or restrictions which require any subsidiaries of the Purchaser to issue, sell or deliver any shares in its share capital or other ownership interests, or any securities or obligations convertible into, or exchangeable or

exercisable for, any shares of its share capital or other ownership interests. There are no outstanding options, rights, entitlements, understandings or commitments (contingent or otherwise) providing to any third party the right to acquire any shares or other ownership interests in any subsidiaries of the Purchaser. All ownership interests of the Purchaser and its subsidiaries are owned free and clear of all Liens of any kind or nature whatsoever held by third parties.

- (g) Public Filings. Purchaser has filed all documents in the Purchaser Public Disclosure Record required to be filed by it in accordance with applicable Securities Laws with the Securities Authorities or the TSX-V. All such documents and information comprising the Purchaser Public Disclosure Record, as of their respective dates (and the dates of any amendments thereto filed prior to the date of this Agreement), (1) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, and (2) complied in all material respects with the requirements of applicable Securities Laws, and any amendments to the Purchaser Public Disclosure Record required to be made have been filed on a timely basis with the Securities Authorities or the TSX-V. Purchaser has not filed any confidential material change report with any Securities Authorities that at the date of this Agreement remains confidential. There has been no change in a material fact or a material change (as those terms are defined under the Securities Act) in any of the information contained in the Purchaser Public Disclosure Record, except for changes in material facts or material changes that are reflected in a subsequently filed document included in the Purchaser Public Disclosure Record filed prior to the date of this Agreement.
- (h) Purchaser Financial Statements. Purchaser's audited financial statements as at and for the fiscal year ended September 30, 2019, 2018 and 2017 (including the notes thereto and related management's discussion and analysis) and the Purchaser's unaudited interim financial statements as of and for the three and six month periods ended March 31, 2020 (including the notes thereto and related management's discussion and analysis) (collectively, the "**Purchaser Financial Statements**") were prepared in accordance with IFRS and fairly present in all material respects the consolidated financial position, results of operations and changes in financial position of Purchaser and its subsidiaries as of the dates thereof and for the periods indicated therein (subject, in the case of unaudited interim financial statements, to normal period-end adjustments) and reflect reserves required by IFRS in respect of all material contingent liabilities, if any, of Purchaser and its subsidiaries on a consolidated basis. There has been no material change in Purchaser's accounting policies since March 30, 2020.

Since March 30, 2020, neither the Purchaser nor its subsidiaries nor, to the knowledge of the Purchaser, any director, officer, employee, auditor, accountant or representative of the Purchaser or any of its subsidiaries has received or otherwise had or obtained knowledge of any complaint, allegation, assertion, or claim, whether written or oral, regarding the accounting or auditing practices, procedures,

methodologies or methods of the Purchaser or any of its subsidiaries or their respective internal accounting controls, including any complaint, allegation, assertion, or claim that the Purchaser or any of its subsidiaries has engaged in questionable accounting or auditing practices, which has not been resolved to the satisfaction of the audit committee of the board of the directors of the Purchaser.

- (i) Books and Records. The financial books, records and accounts of the Purchaser and its subsidiaries, in all material respects: (i) have been maintained in accordance with IFRS, (ii) are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of the Purchaser and its subsidiaries, and (iii) accurately and fairly reflect the basis for the Purchaser Financial Statements. The corporate records and minute books for each of the Purchaser and its subsidiaries contain complete and accurate minutes of all meetings and resolutions of the directors of the Purchaser and the Purchaser Shareholders and each of its subsidiaries held and/or passed, as applicable, since their incorporation or amalgamation, as the case may be.
- (j) No Undisclosed Liabilities. Purchaser and its subsidiaries have no outstanding indebtedness or liabilities and are not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any person, other than those specifically identified in the Purchaser Financial Statements.
- (k) No Material Change. Since March 31, 2020, except as disclosed in the Purchaser Public Disclosure Record prior to the date of this Agreement, there has been no Purchaser Material Adverse Effect; and there has been no dividend or distribution of any kind declared, paid or made by the Purchaser on any the Purchaser Shares.
- (l) Contracts. The Purchaser Public Disclosure Record includes a complete and accurate list of all Material Contracts. All Purchaser Material Contracts are in full force and effect, and the Purchaser or its subsidiaries are entitled to all rights and benefits thereunder in accordance with the terms thereof. All of the Purchaser Material Contracts are valid and binding obligations of the Purchaser enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction. The Purchaser and its subsidiaries have complied in all material respects with all terms of such Purchaser Material Contracts, have paid all amounts due thereunder, have not waived any rights thereunder and no default or breach exists in respect thereof on the part of the Purchaser or any of its subsidiaries or, to the knowledge of the Purchaser or any of its subsidiaries, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a default or breach or trigger a right of termination of any of the Purchaser Material Contracts. As at the date hereof, neither the Purchaser nor any of its subsidiaries has received written notice that any party to a Purchaser Material Contract intends

to cancel, terminate or otherwise modify or not renew such Purchaser Material Contract, and to the knowledge of the Purchaser or any of its subsidiaries, no such action has been threatened. Except as disclosed in the Purchaser Public Disclosure Record, neither the Purchaser nor any of its subsidiaries is a party to any Purchaser Material Contract that contains any Commodity Linked Agreement, contingent or future payment obligation, non-competition obligation, standstill covenant, area of interest restriction or other comparable restrictive covenant, or otherwise restricts or limits in any material way the actions or business of the Purchaser or any of its subsidiaries.

- (m) Payment of Consideration Under Purchaser Material Contracts. Other than as disclosed in the Purchaser Public Disclosure Record, all consideration (whether cash, shares or other consideration including royalty rights) made, provided or issued to or by the Purchaser or one of its subsidiaries as consideration under a Purchaser Material Contract has been issued to or by the Purchaser or its subsidiary, as applicable, in accordance with the terms of such Purchaser Material Contract.
- (n) Litigation. There are no claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of the Purchaser, threatened affecting the Purchaser or any of its subsidiaries or affecting any of their respective property or assets at law or in equity before or by any Governmental Entity, including matters arising under Environmental Laws. None of the Purchaser or any of its subsidiaries or their respective assets or properties is subject to any outstanding judgement, order, writ, injunction or decree.
- (o) Taxes. Other than as disclosed in the Purchaser Public Disclosure Record:
 - (i) The Purchaser and each of its subsidiaries has duly and timely filed all Returns required to be filed by them prior to the date hereof and all such Returns are complete and correct in all material respects.
 - (ii) The Purchaser and each of its subsidiaries has paid on a timely basis all Taxes which are due and payable, all assessments and reassessments, and all other Taxes due and payable by them on or before the date hereof, other than those which are being or have been contested in good faith and in respect of which reserves have been provided in the Purchaser Financial Statements.
 - (iii) No material deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of the Purchaser or any of its subsidiaries, and neither the Purchaser nor any of its subsidiaries is a party to any action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of the Purchaser, threatened against the Purchaser or any of its subsidiaries or any of their respective assets.
 - (iv) No claim has been made by any Government Entity in a jurisdiction where

the Purchaser and any of its subsidiaries does not file Returns that the Purchaser or any of its subsidiaries is or may be subject to Tax by that jurisdiction.

- (v) There are no Tax Liens (other than in respect of Taxes not yet due and payable) upon any of the assets of the Purchaser or any of its subsidiaries.
 - (vi) The Purchaser and each of its subsidiaries has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so.
 - (vii) There are no outstanding agreements extending or waiving the statutory period of limitations applicable to any claim for, or the period for the collection or assessment or reassessment of, Taxes due from the Purchaser or any of its subsidiaries for any taxable period and no request for any such waiver or extension is currently pending.
 - (viii) Each of the Purchaser and its subsidiaries has withheld from each payment made to any person, including any of its present or former employees, officers and directors, and all persons who are or are deemed to be non-residents of Canada for purposes of the Tax Act, all amounts required by applicable Law to be withheld, and has remitted such withheld amounts within the prescribed periods to the appropriate Governmental Entity. Each of the Purchaser and each Subsidiary has charged, collected and remitted on a timely basis all Taxes as required under applicable Law on any sale, supply or delivery whatsoever, made by it.
 - (ix) There are no circumstances existing which could result in the application to the Purchaser or any of its subsidiaries of Sections 78, 80, 80.01, 80.02, 80.03, 80.04 of the Tax Act or any analogous provision of any comparable Law of any province or territory of Canada.
 - (x) The Purchaser and each of its subsidiaries have prepared and maintained contemporaneous documentation in respect of all transactions with non-arm's length non-resident Persons as required by Section 247 of the Tax Act and transactions have always been conducted on terms and conditions consistent with such documentation.
 - (xi) The Purchaser and each of its subsidiaries is resident for purposes of the Tax Act and any applicable income tax treaty in its respective jurisdiction of formation.
- (p) Property.
- (i) The:
 - (A) The Purchaser Claims are the only mining concessions, claims,

leases, licenses, Permits or other rights to explore for minerals that (x) Purchaser or any of its subsidiaries have any legal or equitable interest in and (y) are required to conduct Purchaser's or any of its subsidiaries' business as it is now being conducted;

- (B) The Purchaser Lands are the only interests in real property, including licences, leases, rights of way, rights to use, surface rights, easements or other real property interests that (x) Purchaser or any of its subsidiaries have any legal or equitable interest in and (y) are required to conduct Purchaser's or any of its subsidiaries' business as it is now being conducted; and
 - (C) The Purchaser Royalties are the only royalty interests that Purchaser or any of its subsidiaries have (i) any legal or equitable interest in or (ii) any obligation in respect of or to which their properties are subject. All Purchaser Royalties held by Purchaser or a subsidiary are held by Purchaser or a subsidiary free and clear of all Liens.
- (ii) Each Purchaser Claim is in good standing and each Purchaser Claim and all of the Purchaser Lands are held by Purchaser or its subsidiaries free and clear of all Liens (excepting the Purchaser Royalties) and Purchaser and its subsidiaries are lawfully authorized to hold the interests of Purchaser and its subsidiaries in the Purchaser Claims, the Purchaser Lands and the Purchaser Royalties.
- (iii) Applying customary standards in the mining industry in Canada, as applicable:
- (A) each Purchaser Claim has been properly filed, located, granted and recorded in compliance with applicable Laws and is comprised of valid and subsisting mineral claims in each case in all material respects;
 - (B) any and all assessment work required to be performed and filed under the Purchaser Claims has been performed and filed;
 - (C) any and all Taxes and other payments required to be paid in respect of the Purchaser Claims, the Purchaser Lands and the Purchaser Royalties have been paid;
 - (D) any and all filings required to be filed in respect of the Purchaser Claims, the Purchaser Lands and the Purchaser Royalties have been filed;
 - (E) except as disclosed in the Purchaser Public Disclosure Record, Purchaser or its subsidiaries have the exclusive right to deal with the Purchaser Claims and the Purchaser Lands;

