

# **SHARE PURCHASE AGREEMENT**

Between

**EVERTON RESOURCES INC.**

and

**HAYS LAKE GOLD INC.**

and

**THE PRINCIPAL SHAREHOLDERS OF HAYS LAKE GOLD INC.**

SHARE PURCHASE AGREEMENT

THIS AGREEMENT made the 17<sup>th</sup> day of September, 2009

B E T W E E N:

**EVERTON RESOURCES INC.**, a corporation duly incorporated and validly subsisting pursuant to the laws of Canada and having a place of business at 5420, Canotek Road, Suite 103, Ottawa (Ontario), herein acting and represented by Mr. André D. Audet, its Chief Executive Officer, President and Chairman, duly authorized as he so declares;

(the “**Purchaser**”)

- and -

**HAYS LAKE GOLD INC.**, a corporation incorporated and validly subsisting pursuant to the laws of Ontario and having a place of business at 3422, Mulcaster Road, Mississauga (Ontario), herein acting and represented by Mr. Alexander Stewart, its Chief Executive Officer, duly authorized as he so declares;

(the “**Corporation**”)

-and-

**THE PRINCIPAL SHAREHOLDERS OF HAYS LAKE GOLD INC.**, being the Persons set forth, and having the address set forth beside their names, in Schedule “A” attached hereto;

(collectively referred to as the “**Principals**”)

RECITALS:

- A. The Principals and the Non-Principals, as defined herein, of the Corporation (together the “**Vendors**”) are, collectively, the registered and beneficial owner of all issued and outstanding Securities, as defined herein, in the capital of the Corporation; and
- B. The Purchaser has agreed to purchase, and pursuant to a letter of intent dated July 3, 2009 between the Purchaser and the Corporation, the Vendors have agreed to sell all issued and outstanding Securities in the capital of the Corporation and the Principals have agreed to enter into this Agreement, and concurrently each of the Non-Principals have agreed to enter into separate agreements (the “**Non-Principals Agreements**”), to provide for the terms and conditions upon which the purchase and sale will be effected;

NOW THEREFORE, in consideration of the premises and covenants contained in this Agreement, the Parties agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

In this Agreement:

“**Agreement**” means this Share Purchase Agreement, including the recitals and schedules hereto, as the same may be amended or replaced from time to time;

“**Applicable Law**” means all current constitutions, treaties, laws, statutes, codes, ordinances, official plans, orders, decrees, rules, regulations, and by-laws, whether domestic, foreign or international of any Governmental Authority, and the common law, binding on or affecting any Person, property or matter referred to in the context in which such word is used;

“**Assets**” means all of the undertaking, property and assets of the Corporation, of every kind and description, including intangible things such as contractual rights and without limitation the Corporation’s interest in or arising out of the Material Contracts, mineral rights and Intellectual Property, if any, held by the Corporation as set forth in Schedule “C”;

“**Books and Records**” means all books and records of the Corporation including, as applicable, financial, corporate and operations books and records, books of account, sales and purchase records, tax records, lists of suppliers and customers, engineering and geological information and reports, computer programs, business reports, plans and projections, research and development records, personnel records, manuals and all other data and information, including that stored on computer related media;

“**Business Day**” means any day other than a day which is a Saturday, Sunday or a statutory holiday observed in the Province of Ontario;

“**Closing**” means the delivery of all prescribed documents, certificates and agreements in connection with the purchase and sale of the Securities and related transactions, and “**Closing Date**” means the date upon which Closing occurs, as provided in section 8;

“**Commissions**” means the Ontario Securities Commission and the Autorité des marchés financiers;

“**Constating Documents**” means the articles or other agreement or contract pursuant to which a body corporate is incorporated, arranged, continued or amalgamated, as the case may be, together with any amendments thereto, the by-laws of such corporation, any special rights and restrictions associated with any class of shares and any shareholders’ agreement which has been executed by such body corporate and which governs in whole or in part the affairs of such body corporate;

“**Contracts**” means those agreements to which the Corporation is a party, as more particularly set forth and described in Schedule “E”, together with any renewals or

replacements thereof and any amendments thereto, and any rights, titles or interests issued in accordance therewith;

“**Corporation Shares**” means the 32,432,400 common shares without par value in the capital stock of the Corporation, as presently constituted, sold to the Purchaser in consideration for an aggregate of 12,000,000 common shares in the capital of the Purchaser at a deemed price of \$0.1275 per share, and of which 14,250,000 are held by the Principals in accordance with Schedule “A” and 18,182,400 are held by the Non-Principals in accordance with Schedule “B”;

“**Corporation Warrants**” means the 2,828,250 share purchase warrants and 425,650 unit purchase warrants of the Corporation held by the Non-Principals in accordance with Schedule “B”, each of which entitles the holder to purchase either one common share or one unit of the Corporation;

“**Data**” means all data, information and records, in whatever form and whether factual or interpretive, with respect to the Property Agreements and all work done on or with respect to the Properties in connection with the exploration for and assessment of the mineral resources thereof pursuant to the rights granted by the Property Agreements, whether by or on behalf of the Corporation or its optionees, agents, consultants, a subsidiary or any joint venture partners, and in the possession or control of the Vendors or the Corporation, including all:

- (i) drill logs, assay results, maps, field notes, sections, and plans,
- (ii) prospecting, geochemical, geophysical, metallurgical and other reports, and
- (iii) cores, sample pulps, sample rejects, rock and soil samples;

“**Encumbrance**” means any encumbrance of any kind whatsoever and includes a security interest, mortgage, lien, charge, hypothec, pledge, hypothecation, assignment, trust or deemed trust (whether contractual, statutory or otherwise arising), a voting trust or pooling agreement with respect to securities, an adverse claim or any other right, option or claim of others of any kind whatever, any covenant or other agreement, restriction or limitation, a deposit by way of security and an easement, restrictive covenant, agreement or right of way (registered or unregistered), restriction, encroachment, burden or title reservation of any kind;

“**Environmental Law**” means all Applicable Law relating to environment, natural resources, safety or health matters including those relating to Hazardous Substances;

“**Everton Financial Statements**” means the audited financial statements of the Purchaser for the year ended October 31, 2008 and the unaudited financial statements for the six month period ended April 30, 2009, copies of which are available on SEDAR at [www.sedar.com](http://www.sedar.com);

“**Everton Shares**” means the 12,000,000 common shares of the Purchaser to be issued to the Principals pursuant to Section 7 and to the Non-Principals pursuant to the Non-

Principals Agreements, and distributed among the Vendors in accordance with Schedule G;

“**Everton Warrants**” means the 1,046,452 share purchase warrants and the 157,490 unit purchase warrants to be issued to the Non-Principals pursuant to the Non-Principals Agreements and distributed in accordance with Schedule “G”;

“**GAAP**” means generally accepted accounting principles from time to time approved by the Canadian Institute of Chartered Accountants, or any successor entity, consistently applied;

“**Governmental Authority**” means any national, multi-national, federal, provincial, state, municipal, local or other government, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government;

“**Hazardous Substance**” means any solid, liquid gas, odour, heat, sound, vibration or radiation, or any combination thereof, that may impair the natural environment, injure or damage human, animal or plant life, property or the environment, or impair the health of any individual and includes, if not already included, anything declared to be a contaminant, pollutant, dangerous substance, toxic substance, deleterious substance, waste, special waste, dangerous good or any similar term in or pursuant to any Environmental Law;

“**Intellectual Property**” means all rights and interests of the Corporation in and to:

- (a) all trade secrets, research data, designs, proprietary know-how, drawings and studies, instruction manuals, concepts, methods, procedures, processes, technical information, specifications and materials, technology or proprietary information;
- (b) patents, patent applications and registrations, copyrights, copyright applications and registrations, logos, trade names, trade-marks, trade-mark applications and registrations;
- (c) websites, domain names, web pages, computer software, including all related codes, specifications, documentation revisions, enhancements and modifications;
- (d) design, look and feel, logos, trade names and industrial designs

together with all other rights and interests of the Corporation in all other intellectual property, whether registered or unregistered;

“**Leased Property**” means all property that is leased or subleased by the Corporation;

“**Material Contracts**” means:

- (i) the Property Agreements, and
- (ii) the Contracts;

“**Non-Principals Agreement**” has the meaning ascribed in the Recitals;

“**Non-Principals**” means all Persons, other than the Principals, holding securities of the Corporation and listed in Schedule “B”;

“**Notice**” means any citation, directive, order, claim, judgment, letter or other communication, written or oral, actual or threatened, from any Person;

“**Order**” means any order (draft or otherwise), judgment, injunction, decree, award or writ of any court, tribunal, arbitrator, Governmental Authority or other Person;

“**Parties**” means the Purchaser, the Principals and the Corporation, collectively, and “**Party**” means any one of them;

“**Person**” means an individual, a corporation, a limited liability company, an unlimited liability company, a partnership, a limited partnership, a trust, an unincorporated organization, a joint venture, a joint stock company and any Governmental Authority;

“**Principals**” means, collectively, [REDACTED] [IDENTITY OF PRINCIPAL SHAREHOLDERS OF HAYS LAKE GOLD];

“**Principals’ Representative**” means [REDACTED] [IDENTITY OF PRINCIPALS’ REPRESENTATIVE] as appointed under section 2.6 of this Agreement.

“**Properties**” means:

- (i) those lands situated in Canada as described in Schedule “D” attached hereto and subject to any of the Property Agreements, and
- (ii) any additional or other lands which are, or which may in the future become and subject to any of the Property Agreements;

“**Property Agreements**” means those agreements more particularly set forth and described in Schedule “E”, together with any renewals or replacements thereof and any amendments thereto, and any rights, titles or interests issued in accordance therewith;

“**Regulation S**” means Regulation S made under the 1933 Act;

“**Securities**” means the Corporation Shares and the Corporation Warrants being sold by the Vendors and purchased by the Purchaser pursuant to this Agreement and the Non-Principals Agreements;

“**Securities Act**” means the Securities Act, (Ontario) R.S.O. 1990, c.S.5;

“**Tax Act**” means the Income Tax Act (Canada);

“**Taxes**” means all taxes, duties, rates, levies, assessments, reassessments, withholdings, deductions, fees, dues and other charges, together with all penalties, interest and fines with respect thereto, payable to any Governmental Authority, including those referred to as, or with respect to, income, sales, use, transfer, goods and services, capital, capital

gains, value added, real property, personal property, excise, customs, registration, payroll, employment, education, business, school, property, and local improvement;

“**TSXV**” means the TSX Venture Exchange Inc.;

“**United States**” means the United States, as that term is defined in Regulation S, which definition includes, but is not limited to, the United States of America and its territories and possessions;

“**U.S. Person**” means a U.S. Person as that term is defined in Regulation S, which definition includes, but is not limited to, an individual resident in the United States and an estate or trust of which any executor, administrator, or trustee, respectively, is a U.S. Person, and any partnership or corporation organized or incorporated under the laws of the United States; and

“**Vendors**” has the meaning ascribed in the Recitals;

## **1.2 Interpretation**

In this Agreement:

- 1.2.1 Unless specified otherwise, reference to a statute includes any regulations under such statute and refers to that statute and such regulations as they may be amended or to any successor legislation.
- 1.2.2 The division into articles, sections, paragraphs and schedules and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Agreement. The words “hereto”, “herein”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular portion of it. References to an Article, Section, Paragraph or Schedule refer to the applicable article, section, paragraph or schedule of this Agreement.
- 1.2.3 Words in the singular include the plural and vice versa, words in one gender include all genders, and the words “including”, “include” and “includes” mean “including (or include or includes) without limitation”.
- 1.2.4 This Agreement is the joint product of the Parties, has been subject to mutual consultation, negotiation and agreement and will not be construed for or against any Party.
- 1.2.5 A reference to a particular corporation includes the corporation derived from the amalgamation of the particular corporation, or of a corporation to which such reference is extended by this Section 1.2.5, with one or more other corporations.
- 1.2.6 A reference to time or date is to the local time or date in Ontario, unless specifically indicated otherwise.