- (F) except as disclosed in the Purchaser Public Disclosure Record, no other person has any material interest in the Purchaser Claims and the Purchaser Lands or any right to acquire any such interest;
 - (G) except as disclosed in the Purchaser Public Disclosure, neither Purchaser nor any of its subsidiaries have granted or entered into, and none of the assets, properties or mineral rights of Purchaser or its subsidiaries are subject to a Commodity Linked Agreement;
 - (H) other than as disclosed in the Purchaser Public Disclosure Record, there are no adverse claims, actions, suits or proceedings that have been commenced or, to the knowledge of Purchaser, that are pending or threatened, affecting or which could affect the title to or right to explore the Purchaser Claims or Purchaser Lands, including the title to or ownership by Purchaser or its subsidiaries of any of the foregoing, which might involve the possibility of any judgement or liability affecting the Purchaser Claims or the Purchaser Lands; and
 - (I) neither Purchaser nor its subsidiaries have received any notice, whether written or oral from any Governmental Entity or any person with jurisdiction or applicable authority of any revocation or intention to revoke Purchaser's or any of its subsidiaries' interests in the Purchaser Claims or Purchaser Lands.
- (iv) All work and activities carried out on the Purchaser Claims and the Purchaser Lands by Purchaser or any of its subsidiaries or, to the knowledge of Purchaser, any other person appointed by Purchaser or any of its subsidiaries, have been carried out in all material respects in compliance with all applicable Laws, and neither Purchaser nor any of its subsidiaries, nor, to the knowledge of Purchaser, any other person, has received any notice of any material breach of any such applicable Laws.
- (v) Purchaser and its subsidiaries have made full disclosure to Purchaser of all material facts of which Purchaser or any of its subsidiaries has knowledge relating to the Purchaser Claims, the Purchaser Lands and the Purchaser Royalties, including the details of any bonds, mine closure costs or cash deposits lodged or indemnities granted in respect thereof.
- (q) Expropriation. No material property or assets of Purchaser or any of its subsidiaries has been taken, condemned or expropriated by any Governmental Entity nor has any written notice or proceeding in respect thereof been given or commenced nor does Purchaser or any of its subsidiaries know of any intent or proposal to give such notice or commence any such proceedings.
- (r) Permits. The Purchaser and each of its subsidiaries has obtained and is in compliance in all material respects with all material Permits required by applicable

Laws, necessary to conduct their businesses as they are now being conducted. None of the Purchaser or any of its subsidiaries has knowledge of any facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in material compliance with or renew in the ordinary course such Permits as are necessary to conduct their businesses as they are now being conducted.

- (s) Environmental Matters. Each of the Purchaser and its subsidiaries and their respective businesses, operations, and properties:
- (i) is in compliance in all material respects with all Environmental Laws and all terms and conditions of all Environmental Permits;
 - (ii) has not received any order, request or notice from any person alleging a material violation of any Environmental Law;
 - (iii) (A) is not a party to any litigation or administrative proceeding, nor to its knowledge is any litigation or administrative proceeding threatened against it or its property or assets, which in either case (1) asserts or alleges that it violated any Environmental Laws, (2) asserts or alleges that it is required to clean up, remove or take remedial or other response action due to the Release of any Hazardous Substances, or (3) asserts or alleges that it is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arises out of or is related to the Release of any Hazardous Substances, (B) has no knowledge of any conditions existing currently which could reasonably be expected to subject it to material damages, penalties, injunctive relief or cleanup costs under any Environmental Laws or which require or are likely to require material costs in connection with any cleanup, removal, remedial action or other response by it pursuant to applicable Environmental Laws; and (C) is not subject to any judgment, decree, order or citation related to or arising out of applicable Environmental Law and to its knowledge has not been named or listed as a potentially responsible party by any Governmental Entity in a matter arising under any Environmental Laws; and
 - (iv) does not know of any facts, circumstances or conditions, including any Release of Hazardous Substance, that would reasonably be expected to result in any material Environmental Liabilities.
- (t) Regulatory.
- (i) The Purchaser and its subsidiaries have operated and are currently operating in compliance with all applicable Laws, including all applicable rules, regulations, guidelines and policies of any Governmental Entity having jurisdiction over the Purchaser or its subsidiaries or their respective activities.
 - (ii) The Purchaser and its subsidiaries have operated and are currently operating

their respective businesses in compliance in with all Permits and have made all requisite declarations and filings with Governmental Entities. The Purchaser and its subsidiaries have not received any written notices or other correspondence from Governmental Entities regarding any circumstances that have existed or currently exist which would lead to a loss, suspension, or modification of, or a refusal to issue, any Permit relating to its activities which would be expected to materially restrict, curtail, limit or adversely affect the ability of the Purchaser or its subsidiaries to operate their respective businesses.

(u) Labour and Employment.

- (i) No employees are on long-term disability leave, extended absence or worker's compensation leave. None of the employees of the Purchaser has indicated an intention to resign their employment. All current assessments under applicable workers compensation legislation in relation to the employees have been paid or accrued by the Purchaser and its subsidiaries, as applicable, and the Purchaser and its subsidiaries are not subject to any special or penalty assessment under such legislation which has not been paid.
- (ii) Except for those (i) written employment contracts with salaried employees of the Purchaser and any of its subsidiaries and (ii) contracts with material consultants of the Purchaser and any of its subsidiaries, there are no written Contracts of employment or contract entered into with any such employees or consultants or any oral Contracts of employment or consulting.
- (iii) Neither the Purchaser nor any of its subsidiaries is subject to any collective agreement, either directly or by operation of law, with any trade union or association which may qualify as a trade union. There are no outstanding or, to the knowledge of the Purchaser, threatened labour tribunal (administrative or judicial) proceedings of any kind related to any labour or employment obligation under any applicable Laws, including unfair labour practice proceedings or any proceedings which could result in certification of a trade union as bargaining agent for any employees of the Purchaser or any of its subsidiaries. There are no threatened or apparent union organizing activities involving employees of the Purchaser or any of its subsidiaries nor is the Purchaser or any of its subsidiaries currently negotiating any collective agreement.

(v) Issuance of Purchaser Shares. The Purchaser Shares to be issued as part of the Consideration will, when issued pursuant to the Arrangement, be duly and validly issued as fully paid and non-assessable common shares in the capital of Purchaser.

(w) Absence of Cease Trade Orders. No order ceasing or suspending trading in the Purchaser Shares (or any of them) or any other securities of Purchaser is outstanding and no proceedings for this purpose have been instituted or, to the

knowledge of Purchaser, are pending, contemplated or threatened.

- (x) Compliance with Laws. Purchaser and its subsidiaries have complied in all material respects with and are not in material violation of any applicable Laws.
- (y) Winding Up. No order has been made, petition presented or meeting convened for the purpose of winding up of the Purchaser or any of its subsidiaries, or for the appointment of any provisional liquidator or in relation to any other process whereby the business is terminated and the assets of the Purchaser or any of its subsidiaries are distributed amongst the creditors and/or shareholders or other contributors, and there are no proceedings under any applicable insolvency, bankruptcy, reorganisation or similar laws in any relevant jurisdiction, and no events have occurred which, under applicable Laws, would be reasonably likely to justify any such cases or proceedings.
- (z) Administration and Receivership. No person has taken any step, legal proceeding or other procedure with a view to the appointment of an administrator, whether out of court or otherwise, in relation to the Purchaser or any of its subsidiaries, and no receiver (including any administrative receiver) has been appointed in respect of the whole or any part of any of the property, assets and/or undertaking of any of the Purchaser or any of its subsidiaries nor has any such order been made (including, in any relevant jurisdiction, any other order by which, during the period it is in force, the affairs, business and assets of the company concerned are managed by a person appointed for the purpose by any Governmental Entity).
- (aa) Voluntary Arrangement, Etc. None of the Purchaser or any of its subsidiaries has taken any step with a view to a suspension of payments or a moratorium of any indebtedness or has made any voluntary arrangement with any of its creditors.
- (bb) Related Party Transactions. Except as set forth in the Purchaser Public Disclosure Record, there are no Contracts or other transactions currently in place between the Purchaser or any of its subsidiaries, on the one hand, and, on the other hand: (i) any holder of record or, to the knowledge of Purchaser beneficial owner of 10% or more of the Purchaser Shares; (ii) any officer or director of the Purchaser or any of its subsidiaries; or (iii) to the knowledge of the Purchaser, any affiliate or associate of any such, officer, director, holder of record or beneficial owner.
- (cc) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, order or decree binding upon the Purchaser or any of its subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing in any material respect (i) any business practice of any of them, (ii) any acquisition or disposition of property by any of them, or (iii) the conduct of the business by any of them as currently conducted.
- (dd) Insurance. All insurance maintained by the Purchaser or any of its subsidiaries is in full force and effect and in good standing and neither the Purchaser nor any of its subsidiaries is in default, whether as to payment of premium or otherwise, under

the terms of any such insurance nor has the Purchaser or any of its subsidiaries failed to give any notice or present any material claim under any such insurance in a due and timely fashion or received notice or otherwise become aware of any intent of an insurer to either claim any default on the part of the Purchaser or any of its subsidiaries or not to renew any policy of insurance on its expiry or to increase any deductible or cost.

- (ee) Residency. Purchaser is not a “non-resident” within the meaning of the Tax Act.
- (ff) Brokers. No broker, investment banker, financial advisor or other person is entitled to any broker’s, finder’s, financial advisor’s or other similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Purchaser.
- (gg) United States Securities Laws.
 - (i) Purchaser is a “foreign private issuer” as defined in Rule 3b-4 under the U.S. Exchange Act;
 - (ii) no securities of Purchaser are registered or required to be registered under Section 12 of the U.S. Exchange Act, and Purchaser is not required to file reports under Section 13 or Section 15(d) of the U.S. Exchange Act; and
 - (iii) Purchaser is not an “investment company” as defined in the *United States Investment Company Act of 1940*, as amended.