## **1.3 Schedules**

The following are the Schedules to this Agreement:

Schedule A	-	The Principals
Schedule B	-	The Non-Principals
Schedule C	-	The Assets of the Corporation
Schedule D	-	The Properties
Schedule E	-	The Agreements
Schedule F	-	Officers and Directors of the Corporation
Schedule G	-	Everton Shares and Everton Warrants to be issued to the Vendors
Schedule H	-	Corporation Outstanding Liabilities
Schedule I	-	Corporation's Financial Statements

#### **1.4 Currency**

All references in this Agreement to dollars or to "\$" are deemed to be references to Canadian currency.

#### **1.5 Accounting Terms**

All accounting terms not specifically defined in this Agreement, and all accounting determinations and calculations, are to be interpreted and/or made in accordance with GAAP.

#### **1.6 Amendments and Waiver**

No amendment, waiver, termination or variation of the terms, conditions, warranties, covenants, agreements and undertakings set out herein will be of any force or effect unless the same is reduced to writing duly executed by the Parties hereto in the same manner and with the same formality as this Agreement is executed; however, amendments, other than to Sections 6 and 7, may be executed by the Principals' Representative on behalf of the Vendors. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar) and no waiver will constitute a continuing waiver unless otherwise expressly provided.

#### **1.7 Severability**

Every provision of this Agreement is intended to be several and accordingly:

- (a) if any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, in any jurisdiction, the validity, legality and unenforceability of such provision will not in any way be affected or impaired thereby in any other jurisdiction, and the



validity, legality and enforceability of any other provision contained herein will not in any way be affected or impaired thereby except that if, under reasonable construction of this Agreement as a whole, the applicability of the other provision presumes the validity and enforceability of the particular provision, the other provision will be deemed also to be invalid, illegal or unenforceable; and

- (b) if any provision of this Agreement is invalid or unenforceable, the balance of this Agreement will be construed and enforced as if all invalid or unenforceable provisions and all provisions so deemed to be invalid or unenforceable were not contained herein.

## **ARTICLE 2 REPRESENTATIONS AND WARRANTIES**

### **2.1 Representations and Warranties of the Corporation and the Principals**

The Corporation and the Principals, jointly and severally, represent and warrant to the Purchaser as follows, and acknowledge that the Purchaser is relying upon the accuracy of each such representation and warranty, all of which are material to the Purchaser:

#### **CORPORATE MATTERS**

2.1.1 The Corporation is a corporation incorporated and organized under the laws of the Province of Ontario, and is a valid and subsisting corporation under such laws, and:

- (a) is in good standing and up to date with all corporate filings and annual reports required under Applicable Laws;
- (b) has the corporate power and capacity to carry on the business now carried on by it and to own, lease or acquire the Assets or interests in the Assets now owned or leased by it or proposed to be acquired by it;
- (c) is duly qualified and registered to carry on business in each jurisdiction in which the conduct of its business or the ownership or leasing of the Assets makes such qualification necessary; and
- (d) is not in breach or default of any requirements under any Applicable Laws to which it is subject.

2.1.2 A true copy of the articles and all by-laws of the Corporation have been delivered to the Purchaser by the Principals' Representative on or before the date of this Agreement. Such articles and by-laws constitute all of the Constatting Documents of the Corporation in effect as of the Closing Date, and are complete, correct and in full force and effect.

2.1.3 The corporate records and minute book of the Corporation which have been provided to the Purchaser contain: (i) complete and accurate minutes of all meetings of the Corporation's board of directors (including any committee thereof) and shareholders

held since the Corporation's incorporation; (ii) original signed copies of all resolutions duly passed or confirmed by the directors (including any committee thereof) or shareholders, other than at a meeting; and (iii) all waivers, notices, and other documents required by Applicable Law to be contained therein.

The Corporation has kept and maintained such corporate records as are required under Applicable Law, which records are accurate, complete and up-to-date in all respects.

- 2.1.4 The Books and Records are true, correct and complete in all material respects and have been prepared in accordance with GAAP. All financial transactions of the Corporation have been accurately recorded in its Books and Records.
- 2.1.5 No bankruptcy, insolvency or receivership proceedings have been instituted or are pending, or are, to the best of the Corporation and Principals' knowledge, threatened, against the Corporation, and the Corporation is able to satisfy its liabilities as they become due.
- 2.1.6 The directors and officers of the Corporation on the date of this Agreement are as set out on Schedule "F" attached hereto, each of whom has been duly and validly appointed or elected.
- 2.1.7 The Corporation does not hold and has not agreed to acquire any securities, options or rights of or in any body corporate.
- 2.1.8 Since the date of incorporation of the Corporation, the only business of the Corporation has been the acquisition of rights to minerals, and the exploration therefor, and such business has been carried on in the usual and ordinary course and the Corporation has not entered into any transaction out of the usual and ordinary course of such business.
- 2.1.9 The Corporation does not have any assets other than the Assets.
- 2.1.10 The Corporation has good and marketable title to all of its Assets, free and clear of all title defects, deemed trusts, Encumbrances and rights and claims of other Persons, except as provided in the Material Contracts. The Assets comprise all the assets, property and undertaking necessary to carry on its business in the same manner and to the same extent as its business has been carried on prior to the date hereof. No other Person owns any property or assets which are being used in its business except for the Leased Property, personal property leased by the Corporation and Intellectual Property licensed to the Corporation, as the case may be. None of the Assets are in the possession, or under the control, of any Person other than the Corporation, except as provided in the Material Contracts.
- 2.1.11 No Person has any agreement or option, or any right capable of becoming an agreement or option, for the purchase from the Corporation of its business or any of the Assets, other than as provided in the Material Contracts.

- 2.1.12 No action, suit, judgment, investigation, assessment, reassessment, litigation, determination, administrative or other proceeding, arbitration or dispute with any Governmental Authority, is in progress, pending or threatened by, on behalf of, or against the Corporation or any of the Assets or the Properties and, to the knowledge of the Corporation and the Principals, no state of facts exists which could reasonably constitute a basis therefore.
- 2.1.13 The execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder will not, insofar as related to the Corporation:
- (a) conflict with, or result in a breach of, or violate any of the terms, conditions or provisions of the Constatng Documents of the Corporation;
  - (b) conflict with, or result in a breach of, or violate any of the terms, conditions or provisions of any Applicable Law to which the Corporation is subject;
  - (c) constitute or result in a breach of or a default under any Material Contract;
  - (d) give to any Person, after the giving of notice or otherwise, any right of termination, cancellation or acceleration in or with respect to any Material Contract; or
  - (e) give to any Governmental Authority any right of termination, cancellation or suspension of, or constitute a breach of or result in a default under, any permit, licence, consent or authority issued to the Corporation and which is necessary or desirable in connection with the conduct and operation of the business or operations of the ownership or leasing of the Assets or the Property.
- 2.1.14 The Corporation holds all permits, licences, consents and authorities issued by any Governmental Authority which are necessary or desirable in connection with the conduct and operation of the business of the Corporation and the ownership or leasing of the Assets as the same are now conducted, owned or leased, and all such permits, licences, consents and authorities are in full force and effect and no notice of breach or default or defect in respect of the terms of any such permit, licence, consent or authority has been received by the Corporation, and the Corporation is not aware of any matters which could give rise to such notice.
- 2.1.15 The Corporation has not, since incorporation, had and does not now have any employees.
- 2.1.16 The authorized share capital of the Corporation is unlimited, of which 32,432,400 common shares have been validly issued and are outstanding as fully paid and non-assessable.
- 2.1.17 The Securities constitute all of the issued and outstanding Corporation securities and Schedule "A" and "B" contains a complete and accurate list of the Vendors, their

respective jurisdiction of residence and the number of Corporation Shares and Corporation Warrants held by each one of them.

- 2.1.18 The Corporation Shares are all validly issued and outstanding as fully paid and non-assessable shares in the capital of the Corporation and are free and clear of all Encumbrances arising by, through or under the Corporation or the Vendors or otherwise.
- 2.1.19 No securities of the Corporation have been issued in violation of the Corporation's constating documents.
- 2.1.20 No Person has any right, present or future, contingent or absolute, to require the Corporation to increase its share capital or to issue any security or share in its capital and, in particular, there are no outstanding securities of the Corporation which are convertible into shares of the Corporation and there are no outstanding options or rights to subscribe for any of the unissued shares of the Corporation other than the Corporation Warrants which entitle the holders thereof to purchase up to an aggregate of 3,616,725 common shares of the Corporation.
- 2.1.21 The Corporation has received undertakings to accept common shares of the Purchaser in accordance with the exchange ratio provided in section 7 in lieu of the Corporation Shares from each party to a Material Contracts.
- 2.1.22 The Corporation is a "private issuer" as defined in National Instrument 45-106 and it has distributed securities only to Persons described in paragraph 2.4(2) of National Instrument 45-106.

## **FINANCIAL**

- 2.1.23 No financial statements, audited or unaudited, have been prepared for the Corporation since the audited financial statements prepared for the year ended December 31, 2008 attached in Schedule "I".
- 2.1.24 The Vendors are not indebted to the Corporation.
- 2.1.25 Except as disclosed in Schedule "H", the Corporation has no liabilities or indebtedness (whether accrued, absolute, contingent or otherwise) of any kind, except:
  - (a) unpaid option, license or similar fees or taxes payable in connection with the Material Contracts;
  - (b) unpaid corporate or other filing fees with respect to annual corporate filings;
  - (c) liabilities disclosed in Schedule H; and
  - (d) accrued technical expenses and holding costs associated with the due diligence matters respecting the transaction contemplated hereby.

- 2.1.26 No dividends have been declared or paid on or in respect of Corporation Shares since the incorporation of the Corporation.
- 2.1.27 The Corporation is not a party to nor is it bound by any guarantee, indemnification, indemnity, surety or other contingent or similar obligation.
- 2.1.28 All tax returns and other reports of the Corporation as required by Applicable Law to be filed prior to the date hereof have been filed and are true, complete and correct, and all Taxes and other governmental charges to the date hereof have been paid.
- 2.1.29 Except as disclosed in Schedule “H”, they are not aware of any contingent tax liability of the Corporation or any grounds which will prompt reassessment.

### **PROPERTY AND ASSETS**

- 2.1.30 Schedule “C” contains a complete and accurate description of all of the Assets.
- 2.1.31 The Corporation has good and marketable title to and possession of all of the Assets free and clear of all Encumbrances.
- 2.1.32 Except as disclosed in Schedule “E”, none of the parties to the Material Contracts has made any material default in the performance of the terms thereof and there are no causes for forfeiture.
- 2.1.33 Schedule “E” contains a complete and accurate legal description of each of the Material Contracts and the Corporation is not a party to and is not bound by any contract or commitment other than as disclosed in Schedule “E” attached hereto.
- 2.1.34 Except as disclosed in Schedule “E”, the Material Contracts are each:
- (a) in good standing;
  - (b) binding and enforceable against the parties thereto;
  - (c) in full force and effect; and
  - (d) have not been amended or assigned.
- 2.1.35 There is no agreement, option, understanding or commitment, or any right or privilege capable of becoming an agreement, option, understanding or commitment for the purchase from the Corporation of its business or any of the Assets.
- 2.1.36 There are no currently outstanding work orders or directions of Governmental Authority requiring any work, or capital expenditures, with respect to the Assets, and to the best of the Principals’ and the Corporation’s knowledge, no such orders or directions are pending or threatened.
- 2.1.37 Schedule “D” contains a complete and accurate description of and copies of the titles, or applications for titles, for each of the Properties including a legal description of all exploration or mining licenses or leases.

- 2.1.38 To the best of the Principals' and the Corporation's knowledge, except to the extent that any violation or other matter referred to in this paragraph does not have a material adverse effect on the Corporation, the Vendor and any optionee, joint venturer or partner which has carried out any work on or with respect to the Properties:
- (a) did not, in carrying out such work, violate any environmental laws:
  - (b) during such activities received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of applicable environmental laws; and
  - (c) did not cause or permit any spill, release, deposit or discharge of hazardous or toxic substances, contaminants or wastes which has not been rectified.
- 2.1.39 To the best of the Principals' knowledge, there are no outstanding orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Properties or the conduct of the operations related thereto, and the Corporation, the Principals and the other parties to the Property Agreements have not received any notice of the same nor is any of the Principals aware of any basis on which any such orders or direction could be made.
- 2.1.40 There is no adverse claim or challenge against or to the Corporation's ownership of the Assets nor, to the best of the Principals' knowledge, is there any basis therefor, and no person, firm or corporation has any proprietary or possessory interest in the Assets other than as provided in the Property Agreements.
- 2.1.41 No person is entitled to any royalty or other payment in the nature of rent or royalty on any mineral products derived or extracted from the Properties other than as provided in the Property Agreements.