4.2 Survival of Representations and Warranties

The representations and warranties of Purchaser contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 5 COVENANTS

5.1 Covenants on the Conduct of Business

Each Party covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except as required by this Agreement, applicable Laws or any Governmental Entities, or consented to by the other Party in writing (which consent shall not be unreasonably withheld or delayed), it shall, and shall cause each of its subsidiaries to, conduct its business in the ordinary course of business consistent with past practice. Without limiting the generality of the foregoing, from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except as required or permitted by this Agreement, neither Party shall, nor shall it permit any of its subsidiaries to, directly or indirectly:

- (a) take any action except in the usual and ordinary course of business of the Party and its subsidiaries, and the Party shall use commercially reasonable efforts to maintain and preserve its and its subsidiaries' business organization, assets, employees, goodwill and business relationships;
- (b) other than as expressly permitted by this Agreement, (i) amend its articles of incorporation, notice of articles, charter or by-laws or other comparable organizational documents; (ii) split, combine or reclassify any shares in the capital of the Party or any of its subsidiaries, or declare, set aside or pay any dividend or other distribution or payment (whether in cash, securities or property or any combination thereof) in respect of the shares of the Party owned by any person or the securities of any subsidiary other than, in the case of any subsidiary wholly-owned by the Party, any dividends payable to the Party or any other wholly-owned subsidiary of the Party; (iii) issue, grant, deliver, sell or pledge, or agree to issue, grant, deliver, sell or pledge, any shares or securities of the Party or its subsidiaries, or any options, warrants, securities or similar rights convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, shares or other securities of the Party or its subsidiaries, other than the issuance of shares by the Party upon exercise of convertible securities currently outstanding; (iv) redeem, purchase or otherwise acquire, or offer to redeem, purchase or otherwise acquire, any outstanding securities of the Party or any of its subsidiaries; (v) amend the terms of any of its securities; (vi) adopt a plan of liquidation or resolution providing for the liquidation or dissolution of the Party or any of its subsidiaries; (vii) amend its accounting policies or adopt new accounting policies, in each case except as required in accordance with IFRS; or (viii) enter into, modify or terminate any Contract with respect to any of the foregoing;
- (c) (i) sell, pledge, hypothecate, lease, license, sell and lease back, mortgage, dispose of or encumber or otherwise transfer, any assets, securities, properties, interests or businesses of the Party or any of its subsidiaries; (ii) in the case of MAS Gold, acquire (by merger, amalgamation, consolidation or acquisition of shares or assets or otherwise), directly or indirectly, any assets, securities, properties, interests, businesses, corporation, partnership or other business organization or division thereof, or make any investment either by the purchase of securities, contributions of capital, property transfer, or purchase of any other property or assets of any other person, for an amount greater than \$50,000; (iii) incur, create, assume or otherwise become liable for, any indebtedness for borrowed money or any other liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise become responsible for the obligations of any other person, or make any loans, capital contributions, investments or advances; (iv) pay, discharge or satisfy any material claims, liabilities or obligations; (v) waive, release, grant or transfer any rights of material value; or (vi) authorize or propose any of the foregoing, or enter into or modify any Contract to do any of the foregoing;
- (d) enter into or modify any Contract or series of Contracts resulting in a new Contract or series of related new Contracts or modifications to an existing Contract or series of related existing Contracts outside of the ordinary course of business;

- (e) other than as is necessary to comply with applicable Laws or Contracts, (i) grant to any officer, employee or director of MAS Gold or any of its subsidiaries an increase in compensation in any form, or grant any general salary increase, (ii) make any loan to any officer, employee, or director of the Party or any of its subsidiaries, (iii) take any action with respect to the grant of any rights of indemnification, severance, change of control, bonus or termination pay to, or enter into any employment agreement, indemnity agreement, deferred compensation or other similar agreement (or amend such existing agreement) with, or hire or terminate employment (except for just cause) of, any officer, employee or director of MAS Gold or any of its subsidiaries, (iv) increase any benefits payable under any existing severance or termination pay policies or employment agreements, or adopt or amend or make any contribution to any bonus, profit sharing, option, pension, retirement, deferred compensation, insurance, indemnity, incentive compensation, compensation or other similar plan, agreement, trust, fund or arrangement for the benefit of directors, officers or employees or former directors, officers, employees of MAS Gold or any of its subsidiaries; (v) increase compensation, bonus levels or other benefits payable to any director, executive officer or employee of MAS Gold or any of its subsidiaries; (vi) except to the extent required in connection with the Arrangement, provide for accelerated vesting, or the removal of restrictions on the exercise, of any stock based or stock related awards upon a change of control occurring on or prior to the Effective Time; or (vii) establish, adopt or amend any collective bargaining agreement or similar agreement;
- (f) engage in any transaction with any related parties;
- (g) waive, release or assign any material rights, claims or benefits of the Party or any of its subsidiaries;
- (h) (i) enter into any agreement that if entered into prior to the date hereof would be a MAS Gold Material Contract or Purchaser Material Contract, as applicable; (ii) modify, amend in any material respect, transfer or terminate any MAS Gold Material Contract or Purchaser Material Contract, as applicable, or waive, release or assign any material rights or claims thereto or thereunder; or (iii) or fail to enforce any breach or threatened breach of any MAS Gold Material Contract or Purchaser Material Contract, as applicable;
- (i) take any action or fail to take any action which action or failure to act would, or would reasonably be expected to, result in the loss, expiration or surrender of, or the loss of any material benefit under, or reasonably be expected to cause any Governmental Entities to institute proceedings for the suspension, revocation or limitation of rights under, any approvals of or from any Governmental Entities necessary to conduct its businesses as now conducted or as proposed to be conducted; or fail to prosecute with commercially reasonable due diligence any pending applications to any Governmental Entities for approvals;
- (j) take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially

impede the ability of a Party to consummate the Arrangement; or

- (k) agree, resolve or commit to do any of the foregoing.

5.2 Additional Covenants

Each Party shall promptly notify the other Party orally and in writing upon becoming aware of any circumstance or development that, to the knowledge of each Party, could reasonably be expected to, constitute a Material Adverse Effect.

5.3 Covenants of MAS Gold Relating to the Arrangement

MAS Gold shall and shall cause its subsidiaries to perform all obligations required or desirable to be performed by MAS Gold or any of its subsidiaries under this Agreement, co-operate with Purchaser in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective the transactions contemplated in this Agreement and, without limiting the generality of the foregoing, MAS Gold shall and, where applicable, shall cause its subsidiaries to:

- (a) take all actions necessary to cause each officer and director of MAS Gold and its subsidiaries to resign effective as of the Effective Time, unless the Purchaser otherwise advises in writing, a nominee of Purchaser to be appointed to such position immediately after each such resignation;
- (b) apply for and use commercially reasonable efforts to obtain all Key Regulatory Approvals relating to MAS Gold or any of its subsidiaries which are typically applied for by an offeree and, in doing so, keep Purchaser reasonably informed as to the status of the proceedings related to obtaining the Key Regulatory Approvals, including providing Purchaser with copies of all related applications and notifications;
- (c) use commercially reasonable efforts to obtain as soon as practicable following execution of this Agreement all third party consents, approvals and notices required under any of the MAS Gold Material Contracts;
- (d) defend all lawsuits or other legal, regulatory or other proceedings against MAS Gold challenging or affecting this Agreement or the consummation of the transactions contemplated hereby.

5.4 Covenants of Purchaser Regarding the Performance of Obligations

Purchaser shall, and shall cause its subsidiaries to, perform all obligations required or desirable to be performed by Purchaser or any of Purchaser's subsidiaries under this Agreement, co-operate with MAS Gold in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement and, without limiting the generality of the foregoing, Purchaser shall and where appropriate shall cause its subsidiaries to:

- (a) apply for and use commercially reasonable efforts to obtain all Key Regulatory Approvals relating to Purchaser or any of Purchaser's subsidiaries which are typically applied for by an offeror and, in doing so, keep MAS Gold reasonably informed as to the status of the proceedings related to obtaining the Key Regulatory Approvals, including providing MAS Gold with copies of all related applications and notifications;
- (b) subject to the terms and conditions of this Agreement and of the Plan of Arrangement and applicable Laws, pay the Consideration to be paid pursuant to the Arrangement;
- (c) defend all lawsuits or other legal, regulatory or other proceedings against Purchaser challenging or affecting this Agreement or the consummation of the transactions contemplated hereby;
- (d) use its commercially reasonable efforts to procure that the Section 3(a)(10) Exemption is available for the issuance of Purchaser Shares pursuant to the Plan of Arrangement and, in that regard, use its commercially reasonable efforts to comply, or assist MAS Gold in complying, with the provisions of Section 2.3;
- (e) apply for and use commercially reasonable efforts to obtain conditional approval of the listing and posting for trading on the TSX-V of the Purchaser Shares to be issued in accordance with the terms of the Plan of Arrangement;
- (f) make joint elections with Eligible Holders in respect of the disposition of their MAS Gold Shares pursuant to Section 85 of the Tax Act (or any similar provision of any provincial tax legislation) in accordance with the procedures and within the time limits set out in the Plan of Arrangement. The agreed amount under such joint elections shall be determined by each Eligible Holder in his or her sole discretion within the limits set out in the Tax Act.

5.5 Mutual Covenants

Each of the Parties covenants and agrees that, except as contemplated in this Agreement, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms:

- (a) it shall, and shall cause its subsidiaries to, use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder as set forth in Article 6 to the extent the same is within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Plan of Arrangement, including using its commercially reasonable efforts to: (i) obtain all Key Regulatory Approvals required to be obtained by it; (ii) effect all necessary registrations, filings and submissions of information requested by Governmental Entities required to be effected by it in connection with the Plan of Arrangement; (iii) oppose, lift or rescind any injunction or restraining order against it or other order or action against it seeking to stop, or otherwise adversely affecting

its ability to make and complete, the Plan of Arrangement; and (iv) co-operate with the other Party in connection with the performance by it and its subsidiaries of their obligations hereunder;

- (b) it shall not take any action, refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Plan of Arrangement or to prevent or materially delay the transactions contemplated hereby;
- (c) take all action within its control to ensure that the representations and warranties in Section 3.1, in the case of MAS Gold and Section 4.1, in the case of the Purchaser, remain true and correct as of the Effective Date as if such representations and warranties were made at and as of such date except to the extent such representations and warranties speak as of an earlier date;
- (d) promptly notify the other Party of:
 - (i) any communication from any person alleging that the consent of such person (or another person) is or may be required in connection with the Arrangement (and the response thereto from such Party, its subsidiaries or its representatives);
 - (ii) any material communication from any Governmental Entity in connection with the Arrangement (and the response thereto from such Party, its subsidiaries or its representatives); and
 - (iii) any litigation threatened or commenced against or otherwise affecting such Party or any of its subsidiaries that is related to the Arrangement.

5.6 MAS Gold Share Issuances

Nothing in this Agreement shall limit or restrict MAS Gold from issuing MAS Gold Shares in connection within the exercise of the MAS Gold Options and MAS Gold Warrants.

ARTICLE 6 CONDITIONS

6.1 Mutual Conditions Precedent

The obligations of the Parties to complete the transactions contemplated by this Agreement are subject to the fulfillment, on or before the Effective Time, of each of the following conditions precedent, each of which may only be waived with the mutual consent of the Parties:

- (a) the Arrangement Resolution shall have been approved and adopted by the MAS Gold Shareholders at the MAS Gold Meeting in accordance with the Interim Order

and applicable Law;

- (b) the Interim Order and the Final Order shall each have been obtained on terms consistent with this Agreement, and shall not have been set aside or modified in a manner unacceptable to MAS Gold and Purchaser, acting reasonably, on appeal or otherwise;
- (c) there shall not exist any prohibition at Law, including a cease trade order, injunction or other prohibition or order at Law or under applicable legislation, against Purchaser or MAS Gold which shall prevent the consummation of the Arrangement;
- (d) the Purchaser Shares to be issued in the United States pursuant to the Plan of Arrangement shall be exempt from the registration requirements under the U.S. Securities Act in reliance upon the Section 3(a)(10) Exemption;
- (e) the Key Regulatory Approvals shall have been obtained;
- (f) this Agreement shall not have been terminated in accordance with its terms;
- (g) the distribution of the securities pursuant to the Arrangement shall be exempt from the prospectus and registration requirements of applicable Canadian securities laws either by virtue of exemptive relief from the securities regulatory authorities of each of the provinces of Canada or by virtue of applicable exemptions under Canadian securities laws and shall not be subject to resale restrictions under applicable Canadian securities laws (other than as applicable to control persons or pursuant to section 2.6 of National Instrument 45-102-*Resale of Securities*).