### **CONTRACTUAL**

- 2.1.42 Each Principal has good and sufficient right and authority to enter into this Agreement, on the terms and conditions set forth herein and to transfer all legal and beneficial right, title, interest and ownership in and to the Corporation Shares held by such Principal to the Purchaser, free and clear of any Encumbrances, in accordance with the terms hereof.
- 2.1.43 This Agreement constitutes a legal, valid and binding obligation of such Principal, enforceable in accordance with its terms, subject only to the following qualifications:
- (a) equitable remedies, such as specific performance and injunction, are discretionary remedies and, in particular, may not be available where damages are an adequate remedy; and

- (b) enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting the enforceability of creditors' rights.
- 2.1.44 Each Principal is the registered and beneficial owner of the number of Corporation Shares set forth beside such Principals' name on Schedule "A" attached hereto, in each case free and clear of all Encumbrances.
- 2.1.45 Except pursuant to this Agreement, no Person has any agreement, option, understanding or commitment, or any right or privilege (whether by law, pre-emptive or contractual right), capable of becoming an agreement, option or commitment for the purchase from such Principal of any of such Principals' Corporation Shares.
- 2.1.46 No such Principal is a U.S. Person and any office of such Principal at which that Principal received and accepted the offer to acquire the Corporation Shares in consideration of the issuance of the Everton Shares hereunder is the address listed on Schedule "A" of this Agreement.
- 2.1.47 No Principal has any knowledge of a "material fact" or "material change", as those terms are defined in the Securities Act, in the affairs of the Purchaser that has not been generally disclosed to the public, save knowledge of the transactions contemplated hereby.
- 2.1.48 No person has made any written or oral representations to any Principal:
  - (a) that any person will resell or repurchase the Everton Shares;
  - (b) that any person will refund the purchase price of the Everton Shares; or
  - (c) as to the future price or value of the Everton Shares.
- 2.1.49 Each Principal has the legal capacity and competence to enter into and execute this Agreement and to take all actions required pursuant hereto and, if a Principal is a corporation, such Principal is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation and all necessary approvals by its directors, shareholders, Governmental Authorities and others have been given to authorize the execution and delivery of this Agreement on its behalf and the completion of its obligations hereunder.
- 2.1.50 The entering into of this Agreement and the completion of the transactions contemplated hereby will not result in a material violation of any of the terms and provisions of any Applicable Laws or the Constatng Documents (if applicable) of any Principal, or of any agreement, written or oral, to which such Principal is a party or by which he/she/it is bound.
- 2.1.51 No Principal presently holds any Everton Shares.

## **APPROVALS, LITIGATION, ETC.**

- 2.1.52 There are no consents, authorizations, permits or orders of, or action by or in respect of, or filing with, any Person required to permit the Corporation to complete the transactions contemplated by this Agreement, except for consents required from the TSXV.
- 2.1.53 The Corporation does not maintain and has never maintained any policy of insurance as are appropriate to the Assets as are customarily carried and insured against by owners of comparable businesses, properties and assets;
- 2.1.54 The Corporation is not a party, directly or indirectly, to any legal proceedings or inquiries whatsoever, and there are no actions, investigations or proceedings pending or, to the knowledge of the Principals and the Corporation, threatened against the Corporation or affecting the Securities or the officers or directors of the Corporation by virtue of their offices which involve claims against the Corporation. There are no grounds on which any such action, investigation or proceeding might be commenced with any reasonable likelihood of success. There is not presently outstanding against the Corporation any judgment, injunction or other order of any Governmental Authority.
- 2.1.55 To the best of the Corporation's and Principals' knowledge and belief, and without limiting the generality of any other representation or warranty in this Agreement:
- (a) the Corporation has been and is in compliance with all Environmental Law;
  - (b) no Hazardous Substance is migrating to or from any of the Real Property;
  - (c) neither the Corporation, nor, to the knowledge of the Principals and the Corporation, any other Person, has used or permitted to be used, except in compliance with all Environmental Law, any of the Corporation's property to generate, manufacture, process, distribute, use, treat, store, dispose of, transport and handle any Hazardous Substance, nor has it caused or permitted the release of any Hazardous Substance except in compliance with Environmental Law;
  - (d) the Corporation has not received: (i) any notice of or been prosecuted for non-compliance with any Environmental Laws; or (ii) any notice alleging that it or any predecessor in title is responsible (or potentially responsible) for the clean-up of any Hazardous Substance; nor has the Corporation settled any such allegations of non-compliance. The Corporation has not received any work orders or directions relating to environmental matters requiring any work, repairs or construction or capital expenditures to be made with respect to the Assets; and
  - (e) no investigations have or are being conducted or, to the knowledge of the Principals and the Corporation, are threatened by any Governmental Entity against the Corporation pursuant to any Environmental Law.



## **GENERAL**

- 2.1.56 There are no material rights, privileges or advantages presently enjoyed by the Corporation which might be lost as a result of the consummation of the transactions contemplated under this Agreement.
- 2.1.57 The Corporation has conducted, and is conducting, its business in compliance with all Applicable Law in each jurisdiction in which the Corporation carries on business.
- 2.1.58 None of the foregoing representations, warranties and statements of fact contains any untrue statement of material fact or omits to state any material fact necessary to make any such representation, warranty or statement not misleading to a prospective purchaser of the Corporation Shares seeking full information concerning the matters which are the subject of those representations, warranties and statements.

## **2.2 Representations and Warranties of the Purchaser**

The Purchaser hereby represents and warrants to the Vendors as follows:

### **CORPORATE MATTERS**

- 2.2.1 The Purchaser is a valid and subsisting company duly incorporated and organized under the laws of Canada with its securities listed for trading on the TSXV, and the Purchaser:
- (a) is in good standing and up to date with all filings required under the Business Corporations Act ;
  - (b) has the corporate power and capacity to carry on the business now carried on by it and to own, lease or acquire the assets or interests in assets now owned or leased by it or proposed to be acquired by it;
  - (c) is duly qualified to carry on business in each jurisdiction in which the conduct of its business or the ownership or leasing of its properties and assets makes such qualification necessary; and
  - (d) is not in default of any requirement under any Applicable Laws to which it is subject.
- 2.2.2 The Purchaser has full right, power and authority to enter into this Agreement and any agreement or instrument referred to or contemplated by this Agreement, and all requisite corporate acts and proceedings have been taken, or will have been taken before the Closing Date, so that the Purchaser may deal with its interests and fulfill its commitments as herein provided and this Agreement constitutes a legal, valid and binding obligation of the Purchaser, enforceable in accordance with its terms, subject only to the following qualifications:
- (a) equitable remedies, such as specific performance and injunction, are discretionary remedies and, in particular, may not be available where damages are an adequate remedy; and

- (b) enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting the enforceability of creditors' rights.
- 2.2.3 The authorized share capital of the Purchaser consists of an unlimited number of common shares without par value and of which 58,951,585 common shares are issued and outstanding as at the date hereof.
- 2.2.4 Upon their issuance, the Everton Shares will be validly issued and outstanding as fully paid and non-assessable common shares in the capital stock of the Purchaser.
- 2.2.5 Since April 30, 2009, the business of the Purchaser has been carried on in the usual and ordinary course and the Purchaser has not entered into any transaction out of the usual and ordinary course of business except in connection with the transactions contemplated hereby.
- 2.2.6 No action, suit, judgment, investigation, assessment, reassessment, litigation, determination, administrative or other proceeding, arbitration or dispute with any Governmental Authority, is in progress, pending or threatened by, on behalf of, or against the Purchaser, or any of its assets and, to the knowledge of the Purchaser, no state of facts exists which could reasonably constitute a basis therefore.
- 2.2.7 The Purchaser is not in breach of any Applicable Law, the breach of which would result in a material adverse change in the position (financial, business or otherwise) or condition of the Purchaser or would affect the rights of the Purchaser under any of its material contracts.
- 2.2.8 None of the execution and delivery of this Agreement, the completion of the transactions contemplated hereby, or the observance and performance by the Purchaser of its covenants and obligations herein will:
  - (a) conflict with, or result in a breach of, or violate any of the terms, conditions or provisions of the Constatting Documents of the Purchaser;
  - (b) conflict with, or result in a breach of, or violate any of the terms, conditions or provisions of any Applicable Law to which the Purchaser is subject;
  - (c) constitute or result in a breach of or a default under any agreement, contract, lease, indenture or other instrument or commitment to which the Purchaser is a party or is or may become subject or from which it derives or may derive benefit;
  - (d) give to any Governmental Authority any right of termination, cancellation or suspension of, or constitute a breach of or result in a default under, any permit, licence, consent or authority issued to the Purchaser and which is necessary or desirable in connection with the conduct and operation of the business or operations of the ownership or leasing of its assets and properties; or

- (e) constitute a default by the Purchaser, or any event which, with the giving of notice or lapse of time, or both, might constitute an event of default under any agreement, contract, lease, indenture or other instrument or commitment which could give any Person the right to accelerate the maturity for the payment of any amount payable under any such agreement, contract, lease, indenture, promissory note or other instrument or commitment.

## **FINANCIAL**

- 2.2.9 The Purchaser is not, except as to indebtedness reflected in the Everton Financial Statements or incurred in the normal course of business since April 30, 2009, indebted to any Person;
- 2.2.10 The Everton Financial Statements (as at their respective dates):
  - (a) are all current and up-to-date and reflect all material transactions undertaken by the Purchaser to the date thereof;
  - (b) are true and correct and present fairly the financial history of the Purchaser;
  - (c) have been prepared in accordance with GAAP on a basis consistent with prior periods; and
  - (d) include and present fairly all of the assets and liabilities of the Purchaser as at the date thereof including, without limitation, all contingent liabilities of the Purchaser.
- 2.2.11 There are no liabilities, contingent or otherwise, known or unknown, of the Purchaser which are not disclosed or reflected in the Everton Financial Statements except those incurred in the ordinary course of its business since April 30, 2009 (the “**Everton Statement Date**”) and there have been no material adverse changes in the financial affairs of the Purchaser since the Everton Statement Date.
- 2.2.12 No dividends have been declared or paid on or in respect of any common shares in the capital of the Purchaser since incorporation;
- 2.2.13 The Purchaser is not party to and is not bound by any guarantee, indemnification, indemnity, surety or other contingent or similar obligation.

## **CONTRACTUAL**

- 2.2.14 None of the parties to the Purchaser’s material contracts has made any material default in the performance of the terms thereof.
- 2.2.15 There is no agreement, option, understanding or commitment, or any right or privilege capable of becoming an agreement, option, understanding or commitment for the purchase from the Purchaser of its business or any of its material assets.

2.2.16 The Purchaser has filed all reports and documents required to be filed with the Commissions and the TSXV, and is not in default of any material requirements of the Canada Business Corporations Act, the Securities Act or its listing agreement with the TSXV.

#### **ISSUANCE OF EVERTON SECURITIES**

2.2.17 No prospectus has been prepared or filed by the Purchaser with any securities commission or similar authority in any jurisdiction in connection with the distribution of the Everton Shares hereunder and the Purchaser is relying upon an exemption from the requirements of the Securities Act to provide the Principals with a prospectus and to sell securities through a person registered to sell securities under the Securities Act and that, as a result:

- (a) certain protections, rights, and remedies provided by the Securities Act, including statutory rights of rescission or damages, will not be available to the Principals;
- (b) the Principals may not receive information and the Purchaser is relieved from certain obligations that would otherwise be required to be given if a prospectus were provided under applicable securities legislation in connection with distribution of the Everton Shares; and
- (c) the issuance and distribution of Everton Shares to the Principals is subject to such issuance and distribution being exempt from the requirements of applicable securities laws as to the filing or delivery of a prospectus.