6.2 Additional Conditions Precedent to the Obligations of Purchaser

The obligations of Purchaser to complete the transactions contemplated by this Agreement shall also be subject to the fulfillment of each of the following conditions precedent (each of which is for the exclusive benefit of Purchaser and may be waived by Purchaser at any time):

- (a) all covenants of MAS Gold under this Agreement to be performed on or before the Effective Time shall have been duly performed by MAS Gold in all material respects, and Purchaser shall have received a certificate from MAS Gold, addressed to Purchaser and dated the Effective Date, signed on behalf of MAS Gold by two of its senior executive officers (without personal liability), confirming the same as at the Effective Date;
- (b) all representations and warranties of MAS Gold set forth in this Agreement that are qualified by materiality or by the expression MAS Gold Material Adverse Effect shall be true and correct in all respects as of the Effective Time, as though made on and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date) and all other representations and warranties of MAS Gold shall be true and correct

in all material respects, and Purchaser shall have received a certificate from MAS Gold, addressed to Purchaser and dated the Effective Date, signed on behalf of MAS Gold by two of its senior executive officers (without personal liability), confirming the same as at the Effective Date;

- (c) no action, suit or proceeding, shall have been taken under any applicable Law or by any Governmental Entity, and no Law, policy, decision or directive (having the force of Law) shall have been enacted, promulgated, amended or applied, in each case (i) makes consummation of the Arrangement illegal, (ii) to enjoin or prohibit the Plan of Arrangement or the transactions contemplated by this Agreement, (iii) which would render this Agreement unenforceable in any way or frustrate the purpose and intent hereof or thereof, (iv) resulting in any judgment or assessment of damages, directly or indirectly, which, individually or in the aggregate, has had or could be reasonably expected to have a MAS Gold Material Adverse Effect, or (v) if the Arrangement were consummated, could reasonably be expected to cause a MAS Gold Material Adverse Effect;
- (d) since the date of this Agreement, there shall not have been any change, effect, event, occurrence, development or state of facts that, individually or in the aggregate, has had or could reasonably be expected to have a MAS Gold Material Adverse Effect;
- (e) all approvals, consents, registrations, permits, authorizations and other considerations required to be obtained from any Governmental Entity or other third party that are necessary, proper or advisable to consummate the transactions contemplated by this Agreement shall have been obtained;
- (f) except as set forth in this Agreement, there will be no additional issuances of MAS Gold Securities; and
- (g) holders of no more than 5% of the MAS Gold Shares shall have exercised Dissent Rights.

6.3 Additional Conditions Precedent to the Obligations of MAS Gold

The obligations of MAS Gold to complete the transactions contemplated by this Agreement shall also be subject to the following conditions precedent (each of which is for the exclusive benefit of MAS Gold and may be waived by MAS Gold at any time):

- (a) all covenants of Purchaser under this Agreement to be performed on or before the Effective Time shall have been duly performed by Purchaser in all material respects, and MAS Gold shall have received a certificate from Purchaser addressed to MAS Gold and dated the Effective Date, signed on behalf of Purchaser by two of its senior executive officers (without personal liability), confirming the same as at the Effective Date;
- (b) all representations and warranties of Purchaser set forth in this Agreement that are qualified by materiality or by the expression Purchaser Material Adverse Effect shall be true and correct in all respects as of the Effective Time, as though made on

and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date) and all other representations and warranties of Purchaser shall be true and correct in all material respects, and MAS Gold shall have received a certificate from Purchaser addressed to MAS Gold and dated the Effective Date, signed on behalf of Purchaser by two of its senior executive officers (without personal liability), confirming the same as at the Effective Date;

- (c) no action, suit or proceeding, shall have been taken under any applicable Law or by any Governmental Entity, and no Law, policy, decision or directive (having the force of Law) shall have been enacted, promulgated, amended or applied, in each case (i) makes consummation of the Arrangement illegal, (ii) to enjoin or prohibit the Plan of Arrangement or the transactions contemplated by this Agreement, (iii) which would render this Agreement unenforceable in any way or frustrate the purpose and intent hereof or thereof, (iv) resulting in any judgment or assessment of damages, directly or indirect, which, individually or in the aggregate, has had or would be reasonably expected to have a Purchaser Material Adverse Effect, or (v) if the Arrangement were consummated, would reasonably be expected to cause a Purchaser Material Adverse Effect;
- (d) since the date of this Agreement, there shall not have been any change, effect, event, occurrence, development or state of facts that, individually or in the aggregate, has had or could reasonably be expected to have a Purchaser Material Adverse Effect;
- (e) Purchaser shall have delivered evidence satisfactory to MAS Gold of the approval of the listing and posting for trading on the TSX-V of the Purchaser Shares forming a part of the Consideration, subject only to satisfaction by Purchaser of customary post-closing conditions imposed by the TSXV in similar circumstances;
- (f) except as set forth in this Agreement, there will be no additional securities of the Purchaser Securities; and
- (g) a representative of MAS Gold (which is mutually approved by the Parties) being appointed to the Board of the Purchasers.

6.4 Satisfaction of Conditions

The conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 shall be conclusively deemed to have been satisfied, waived or released when the Arrangement has been effected in accordance with its terms and the terms of the Final Order.

ARTICLE 7 ADDITIONAL AGREEMENTS

7.1 Notice

Each Party shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the earlier to occur of the termination of this

Agreement and the Effective Time of any event or state of facts which occurrence or failure would, or would be likely to:

- (a) cause any of the representations or warranties of any Party contained herein to be untrue or inaccurate in any respect on the date hereof or at the Effective Time; or
- (b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder prior to the Effective Time.

MAS Gold and Purchaser may not exercise their rights to terminate this Agreement pursuant to Section 8.2.1(b)(i) or Section 8.2.1(b)(v) unless the Party intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfilment or the applicable condition or termination right, as the case may be. If any such notice is delivered, provided that a Party is proceeding diligently to cure such matter and such matter is capable of being cured, no Party may terminate this Agreement until the expiration of a period of ten Business Days from such notice, and then only if such matter has not been cured by such date. If such notice has been delivered prior to the making of the application for the Final Order, such application and such filing shall be postponed until the expiry of such period. For greater certainty, in the event that such matter is cured within the time period referred to herein without a Material Adverse Effect with respect to the non-terminating Party, this Agreement may not be terminated as a result of the cured breach.

7.2 Non-Solicitation

7.2.1 Except as otherwise expressly provided in this Section 7.2, MAS Gold shall not, directly or indirectly, through any subsidiary or through any officer, director, employee, representative (including any financial or other advisor) or agent of MAS Gold or any of its subsidiaries (collectively, the “**Representatives**”) and MAS Gold shall cause its Representatives and subsidiaries not to, (i) solicit, initiate, facilitate or encourage, permit or promote (including by way of furnishing information, permitting any visit to the facilities or properties of MAS Gold or its subsidiary or entering into any form of agreement, arrangement or understanding) the initiation of any inquiries, proposals, expressions of interest or offers regarding an Acquisition Proposal or potential Acquisition Proposal, (ii) participate in any discussions or negotiations regarding, or furnish to any person any information or otherwise co-operate with, respond to, assist or participate in, any effort to make or attempt to make an Acquisition Proposal or potential Acquisition Proposal, (iii) approve, accept, endorse or recommend, or propose publicly to accept, approve, endorse or recommend any Acquisition Proposal or potential Acquisition Proposal, (iv) accept or enter into or publicly propose to accept or enter into, any agreement, understanding, letter of intent or arrangement in respect of an Acquisition Proposal or potential Acquisition Proposal, (v) make or propose to publicly make a Change in Recommendation (it being understood that failing to affirm the approval or recommendation of the MAS Gold Board of the Arrangement within ten Business Days after an Acquisition Proposal relating to MAS Gold has been publicly announced and, in circumstances where no Acquisition Proposal has been made, within two Business Days of being requested to do so by Purchaser, shall not be considered an adverse modification to such recommendation), (vi) remain neutral with respect to, or agree to, approve or recommend, or propose publicly to remain neutral with respect to, agree to, approve or recommend any

Acquisition Proposal or potential Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal until ten Business Days (but in any case prior to the MAS Gold Meeting) following the public commencement of such Acquisition Proposal shall not be considered a violation of this subsection 7.2.1) (vii) make any public announcement or take any other action inconsistent with, or that could reasonably be likely to be regarded as detracting from, the recommendation of the MAS Gold Board to approve the transactions contemplated herein, or (viii) take any other action which would reasonably be expected to materially impede or prevent the consummation of the Arrangement.

7.2.2 Except as otherwise provided in this Section 7.2, MAS Gold shall, and shall cause its subsidiaries and Representatives to, immediately cease and cause to be terminated any solicitation, encouragement, discussion or negotiation with any persons conducted heretofore by MAS Gold, its subsidiaries or any Representatives with respect to any Acquisition Proposal or potential Acquisition Proposal or which may reasonably be expected to constitute an Acquisition Proposal or potential Acquisition Proposal, and, in connection therewith, MAS Gold shall discontinue access to any of its confidential information (and not establish or allow access to any of its confidential information, or any data room, virtual or otherwise) to the extent it is entitled to do so and shall as soon as possible request, to the extent that it is entitled to do so (and exercise all rights it has to require) the return or destruction of all confidential information regarding MAS Gold and its subsidiaries previously provided to any such person or any other person and shall request (and exercise all rights it has to require) the destruction of all material including or incorporating or otherwise reflecting any confidential information regarding MAS Gold and its subsidiaries. MAS Gold agrees that neither it nor any of its subsidiaries, shall terminate, waive, release, amend or modify any provision of any existing confidentiality agreement, standstill agreement or similar or comparable agreement to which it or any of its subsidiaries is a party. MAS Gold shall not waive any provision of, or release or terminate, and MAS Gold shall enforce all standstill, non-disclosure, non-disturbance, area of interest, non-solicitation, use, business purpose and similar agreements, restrictions and covenants to which it or any of its subsidiaries is party (it being acknowledged and agreed that the automatic termination, pursuant to the express terms of any such agreement, of any standstill provisions as a result of the entering into an announcement of this Agreement by MAS Gold shall not be a violation of this Section 7.2.2).

7.2.3 Notwithstanding Sections 7.2.1 and 7.2.2, if at any time following the date of this Agreement and prior to the MAS Gold Meeting, provided that MAS Gold is then in compliance with all of its obligations under this Agreement (including under Sections 7.2.1 and 7.2.2), MAS Gold receives a *bona fide* unsolicited written Acquisition Proposal from a person who is not restricted from making such proposal, that the MAS Gold Board determines in good faith, after consultation with its financial advisor and outside counsel, constitutes or, if consummated in accordance with its terms, would reasonably be expected to constitute a Superior Proposal, then MAS Gold may, provided it has first complied with Section 7.2.4 and has first entered into, and provided to Purchaser an executed copy of, a confidentiality and standstill agreement with such person:

- (a) furnish information with respect to MAS Gold and its subsidiaries to the person making such Acquisition Proposal; and/or
- (b) enter into, participate, facilitate and undertake discussions or negotiations with, and

otherwise cooperate with or assist, the person making such Acquisition Proposal,

provided that if MAS Gold provides confidential non-public information to such person, MAS Gold obtains a confidentiality and standstill agreement from the person making such Acquisition Proposal, provided, however, that it shall not preclude such person from making a Superior Proposal. If MAS Gold receives a request for material non-public information from a person who proposes to make an Acquisition Proposal and the MAS Gold Board determines in good faith that such Acquisition Proposal, if made, could reasonably be expected to lead to a Superior Proposal and provided that the solicited party obtains a confidentiality and standstill agreement from the person making such Acquisition Proposal, provided, however, that it shall not preclude such person from making a Superior Proposal, MAS Gold shall be permitted to provide such person with access to information regarding MAS Gold; provided that MAS Gold sends a copy of any such confidentiality agreement to Purchaser promptly upon its execution and Purchaser is provided with a list of the information provided to such person and is immediately provided with access to the same information to which such person was provided.