2.2.18 There is no government or other insurance covering the Everton Shares.

2.2.19 The Everton Shares are extremely speculative investments, the acquisition of which involves a substantial degree of risk and the Principals may lose all of their investment in the Everton Shares.

2.2.20 No Governmental Authority, stock exchange or other entity has reviewed or made any finding or determination as to the merit for investment of, nor has any such Governmental Authority, stock exchange or other entity made any recommendation or endorsement with respect to, the Everton Shares, and any representation to the contrary is a criminal offence.

2.2.21 The Purchaser and its counsel will each rely on the acknowledgements, representations, and warranties made herein or otherwise provided by the Principals to the Purchaser in completing the acquisition of the Corporation Shares and the issuance of the Everton Shares to the Principals, and the Principals acknowledge and confirm that he/it has been made, and is, aware of each of the foregoing matters and has had the opportunity to review the consequences thereof with his/its independent legal counsel.

## 2.3 Acknowledgements

- 2.3.1 The Principals each acknowledge to, and agree with, the Purchaser that no information or representation concerning the Purchaser has been provided to the Principals by the Purchaser other than as set out in this Agreement and each Principal is relying entirely upon such information or documents as are made publicly available by the Purchaser and are on file at the TSXV or the Commissions or available at [www.sedar.com](http://www.sedar.com).
- 2.3.2 The representations and warranties hereinbefore set out are conditions on which the parties have relied in entering into this Agreement and will survive the acquisition of any interest in the Corporation Shares by the Purchaser for a period of two (2) years from the Closing Date.
- 2.3.3 Each party will defend, indemnify and save each of the other parties harmless from and against all actions, causes of action, losses, damages, costs, charges, liabilities and expenses arising out of or in connection with any breach of any representation, warranty or covenant of such party contained in this Agreement

## 2.4 Commission

Each Party represents and warrants to the other Party that no Person engaged by it is entitled to a brokerage commission, finder's fee or other like payment in connection with the transactions contemplated by this Agreement and the Non-Principals Agreements other than as provided in the Contracts or disclosed to the Purchaser.

## 2.5 Non-Waiver

No investigations made by or on behalf of either of the Parties will have the effect of waiving, diminishing the scope of, or otherwise affecting any representation or warranty made in this Agreement.

## 2.6 Principals' Representative

By executing this Agreement, each Principal hereby irrevocably nominates, constitutes and appoints [REDACTED] *[IDENTITY OF PRINCIPALS' REPRESENTATIVE]* (the "**Principals' Representative**") as the true and lawful attorney-in-fact for such Principal, with full right, power and authority on behalf of such Principal, and in his/its name and on his/its behalf, to:

- (a) take all actions, execute and deliver all such documents, instruments, certificates and declarations and otherwise take all steps as may be necessary or desirable, in the sole opinion of the Principals' Representative, to carry out the transactions contemplated in this Agreement and to assign, transfer and set over to the Purchaser all of its rights, titles and interests in and to the Corporation Shares;
- (b) register and record such transfers with all applicable governmental registries; and

- (c) execute on behalf of such Vendor any amendments to this Agreement thought necessary by the Principals' representative, acting reasonably.

### ARTICLE 3 CLOSING COVENANTS OF THE PRINCIPALS

- 3.1 Other than as contemplated herein or with the prior written consent of the Purchaser, from the date hereof until the Closing Date, the Principals will, and will procure that the Corporation comply with the following covenants :
  - 3.1.1 conduct the business of the Corporation in the ordinary and usual course thereof and not, without the prior written consent of the Purchaser, enter into any transaction which would constitute a breach of any of the Principals' representations, warranties or agreements contained herein.
  - 3.1.2 comply with all Applicable Laws.
  - 3.1.3 pay and discharge all liabilities or obligations of the Corporation in the ordinary and usual course of business consistent with past business practice, except for such liabilities or obligations as may be contested by the Corporation in good faith.
  - 3.1.4 not take any action or omit to take any action which would, or would reasonably be expected to, result in a breach of or render untrue any representation, warranty, covenant or other obligation of any of the Principals or the Corporation contained herein.
  - 3.1.5 obtain, or provide the Purchaser with all co-operation or support reasonably required to allow the Purchaser to obtain, at or before the Closing Date, from all appropriate Governmental Authorities, any licences, permits, consents, approvals, certificates, registrations and authorizations required to permit the completion of the transactions contemplated by this Agreement.
  - 3.1.6 preserve intact the Assets, the Properties and the business, operations and affairs of the Corporation and carry on the business and the affairs of the Corporation as currently conducted, and promote and preserve for the Purchaser the goodwill of suppliers, customers and others having business relations with the Corporation.
  - 3.1.7 take all such steps as are necessary to ensure that on the Closing Date:
    - (a) except as disclosed in Schedule "E", each of the Material Contracts will be in good standing; and
    - (b) the Corporation will not have any assets other than the Assets.
  - 3.1.8 from the execution of this Agreement until the Closing Date (the "**Interim Period**"), the Principals and the Corporation will permit the Purchaser and its employees, agents, counsel, accountants and other representatives to have access during normal business hours to the premises of the Corporation and to all the books, accounts, records and other data of the Corporation (including the Books and Records) and will

furnish to the Purchaser any information with respect to the Corporation, including copies of pertinent books, records and other documents, as the Purchaser may from time to time reasonably request to enable it to make a full and complete investigation of the Corporation, the business and the Assets, and the Principals and the Corporation will instruct their respective officers, employees, solicitors, accountants and other advisors to cooperate fully with and assist the Purchaser in that investigation.

- 3.1.9 the provisions of subsection 3.1.8 and 3.1.9 are without prejudice to the warranties, representations and covenants of the Principals set forth in sections 2 and 3 of this Agreement and the conditions in favour of the Purchaser set forth in subsection 8.1 of this Agreement.
- 3.1.10 continue in force all insurance maintained by the Corporation.
- 3.1.11 not make any payment to the Vendors.
- 3.1.12 not amend the Constatting Documents of the Corporation or permit any meeting of the directors, shareholders, members or managers of the Corporation to be held except as required by the Corporation in the ordinary course of business.
- 3.1.13 not incur any debt or guarantee or otherwise become liable for the obligations of any Person.