7.2.4 MAS Gold shall promptly (and in any event within 24 hours of receipt by MAS Gold, any subsidiary or any Representative) notify the Purchaser, at first orally and then in writing, of any offer, proposal, expression of interest, or inquiry (orally or in writing) relating to or constituting an Acquisition Proposal or potential Acquisition Proposal, all requests for discussions or negotiations relating thereto and all requests for non-public information relating to MAS Gold or any of its subsidiaries or for access to the properties, books or records of MAS Gold or any of its subsidiaries in connection with any actual or potential Acquisition Proposal, of which it or any of its subsidiaries, or any of its or their Representatives, is or becomes aware, or any amendments to any of the foregoing. Such notice shall include a description of the material terms and conditions of any such Acquisition Proposal or offer, proposal, expression of interest, or inquiry or request, the identity of the person making such Acquisition Proposal or such offer, proposal, expression of interest, or inquiry or request, and provide such other details of the proposal, inquiry or offer as Purchaser may reasonably request. MAS Gold shall keep the Purchaser fully informed on a prompt basis of the status, including any change to the material terms, of any such offer, proposal, expression of interest, or inquiry or request and shall respond promptly to all inquiries by the Purchaser with respect thereto.

7.2.5 Subject to Section 7.3, if at any time following the date of this Agreement and prior to the MAS Gold Meeting, provided that MAS Gold is then in compliance with its obligations under this Agreement (including under Section 7.2), MAS Gold receives an Acquisition Proposal which the MAS Gold Board concludes in good faith constitutes a Superior Proposal, the MAS Gold Board may, subject to compliance with the procedures set forth in this Article 7 and in Section 8.2, terminate this Agreement in order to enter into a definitive agreement with respect to such Superior Proposal, if the MAS Gold Board determines in good faith, after consultation with outside legal counsel, that failure to take such action would constitute a breach of its fiduciary duties under applicable Law.

7.2.6 Subject to the provisions of this Section 7.2 and Section 7.3, nothing contained in this Agreement shall prevent MAS Gold or the MAS Gold Board from calling and holding a meeting of MAS Gold Shareholders, or any of them, requisitioned by MAS Gold Shareholders, or

any of them, in accordance with the BCA or ordered to be held by a court in accordance with applicable Laws.

7.2.7 MAS Gold shall ensure that its subsidiaries and the Representatives are aware of the provisions of this Section 7.2, and MAS Gold shall be responsible for any breach of this Section 7.2 by its subsidiaries or the Representatives.

7.3 Right to Match

7.3.1 MAS Gold may accept, approve, recommend or enter into any agreement, understanding or transaction in respect of a Superior Proposal (other than a confidentiality agreement, the execution of which shall not be subject to the conditions of this Section 7.3) received prior to the date of approval of the Arrangement Resolution by the MAS Shareholders and terminate this Agreement pursuant to Section 8.2.1(d)(i) if, and only if:

- (a) MAS Gold has complied with, and is not in breach of, its obligations under this Agreement and has provided Purchaser with a copy of the Superior Proposal;
- (b) MAS Gold pays a break fee of \$250,000 (the “**Break Fee**”) to Purchaser concurrently with any such termination of this Agreement pursuant to Section 8.2.1(d)(i).
- (c) the person making the Superior Proposal is not restricted from making such Superior Proposal pursuant to an existing confidentiality, use, purpose, non-disclosure, standstill or other similar restriction;
- (d) such Superior Proposal does not provide for the payment of any break, termination or other fees or expenses to the other party in the event that Purchaser completes the Arrangement or any similar other transaction with MAS Gold or any of its affiliates agreed prior to any termination of this Agreement; and
- (e) a period (the “**Response Period**”) of five Business Days has elapsed from the date that is the later of (x) the date on which Purchaser receives written notice from the MAS Gold Board that the MAS Gold Board has determined, subject only to compliance with this Section 7.3, to approve, accept, endorse, recommend or enter into a binding written agreement to proceed with the Superior Proposal, and (y) the date Purchaser receives from MAS Gold a copy of the Superior Proposal (together with a copy of the definitive agreement and all ancillary agreements related thereto) that the MAS Gold Board has determined is a Superior Proposal and that they propose to execute.

7.3.2 During the Response Period, Purchaser shall have the right, but not the obligation, to offer to amend the terms of this Agreement and the Plan of Arrangement. During the Response Period, MAS Gold shall negotiate in good faith and in a manner consistent with their fiduciary duties with the Purchaser to make such amendments to the terms of this Agreement and the Arrangement as would enable MAS Gold and the Purchaser to proceed with the transactions contemplated by this Agreement on such amended terms. Within five Business Days (the “**Review Period**”) of any proposal by Purchaser to amend the terms of this Agreement and the Plan of

Arrangement, including an increase in, or modification of, the Consideration, the MAS Gold Board shall review and determine in good faith and in a manner consistent with their fiduciary duties whether the Acquisition Proposal to which Purchaser is responding would continue to be a Superior Proposal when assessed against this Agreement and against the Plan of Arrangement as they are proposed by Purchaser to be amended. Such determination to be made by the MAS Gold Board shall be communicated to Purchaser by the end of the Review Period. If the MAS Gold Board determines that the Acquisition Proposal to which Purchaser is responding would not continue to be a Superior Proposal when assessed against this Agreement and the Plan of Arrangement as they are proposed by Purchaser to be amended, MAS Gold shall enter into an amendment to this Agreement in accordance with Section 8.3 to give effect to such amendments. If the MAS Gold Board determines that the Acquisition Proposal to which Purchaser is responding would continue to be a Superior Proposal when assessed against this Agreement and the Plan of Arrangement as they are proposed by Purchaser to be amended, MAS Gold may approve and recommend that holders of MAS Gold Shares accept such Superior Proposal and may terminate this Agreement pursuant to Section 8.2.1(d)(i) in order to accept or enter into a binding written agreement to proceed with the Superior Proposal; *provided that*, MAS Gold shall pay the Break Fee concurrently with any such termination of this Agreement pursuant to Section 8.2.1(d)(i). For greater certainty, MAS Gold will be required to pay the Break Fee to the Purchaser even if the Purchaser fails to make an offer to amend the terms of this Agreement or Plan of Arrangement pursuant to this Section 7.3.

7.3.3 Each successive amendment to any Acquisition Proposal shall constitute a new Acquisition Proposal for the purposes of this Section 7.3 and Purchaser shall be afforded a new Response Period and the rights afforded in paragraph 7.3.2 in respect of each such Acquisition Proposal.

7.3.4 Where at any time before the MAS Gold Meeting, MAS Gold has provided Purchaser with a notice under Section 7.3.1(f), or an Acquisition Proposal or potential Acquisition Proposal has been publicly disclosed or announced and the Response Period has not elapsed, then, subject to applicable Laws, at Purchaser's request, MAS Gold will postpone or adjourn the MAS Gold Meeting (but not beforehand without Purchaser's consent) to a date acceptable to Purchaser, acting reasonably, which shall not be less than five (5) days and not more than ten (10) Business Days after the scheduled date of the MAS Gold Meeting and shall, in the event that MAS Gold and Purchaser amend the terms of this Agreement, ensure that the details of such amended Agreement are communicated to the MAS Gold Shareholders prior to the resumption of the adjourned or postponed MAS Gold Meeting.

7.4 Expenses and Termination Fees

7.4.1 Except as otherwise provided herein, all fees, costs and expenses incurred in connection with this Agreement and the Plan of Arrangement shall be paid by the Party incurring such fees, costs or expenses.

7.4.2 If this Agreement is terminated because of a breach of the terms and conditions of this Agreement by a party (the "**Breaching Party**"), which breach would reasonably be expected to impede completion of the transactions, and the breach is not cured within 5 Business Days after

receipt of written notice thereof from the other party (a “**Non-Breaching Party**”), the Breaching Party will immediately pay to the Non-Breaching Party a fee equal to \$250,000.

7.4.3 Nothing in this Section 7.4 shall relieve or have the effect of relieving any Party in any way from liability for damages incurred or suffered by a Party as a result of an intentional or wilful breach of this Agreement.

7.4.4 For greater certainty, nothing in this Section 7.4 shall preclude a Party from seeking injunctive relief to restrain any breach or threatened breach of the covenants or agreements set forth in this Agreement or otherwise to obtain specific performance of any such covenants or agreements, without the necessity of posting bond or security in connection therewith.

7.5 Compliance with Disclosure Obligations

Nothing contained in Section 7.2 and 7.3 shall prohibit MAS Gold from responding through a directors' circular or otherwise as required by applicable Securities Laws to an unsolicited Acquisition Proposal that the MAS Gold Board determines is not a Superior Proposal.

7.6 Access to Information; Confidentiality

From the date hereof until the earlier of the Effective Time and the termination of this Agreement, subject to compliance with applicable Law and the terms of any existing Contracts, MAS Gold shall, and shall cause its subsidiaries and their respective officers, directors, employees, independent auditors, accounting, legal, financial and other advisers and agents to, afford to Purchaser and to the officers, employees, agents and representatives of Purchaser such access as Purchaser may reasonably require at all reasonable times, including for the purpose of facilitating integration business planning, to their officers, employees, agents, properties, books, records and Contracts, and shall furnish Purchaser with all data and information as Purchaser may reasonably request. Except as otherwise provided herein, MAS Gold shall furnish promptly to Purchaser a copy of any filing made under any applicable Laws and any dealings or communications with any Governmental Entity, Securities Authority or stock exchange in connection with, or in any way affecting, the transactions contemplated by this Agreement. Other than information that forms part of the MAS Public Disclosure Record, all information regarding the business of MAS Gold including, without limitation, financial information that MAS Gold provides to Purchaser will be kept in strict confidence by Purchaser and will not be used (except in connection with due diligence), dealt with, exploited or commercialized by Purchaser or disclosed to any third party (other than Purchaser's professional accounting and legal advisors) without MAS Gold's prior written consent. If the transactions contemplated by this Agreement do not proceed for any reason, then upon receipt of a written request from MAS Gold, Purchaser will immediately return to MAS Gold or destroy (as directed by MAS Gold) any information received regarding MAS Gold.

7.7 Insurance

7.7.1 Purchaser agrees that it shall directly honour all rights to indemnification or exculpation now existing in favour of present and former officers and directors of MAS Gold and its subsidiaries, shall survive the completion of the Plan of Arrangement and shall continue in full force and effect for a period of not less than six years from the Effective Date.

7.7.2 The provisions of this section are intended for the benefit of, and shall be enforceable by, each insured or indemnified person, his or her heirs and his or her legal representatives and, for such purpose, MAS Gold hereby confirms that it is acting as agent and trustee on their behalf. Furthermore, this section shall survive the termination of this Agreement as a result of the occurrence of the Effective Date for a period of six years.

ARTICLE 8 TERM, TERMINATION, AMENDMENT AND WAIVER

8.1 Term

This Agreement shall be effective from the date hereof until the earlier of the Effective Time and the termination of this Agreement in accordance with its terms.

8.2 Termination

8.2.1 This Agreement may be terminated and the Arrangement may be abandoned at any time prior to the Effective Time (notwithstanding any approval of this Agreement or the Arrangement Resolution by the MAS Gold Shareholders or the Arrangement by the Court):

- (a) by mutual written agreement of MAS Gold and Purchaser; or
- (b) by either MAS Gold or Purchaser, if:
 - (i) subject to Section 7.1 the Effective Time shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this Section 8.2.1(b)(i) shall not be available to any Party whose failure to fulfill any of its obligations or breach of any of its representations and warranties under this Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur by such Outside Date;
 - (ii) after the date hereof, there shall be enacted or made any applicable Law that makes consummation of the Arrangement illegal or otherwise prohibited or enjoins MAS Gold or Purchaser from consummating the Arrangement and such applicable Law or injunction shall have become final and non-appealable;
 - (iii) if any Governmental Entity shall have issued an order, decree or ruling permanently restraining or enjoining or otherwise prohibiting any of the transactions contemplated herein (unless such order, decree or ruling has been withdrawn, reversed or otherwise made inapplicable) which order, decree or ruling is final and non-appealable;
 - (iv) the Arrangement Resolution is not approved at the MAS Gold Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order and applicable Laws; or
 - (v) subject to Section 7.1, there is a material breach by the other Party of its

covenants or obligations under this Agreement prior to the Outside Date, or any representation or warranty of the defaulting party shall have been at the date hereof untrue or incorrect in any material respect or shall have become untrue or incorrect in any material respect, in any case where Purchaser is the terminating Party that would cause the conditions set forth in Section 6.1 or Section 6.2 not to be satisfied, and in any case where MAS Gold is the terminating Party that would cause the conditions set forth in Section 6.1 or Section 6.3 not to be satisfied; or

- (c) by Purchaser, if:
 - (i) the MAS Gold Board shall have made a Change in Recommendation; or
 - (ii) the MAS Gold Board recommends or approves an Acquisition Proposal or authorizes MAS Gold to enter into a binding written agreement relating to a Superior Proposal;
 - (iii) any of the conditions set forth in Section 6.1 or Section 6.2 is not satisfied, and such condition is incapable of being satisfied by the Outside Date;
- (d) by MAS Gold, if
 - (i) the MAS Gold Board authorizes MAS Gold, subject to complying with the terms of this Agreement, to enter into a binding written agreement relating to a Superior Proposal; *provided that* concurrent with such termination, MAS Gold pays the Break Fee payable pursuant to Section 7.3; or
 - (ii) any of the conditions set forth in Section 6.1 or Section 6.3 is not satisfied, and such condition is incapable of being satisfied by the Outside Date.

8.2.2 The Party desiring to terminate this Agreement pursuant to this Section 8.2 (other than pursuant to Section 8.2.1(a)) shall give written notice of such termination to the other Parties.

8.2.3 If this Agreement is terminated pursuant to this Section 8.2, this Agreement shall become void and of no effect without liability of any Party (or any securityholder, director, officer, employee, agent, consultant or representative of such Party) to any other Party hereto, except as otherwise expressly contemplated hereby, and provided that the provisions of this Section 8.2.3 and Sections 7.4, 9.2, 9.3, 9.5, 9.6, as well as the confidentiality provisions of Section 7.6 shall survive any termination hereof pursuant to Section 8.2.1; *provided further* that neither the termination of this Agreement nor anything contained in this Section 8.2 shall relieve a Party from any liability arising or related to any point in time prior to such termination, including as a result of a breach of the terms of this Agreement.

8.3 Amendment

This Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the MAS Gold Meeting but not later than the Effective Time,

be amended by mutual written agreement of the Parties and any such amendment may, subject to the Interim Order and the Final Order and applicable Law, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties; and/or
- (d) waive compliance with or modify any mutual conditions precedent herein contained.

8.4 Waiver

Either Party may (i) extend the time for the performance of any of the obligations or acts of the other Party, (ii) waive compliance, except as provided herein, with any of the other Party's agreements or the fulfilment of any conditions to its own obligations contained herein, or (iii) waive inaccuracies in any of the other Party's representations or warranties contained herein or in any document delivered by the other Party; *provided, however*, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived.

ARTICLE 9 GENERAL PROVISIONS

9.1 Notices

All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of the date delivered or sent if delivered personally or sent by electronic mail, or as of the following Business Day if sent by prepaid overnight courier, to the Parties at the following addresses (or at such other addresses as shall be specified by any Party by notice to the other given in accordance with these provisions):

- (i) if to Purchaser:

Southern Empire Resources Corp.
Suite 420, 789 West Pender Street
Vancouver, BC V6C 1H2

Attention: Dale Wallster
Email:

with a copy (which shall not constitute notice) to:

Northwest Law Group

704 – 595 Howe Street
Vancouver, BC V6C 2T5

Attention: Charles Hethey
Email: cch@stockslaw.com

(ii) if to MAS Gold:

MAS Gold Corp.
Suite 420, 789 West Pender Street
Vancouver, BC V6C 1H2

Attention: Ronald Netolitzky
Email: netolitzky@gmail.com

with a copy (which shall not constitute notice) to:

McKercher LLP
374 3rd Ave S.
Saskatoon, SK S7K 1M5

Attention: John H. Pringle
Email: j.pringle@mckercher.ca

9.2 Governing Law

This Agreement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of British Columbia and the laws of Canada applicable therein. Each of the Parties hereby irrevocably attorns to the exclusive jurisdiction of the Courts of the Province of British Columbia in respect of all matters arising under and in relation to this Agreement and the Arrangement.

9.3 Injunctive Relief

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions other equitable relief (including specific performance) to prevent breaches of this Agreement, any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief (including specific performance) hereby being waived.

9.4 Time of Essence

Time shall be of the essence in this Agreement.

9.5 Entire Agreement, Binding Effect and Assignment

Purchaser may assign all or any part of its rights under this Agreement to, and its obligations under this Agreement may be assumed by, an affiliate of Purchaser, provided that if such assignment and/or assumption takes place, Purchaser shall continue to be liable jointly and severally with such affiliate for all of its obligations hereunder. This Agreement shall be binding on and shall enure to the benefit of the Parties and their respective successors and permitted assigns.

This Agreement constitutes the entire agreement, and supersede all other prior agreements and understandings, both written and oral, between the parties, or any of them, with respect to the subject matter hereof and thereof (including for certainty, the Acquisition Agreement which is hereby terminated) and, except as expressly provided herein, this Agreement is not intended to and shall not confer upon any person other than the Parties any rights or remedies hereunder. Except as expressly permitted by the terms hereof, neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by either of the Parties without the prior written consent of the other Party.

9.6 Severability

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule or Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

9.7 Further Assurances

Each Party shall use all commercially reasonable efforts do all such things and provide all such reasonable assurances as may be required to consummate the transaction contemplated by this Agreement, and each Party shall provide such further documents or instruments as reasonably required by any other Party as necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Effective Date.

9.8 No Third Party Beneficiaries

This Agreement is not intended to confer any rights or remedies upon any person other than the Parties to this Agreement.

9.9 Privacy

Each Party shall comply with applicable privacy Laws in the course of collecting, using and disclosing personal information about an identifiable individual (the “**Transaction Personal Information**”). Purchaser shall not disclose Transaction Personal Information to any Person other than to its advisors who are evaluating and advising on the transactions contemplated

by this Agreement. If Purchaser completes the transactions contemplated by this Agreement, Purchaser shall not, following closing of the Arrangement, without the consent of the individuals to whom such Transaction Personal Information relates or as permitted or required by applicable Law, use or disclose Transaction Personal Information:

- (a) for purposes other than those for which such Transaction Personal Information was collected by MAS Gold prior to the closing of the Arrangement; and
- (b) which does not relate directly to the carrying on of MAS Gold' business or to the carrying out of the purposes for which the transactions contemplated by this Agreement were implemented.

Purchaser shall protect and safeguard the Transaction Personal Information against unauthorized collection, use or disclosure. Purchaser shall cause its advisors to observe the terms of this Section and to protect and safeguard Transaction Personal Information in its possession. If this Agreement shall be terminated, Purchaser shall promptly deliver to MAS Gold all Transaction Personal Information in its possession or in the possession of any of its advisors, including all copies, reproductions, summaries or extracts thereof.

9.10 Counterparts, Execution

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.
SIGNATURE PAGES FOLLOW.]**

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**SOUTHERN EMPIRE RESOURCES
CORP.**

Per: Signed "Dale Wallster"
Name: Dale Wallster
Title: Chief Executive Officer
I have authority to bind the Corporation

MAS GOLD CORP.

Per: Signed "Ronald Netolitzky"
Name: Ronald Netolitzky
Title: Chief Executive Officer
I have authority to bind the Corporation

**SCHEDULE A
TO THE ARRANGEMENT AGREEMENT
PLAN OF ARRANGEMENT**

**PLAN OF ARRANGEMENT
UNDER SECTION 289 OF THE
BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)**

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

1.1 Definitions

In this Plan of Arrangement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) **“Arrangement”** means the arrangement under Part 9, Division 5 of the BCA on the terms and subject to the conditions set out in this Plan of Arrangement;
- (b) **“Arrangement Agreement”** means the arrangement agreement dated August 18, 2020 among Purchaser and MAS Gold, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;
- (c) **“Arrangement Resolution”** means the special resolution approving this Plan of Arrangement to be considered at the MAS Gold Meeting, to be substantially in the form and content of Schedule B to the Arrangement Agreement;
- (d) **“BCA”** means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as promulgated or amended from time to time;
- (e) **“Business Day”** means any day, other than a Saturday, a Sunday or any other day on which the principal chartered banks located in Toronto, Ontario or Vancouver, British Columbia are not open for business during normal banking hours;
- (f) **“Consideration”** means, in the case of a MAS Gold Securityholder such number of fully paid and non-assessable Purchaser Shares as is equal to the Exchange Ratio multiplied by the number of MAS Gold Shares held by such MAS Gold Securityholder as at the Effective Time subject to Section 3.2 and Section 4.4;
- (g) **“Court”** means the Supreme Court of British Columbia;
- (h) **“Depositary”** means Computershare Investor Services Inc., in its capacity as depositary for the Arrangement;
- (i) **“Dissent Rights”** means the rights of a registered MAS Gold Shareholder to dissent to the Arrangement Resolution and to be paid the fair value of the MAS Gold Shares in respect of which such MAS Gold Shareholder dissents, all in accordance with the procedures set forth in Division 2 of Part 8 of the BCA as modified by the Interim Order, the Final Order and ARTICLE 5 hereof;

- (j) “**Dissenting Shareholder**” means a registered MAS Gold Shareholder that validly exercises Dissent Rights in respect of the Arrangement Resolution in strict compliance with the Dissent Rights and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;
- (k) “**Effective Date**” means the date designated by Purchaser and MAS Gold by notice in writing as the effective date of the Arrangement, after all of the conditions of the Arrangement Agreement and the Final Order have been satisfied or waived (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or waiver of those conditions as of the Effective Date);
- (l) “**Effective Time**” means 12:01 a.m. (Vancouver time) on the Effective Date;
- (m) “**Exchange Ratio**” means one Purchaser Share for every eight and one-half (8.5) MAS Gold Shares or 1/8.5;
- (n) “**Final Order**” means the final order of the Court pursuant to Section 291 of the BCA, in a form acceptable to MAS Gold and Purchaser, each acting reasonably, approving the Arrangement as such order may be amended by the Court (with the consent of both MAS Gold and Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both MAS Gold and Purchaser, each acting reasonably) on appeal;
- (o) “**Governmental Entity**” means (a) any multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign, (b) any subdivision, agent, commission, board or authority of any of the foregoing, (c) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (d) any stock exchange, including the TSX-V;
- (p) “**Interim Order**” means the interim order of the Court, after being informed of the intention to rely on the Section 3(a)(10) Exemption, in a form acceptable to MAS Gold and Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the MAS Gold Meeting, as the same may be amended by the Court (with the consent of MAS Gold and Purchaser, each acting reasonably);
- (q) “**Law**” or “**Laws**” means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgements, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity or self-regulatory authority (including, where applicable, the TSX-V), and the term “**applicable**” with respect to such Laws and in a context that refers to one or more persons, means

such Laws as are applicable to such person or its business, undertaking, property or securities and emanate from a person having jurisdiction over the person or persons or its or their business, undertaking, property or securities;

- (r) “**Letter of Transmittal**” means the Letter of Transmittal enclosed with the MAS Gold Circular sent in connection with the MAS Gold Meeting pursuant to which, among other things, MAS Gold Securityholders are required to deliver certificates representing MAS Gold Securities;
- (s) “**Liens**” means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;
- (t) “**MAS Gold**” means MAS Gold Corp., a corporation existing under the laws of the Province of British Columbia;
- (u) “**MAS Gold Circular**” means the notice of the MAS Gold Meeting and accompanying management proxy circular, including all schedules, appendices and exhibits thereto, to be sent to MAS Gold Securityholders in connection with the MAS Gold Meeting, as amended, supplemented or otherwise modified from time to time;
- (v) “**MAS Gold Meeting**” means the special meeting of MAS Gold Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution;
- (w) “**MAS Gold Optionholder**” means a holder of MAS Gold Options;
- (x) “**MAS Gold Options**” means all options to purchase MAS Gold Shares;
- (y) “**MAS Gold Securityholders**” means, collectively, the MAS Gold Shareholders, the MAS Gold Optionholders and the MAS Gold Warrantholders;
- (z) “**MAS Gold Shareholder**” means a holder of MAS Gold Shares;
- (aa) “**MAS Gold Shares**” means the common shares in the capital of MAS Gold;
- (bb) “**MAS Gold Warrantholder**” means a holder of MAS Gold Warrants;
- (cc) “**MAS Gold Warrants**” means all warrants to purchase MAS Gold Shares;
- (dd) “**Plan of Arrangement**” means this Plan of Arrangement as amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

- (ee) “**Purchaser**” means Southern Empire Resources Corp., a corporation incorporated under the laws of the Province of British Columbia;
- (ff) “**Purchaser Shares**” means common shares in the capital of the Purchaser;
- (gg) “**Section 3(a)(10) Exemption**” has the meaning ascribed thereto in Section 2.3 of the Arrangement Agreement;
- (hh) “**Stock Option Plan**” means the share option plan of MAS Gold, as ratified by MAS Gold Shareholders on January 21, 2020;
- (ii) “**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;
- (jj) “**TSX-V**” means the TSX Venture Exchange.

In addition, (i) words and phrases used herein and defined in the Arrangement Agreement and not otherwise defined herein shall have the same meaning herein as in the Arrangement Agreement unless the context otherwise requires, and (ii) words and phrases used herein and defined in the BCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the BCA unless the context otherwise requires.

1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into articles, sections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms “this Plan of Arrangement”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto.

1.3 Number, Gender and Persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

1.4 Date for any Action

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.5 Statutory References

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

1.6 Currency

Unless otherwise stated, all references herein to amounts of money are expressed in lawful money of Canada and “\$” refers to Canadian dollars.

1.7 Governing Law and Time

This Plan of Arrangement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of British Columbia and the laws of Canada applicable therein. All times expressed herein are local time (Vancouver, British Columbia) unless otherwise stipulated herein.

ARTICLE 2 PLAN OF ARRANGEMENT AND EFFECT OF ARRANGEMENT

2.1 Plan of Arrangement

This Plan of Arrangement constitutes an arrangement as referred to in Section 289 of the BCA and is made pursuant to, and is subject to the provisions of, the Arrangement Agreement.

2.2 Effect of the Arrangement

This Plan of Arrangement will, in the sequence and at the times set out herein, become effective at Effective Time without any further act or formality required on the part of any person, except as expressly provided herein, and will be binding at and after Effective Time on:

- (a) MAS Gold;
- (b) Purchaser;
- (c) the MAS Gold Shareholders;
- (d) the MAS Gold Optionholders; and
- (e) the MAS Gold Warranholders.

ARTICLE 3 ARRANGEMENT

3.1 Arrangement

At the Effective Time, the following shall occur and shall be deemed to occur sequentially in the following order without any further act or formality:

- (a) notwithstanding any vesting or exercise or other provisions to which a MAS Gold Option might otherwise be subject (whether by contract, the conditions of grant, applicable Law or the terms of the Stock Option Plan), each MAS Gold Option outstanding immediately prior to the Effective Time shall, without further action by or on behalf of any MAS Gold Optionholder, be exchanged by the MAS Gold Optionholder, free and clear of all Liens, for an option of the Purchaser (the “**Replacement Option**”). Each Replacement Option will be exercisable to acquire the number of Purchaser Shares equal to the product of: (i) the number of MAS Gold Shares subject to the MAS Gold Option immediately before the Effective Time multiplied by (ii) the Exchange Ratio, at an exercise price per Purchaser Share (rounded to the nearest cent) equal to the quotient of (iii) the exercise price per MAS Gold Share under the MAS Gold Option immediately before the Effective time divided by (iv) the Exchange Ratio. It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to any disposition of the MAS Gold Options; therefore, notwithstanding the foregoing, the Purchaser shall increase the exercise price per Purchaser Share of each Replacement Option if necessary to ensure that the excess (if any) of (i) the aggregate fair market value of the Purchasers Shares underlying such Replacement Options immediately following the exchange over (ii) the aggregate exercise price of such Replacement Options otherwise determined does not exceed the excess (if any) of (iii) the aggregate fair market value of the MAS Gold Shares underlying the corresponding MAS Gold Options immediately before the exchange over (iv) the aggregate exercise price of such MAS Gold Options, and the ratio of the amount payable to acquire such shares to the value of such shares to be acquired shall be unchanged. Any document evidencing the MAS Gold Option shall thereafter evidence and be deemed to evidence such Replacement Option and no certificate evidencing the Replacement Option shall be issued;
- (b) each MAS Gold Warrant outstanding immediately prior to the Effective Time, and each certificate representing such MAS Gold Warrant, shall be deemed to be amended such that, rather than entitling the holder thereof to acquire MAS Gold Shares at the exercise price set out therein, each MAS Gold Warrant shall entitle the holder to acquire a number of Purchaser Shares equal to the product of the Exchange Ratio multiplied by the number of MAS Gold Shares issuable under such MAS Gold Warrant immediately prior to the Effective Time for an exercise price per Purchaser Share equal to the exercise price per share of such MAS Gold Warrant immediately prior to the Effective Time divided by the Exchange Ratio, and each certificate representing such MAS Gold Warrants shall be deemed to be so amended;

- (c) each MAS Gold Share held by a Dissenting Shareholder shall, without any further action by or on behalf of the Dissenting Shareholder, be deemed to have been surrendered to MAS Gold, free and clear of all Liens, for cancellation and such Dissenting Shareholder shall cease to be the holder of such MAS Gold Shares and to have any rights as holders of such MAS Gold Shares other than the right to be paid the fair value for such MAS Gold Shares in accordance with the provisions of ARTICLE 5;
- (d) each issued and outstanding MAS Gold Share (excluding any MAS Gold Shares held by Dissenting Shareholders) shall be deemed to be irrevocably transferred by the MAS Gold Shareholder thereof to the Purchaser (free and clear of any Liens) and in exchange therefore the former MAS Gold Shareholder shall be entitled to receive 1/8.5th of a Purchaser Share, subsection to Section 4.4;
- (e) with respect to each MAS Gold Share surrendered to MAS Gold or transferred to Purchaser, as applicable, in accordance with Section 3.1(c) or Section 3.1(d):
 - (i) the registered holder of such MAS Gold Share shall cease to be the registered holder thereof and the name of such registered holder shall be removed from register maintained by or on behalf of MAS Gold in respect of the MAS Gold Shares as of the Effective Time and the name of the Purchaser shall be added to register maintained by and on behalf of MAS Gold in respect of the MAS Gold Shares as the holder of such MAS Gold Shares;
 - (ii) the certificate representing such MAS Gold Share shall be deemed to have been cancelled as of the Effective Time; and
 - (iii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to surrender or transfer and assign, as the case may be, such MAS Gold Share in accordance with Section 3.1(c) or Section 3.1(d), as applicable; and
- (f) with respect to each MAS Gold Share transferred to Purchaser in accordance with Section 3.1(d), the registered holder of such MAS Gold Shares immediately prior to such transfer shall be added to the register maintained by and on behalf of Purchaser in respect of the Purchaser Shares as the holder of Purchaser Shares issued to such registered holder.

3.2 Adjustments to Consideration

The Consideration payable to a MAS Gold Shareholder pursuant to Section 3.1 will be adjusted to reflect fully the effect of any subdivision, consolidation, dividend (including any dividend or distribution of securities convertible into MAS Gold Shares), consolidation, reorganization or recapitalization with respect to MAS Gold Shares effected in accordance with the terms of the Arrangement Agreement occurring after the date of the Arrangement Agreement and prior to the Effective Time.

ARTICLE 4 CERTIFICATES AND PAYMENTS

4.1 Payment of Consideration

- (a) Following receipt of the Final Order and prior to the Effective Date in accordance with the terms of the Arrangement Agreement, Purchaser shall deposit with the Depositary, for the benefit of MAS Gold Securityholders, Purchaser Shares in the aggregate amounts necessary to pay the Consideration required by this Plan of Arrangement.
- (b) Subject to surrender to the Depositary of a certificate which immediately prior to the Effective Time represented outstanding MAS Gold Shares, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, following the Effective Time the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the Consideration which such holder has the right to receive under this Plan of Arrangement, less any amounts withheld pursuant to Section 4.5 and any certificate so surrendered shall forthwith be cancelled.
- (c) Until surrendered as contemplated by this Section 4.1, each certificate that immediately prior to the Effective Time represented MAS Gold Shares shall be deemed after the Effective Time to represent only the right to receive, upon such surrender, the Consideration to which the holder thereof is entitled in lieu of such certificate as contemplated by Section 3.1 and this Section 4.1, less any amounts withheld pursuant to Section 4.5. Any such certificate formerly representing MAS Gold Shares or MAS Gold Options not duly surrendered on or before the sixth (6th) anniversary of the Effective Date shall:
 - (i) cease to represent a claim by, or interest of, any former holder of MAS Gold Shares of any kind or nature against or in MAS Gold or Purchaser (or any successor to any of the foregoing); and
 - (ii) be deemed to have been surrendered to the Purchaser and shall be cancelled.
- (d) No MAS Gold Securityholder shall be entitled to receive any consideration with respect to such MAS Gold Securities other than the Consideration to which such holder is entitled in accordance with Section 3.1 and this Section 4.1 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding MAS Gold Shares that are ultimately entitled to Consideration pursuant to Section 3.1 shall have been lost, stolen or destroyed, upon the making of an affidavit or statutory declaration of that fact by the person claiming such certificate to be lost,

stolen or destroyed and who was listed immediately prior to the Effective Time as the registered holder thereof on the securities registers maintained by or on behalf of MAS Gold, the Depositary will deliver in exchange for such lost, stolen or destroyed certificate, and a certificate representing the Consideration that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, provided the holder to whom the Consideration is to be delivered shall, as a condition precedent to the delivery, give a bond satisfactory to Purchaser and the Depositary (acting reasonably) in such sum as Purchaser and the Depositary may direct, or otherwise indemnify Purchaser and the Depositary in a manner satisfactory to Purchaser and the Depositary, acting reasonably, against any claim that may be made against Purchaser or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Distributions with Respect to Unsurrendered Certificates

No dividend or other distribution declared or paid after the Effective Time with respect to Purchaser Shares shall be delivered to the holder of any certificate formerly representing MAS Gold Shares or MAS Gold Options unless and until the holder of such certificate shall have complied with the provisions of Section 4.1. Subject to applicable Law and to Section 4.1 at the time of such compliance, there shall, in addition to the delivery of the Consideration to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of any dividend or other distribution declared or made after the Effective Time with respect to the Purchaser Shares to which such holder is entitled in respect of such holder's Consideration.

4.4 No Fractional Shares

- (a) No fractional Purchaser Shares shall be issued to any person pursuant to this Plan of Arrangement. The number of Purchaser Shares, to be issued to any person pursuant to this Plan of Arrangement shall be rounded down to the nearest whole Purchaser Share.
- (b) In calculating fractional interests, all MAS Gold Shares, MAS Gold Options or MAS Gold Warrants, as the case may be, registered in the name of or beneficially held by a MAS Gold Securityholder or its nominee shall be aggregated.

4.5 Withholding Rights

Purchaser, MAS Gold and the Depositary, as applicable, shall be entitled to deduct and withhold from any Consideration payable or otherwise deliverable to any former MAS Gold Securityholder such amounts as Purchaser, MAS Gold and the Depositary may be required to deduct and withhold therefrom under any provision of applicable Laws in respect of taxes. To the extent that such amounts are so deducted and withheld, such amounts shall be treated for all purposes hereof as having been paid to the person to whom such amounts would otherwise have been paid provided that such withheld amounts are actually remitted to the appropriate Government Entity. To satisfy the amount required to be deducted or withheld from any payment to any holder of, Purchaser, MAS Gold or the Depositary, as applicable, may sell or otherwise dispose of such portion of the Consideration otherwise payable to such holder in the form of Purchaser Shares as is necessary to provide sufficient funds to enable Purchaser, MAS Gold or the Depositary, as applicable, to comply with such deduction and/or withholding requirements and

Purchaser, MAS Gold and the Depositary, as applicable, shall notify the holder thereof and remit any unapplied balance of the net proceeds of such sale.

4.6 Calculations

All calculations and determinations made by Purchaser, MAS Gold or the Depositary, as applicable, for the purposes of this Plan of Arrangement shall be conclusive, final, and binding.

ARTICLE 5 DISSENT RIGHTS

5.1 Dissent Rights

Each registered holder of MAS Gold Shares shall be entitled to exercise Dissent Rights in respect of the Arrangement in the manner set forth in Part 8, Division 2 of the BCA, as modified by the Interim Order and this ARTICLE 5 in connection with the Arrangement Resolution. Registered holders of MAS Gold Shares who duly exercise such rights of dissent and who:

- (a) are ultimately entitled to be paid fair value for their MAS Gold Shares shall be entitled to be paid an amount equal to such fair value (less any amounts withheld pursuant to Article 4 hereof) and will not be entitled to any other payment or consideration, including any Purchaser Share to which such holder would have been entitled under the Arrangement had such holder not exercised dissent rights in respect of MAS Gold Shares; or
- (b) are ultimately not entitled, for any reason, to be paid fair value for their MAS Gold Shares shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of MAS Gold Shares,

but in no case shall MAS Gold or Purchaser or any other person be required to recognize such holders as holders of MAS Gold Shares after the Effective Time, and the names of such holders of MAS Gold Shares shall be deleted from the registers of holders of MAS Gold Shares at the Effective Time. For greater certainty, (a) no holder of MAS Gold Options or MAS Gold Warrants shall be entitled to Dissent Rights in respect of such holder's MAS Gold Options or MAS Gold Warrants and (b) in addition to any other restrictions in the BCA, no person who has voted in favour of the Arrangement Resolution shall be entitled to exercise Dissent Rights.

ARTICLE 6 AMENDMENTS AND TERMINATION

6.1 Amendments to Plan of Arrangement

- (a) Purchaser and MAS Gold reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) agreed to in writing by each of Purchaser and MAS Gold, (ii) filed with the Court and, if

made following the MAS Gold Meeting, approved by the Court, and (iv) communicated to holders or former holders of MAS Gold Shares, MAS Gold Warrants and MAS Gold Options if and as required by the Court.

- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by MAS Gold or Purchaser at any time prior to the MAS Gold Meeting provided that Purchaser and MAS Gold shall each have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the MAS Gold Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the MAS Gold Meeting shall be effective only if: (i) it is consented to in writing by each of Purchaser and MAS Gold, in each case acting reasonably; and (ii) if required by the Court, it is consented to by holders of MAS Gold Shares voting in the manner directed by the Court.
- (d) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.
- (e) Purchaser and MAS Gold may amend, modify or supplement this Plan of Arrangement following the MAS Gold Meeting without the approval of the MAS Gold Securityholders provided that each amendment, modification or supplement (i) must be set out in writing, (ii) must concern a matter which, in the reasonable opinion of MAS Gold and Purchaser, in each case acting reasonably, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement, (iii) is not materially adverse to the financial or economic interests of MAS Gold Securityholders entitled to receive the Consideration under Section 3.1, and (iv) would not materially adverse to the rights of Dissenting Shareholders, if any.
- (f) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by Purchaser, provided that it concerns a matter which, in the reasonable opinion of Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not materially adverse to the economic interest of any former MAS Gold Securityholder.

ARTICLE 7 FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur at the Effective Time in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers,

assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out herein.

7.2 Paramountcy

From and after the Effective Time:

- (a) this Plan of Arrangement shall take precedence and priority over any and all rights related to MAS Gold Shares, MAS Gold Options and MAS Gold Warrants issued prior to the Effective Time;
- (b) the rights and obligations of the holders of MAS Gold Shares, MAS Gold Options and MAS Gold Warrants and any trustee and transfer agent therefor, shall be solely as provided for in this Plan of Arrangement; and
- (c) all actions, causes of actions, claims or proceedings (actual or contingent, and whether or not previously asserted) based on or in any way relating to MAS Gold Shares, MAS Gold Options and MAS Gold Warrants shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

**SCHEDULE B
TO THE ARRANGEMENT AGREEMENT
ARRANGEMENT RESOLUTION**

ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the “**Arrangement**”) under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the “**BCA**”) involving MAS Gold Corp. (“**MAS Gold**”), all as more particularly described and set forth in the Management Proxy Circular (the “**Circular**”) of MAS Gold dated ● accompanying the notice of this meeting (as the Arrangement may be modified or amended), is hereby authorized, approved and adopted;
2. The arrangement agreement (the “**Arrangement Agreement**”) between MAS Gold and Southern Empire Resources Corp., dated ●, and all the transactions contemplated therein, the full text of which is attached as Appendix ● to the Circular, the actions of the directors of MAS Gold in approving the Arrangement and the actions of the directors and officers of MAS Gold in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved;
3. The plan of arrangement (the “**Plan of Arrangement**”), of MAS Gold and implementing the Arrangement, the full text of which is set out in Schedule A to the Arrangement Agreement (as the Plan of Arrangement may be, or may have been, modified or amended), is hereby approved and adopted;
4. Notwithstanding that this resolution has been passed (and the Arrangement approved) by the shareholders of MAS Gold or that the Arrangement has been approved by the Court (as defined in the Circular), the directors of MAS Gold are hereby authorized and empowered, without further notice to, or approval of, the shareholders of MAS Gold:
 - (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or
 - (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.
5. Any officer or director of MAS Gold is hereby authorized and directed for and on behalf of MAS Gold to execute and deliver such documents as are necessary or desirable to the Director under the BCA in accordance with the Arrangement Agreement for filing; and
6. Any officer or director of MAS Gold is hereby authorized and directed for and on behalf of MAS Gold to execute or cause to be executed and to deliver or cause to be delivered, all such other documents, agreements and instruments and to perform or cause to be performed all such other acts and things as in such person’s opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be

conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

**SCHEDULE C
TO THE ARRANGEMENT AGREEMENT**

KEY REGULATORY APPROVALS

1. Interim Order
2. Final Order
3. TSX-V approval in connection with the Arrangement for MAS Gold
4. TSX-V approval in connection with the Arrangement for the Purchaser and the issuance of the Purchaser Shares
5. MAS Gold Shareholder approval of the Arrangement Resolution as required by the TSXV, the Interim Order and MI 61-101

**SCHEDULE D
TO THE ARRANGEMENT AGREEMENT**

LOCKED-UP SECURITYHOLDERS

Name of Securityholder	Number of MAS Gold Shares	Number of MAS Gold Options and/or MAS Gold Warrants
Ronald Netolitzky	9,057,500	650,000 MAS Gold Options 2,300,000 MAS Gold Warrants
Andrew Davidson	20,000	500,000 MAS Gold Options
Jaelky Holdings Inc.	71,500	
Robert Matthews	1,300,000	425,000 MAS Gold Options 900,000 MAS Gold Warrants
Rodney Spooner		450,000 MAS Gold Options

**SCHEDULE E
TO THE ARRANGEMENT AGREEMENT**

OUTSTANDING OPTIONS

Number of Stock Options	Exercise Price	Expiry Date
150,000	\$0.05	December 7, 2020
1,300,000	\$0.12	December 7, 2022
325,000	\$0.12	February 7, 2024
1,625,000	\$0.07	December 20, 2024

OUTSTANDING WARRANTS

Number of Warrants	Exercise Price	Expiry Date
2,230,000	\$0.07	December 2, 2020
5,500,000	\$0.12	October 16, 2022
891,667	\$0.15	April 3, 2021
28,000	\$0.15	May 8, 2021
5,901,057	\$0.10	December 18, 2021