#### **ARTICLE 4 ADDITIONAL CLOSING COVENANTS OF THE PRINCIPALS**

- 4.1.1 The Principals will duly complete, execute, and deliver all documentation as may be required by, and will otherwise comply with all requirements of, the Commissions, the TSXV and any other Person which may be reasonably necessary to obtain the approvals of each of the Commissions, the TSXV and any other Person to the transactions herein contemplated, including without limitation, the transfer of the Corporation Shares and Corporation Warrants to the Purchaser and the issuance of the Everton Shares and Everton Warrants to the Vendors pursuant to the Agreement and Non-Principals Agreements upon Closing.
- 4.1.2 During the Interim Period, the Principals will not:
  - (a) transfer, assign, sell, or grant any option to any Person to acquire any interest in, or otherwise create or permit or suffer to exist, any Encumbrance in respect of, the Corporation Shares and Corporation Warrants held by such Vendor; or
  - (b) take or permit to be taken or suffer any action which would in any way impair or derogate from the right of the Purchaser to acquire on the Closing Date all right, title and interest, both legal and beneficial, in and to all of the Corporation Shares and Corporation Warrants, free and clear of all Encumbrances.

- 4.1.3 The Corporation and/or Principals will, in a timely manner, deliver all materials and information required by the Purchaser or the TSXV in connection with its due diligence and the review and acceptance of the transactions contemplated herein by the TSXV, including, without limitation, duly executed TSXV Forms 2A, Personal Information Forms, for any individual who will be an insider of the Purchaser (if any) following the completion of the transactions contemplated herein.

## **ARTICLE 5 COVENANT OF THE PURCHASER**

- 5.1 Forthwith after execution and delivery of this Agreement and the Non-Principals Agreements, the Purchaser will take such steps and proceedings as may be reasonably required to obtain the acceptance for filing by the TSXV of this Agreement and the Non-Principals Agreements and the transactions contemplated hereby, and any necessary consents or approvals from the Commissions and any other applicable regulatory authority, with respect to the transactions contemplated by this Agreement and the Non-Principals Agreements including, without limitation, the acquisition of the Corporation Shares and Corporation Warrants and the issuance of the Everton Shares and Everton Warrants, and will comply with all applicable statutes and regulations and with all policy statements of the Commissions and the by-laws, rules and policies of the TSXV.

## **ARTICLE 6 PURCHASE AND SALE**

- 6.1 On the basis of the representations and warranties and subject to the terms and conditions in this Agreement, on the Closing Date the Purchaser will purchase from the Principals, and the Principals will sell to the Purchaser, their 14,250,000 Corporation Shares.
- 6.2 Each Party agrees to take all possible actions, and to use its best efforts to cause other actions to be taken, so as to ensure compliance with any conditions set out in Article 8 which are for the benefit of the other Party.

## **ARTICLE 7 CONSIDERATION**

- 7.1 Subject to subsection 7.2, the consideration for the sale of the 14,250,000 Corporation Shares held by the Principals will be paid and satisfied by the allotment and issuance of an aggregate of 5,272,500 Everton Shares to the Principals, on the basis of 0.37 fully paid and non-assessable Everton Share at a deemed price of \$0.1275 per Everton Share for each Corporation Share held by a Principal on the Closing Date.
- 7.2 Within a period of three (3) years following the Closing, should the Purchaser announce the completion of a NI 43-101 compliant report for the combined Shoal Lake properties (property that falls within 100 km of Shoal Lake) that includes 2,000,000 Oz Au having a grade of no less than 6.0 g/t Au, of which at least 1,000,000 Oz Au shall be in the indicated mineral resource category or better, the Purchaser will issue the Vendors on a pro rata basis, within a period of five (5) business days following the announcement, additional common shares (the “**Bonus Shares**”) having a total value of \$1.5 million at a



price per share equal to the closing price of the Purchaser's shares on the TSXV on the day prior to the date of such announcement, subject to a maximum of 7,000,000 Bonus Shares.

## **ARTICLE 8 CONDITION PRECEDENT**

- 8.1** The obligation of the Purchaser to carry out the terms of this Agreement and to complete the purchase of the Corporation Shares and Corporation Warrants is subject to the fulfilment, on or before the Closing Date, of each of the following conditions:
- 8.1.1 The warranties and representations of the Principals as set forth in section 2 of this Agreement shall be true and correct in every material particular on the Closing Date as if such warranties and representations had been made by the Principals on the Closing Date.
  - 8.1.2 All the covenants to be performed by any of the Principals hereunder on or prior to the Closing Date shall have been timely performed.
  - 8.1.3 The Purchaser shall have received the documents specified in subsections 8.5 and 8.6.
  - 8.1.4 The Corporation shall be in good standing under Applicable Laws.
  - 8.1.5 There shall not have occurred, prior to the Closing Date, nor shall there be reasonably likely to occur after the Closing Date, any material adverse change in the position (financial, business or otherwise) or condition of the Corporation.
  - 8.1.6 The Purchaser shall have completed, or shall concurrently with or immediately following Closing complete, a private placement financing to raise gross proceeds of up to \$1,200,000.
  - 8.1.7 The Purchaser shall have completed its investigation of the Corporation, the Vendors, the Properties and the Assets and conducted such other procedures in connection with the purchase and sale hereunder as the Purchaser in its sole and absolute discretion deems necessary or advisable until September 10, 2009 and shall have obtained a result satisfactory to the Purchaser, acting reasonably, in connection with such investigations, provided that if the Purchaser does not give notice to the Vendors on or before September 10, 2009 that this condition has been satisfied or waived, then this condition will be deemed to have been satisfied.
  - 8.1.8 The Purchaser shall have gathered all the documentation required by the TSXV in its July 24, 2009 conditional acceptance letter relating to this Agreement and the Non-Principals Agreements, and the transactions contemplated hereby.
  - 8.1.9 The Purchaser shall have received technical reports prepared by an independent Qualified Person in compliance with National Instrument 43-101 on all of the material Properties (the "**Technical Reports**") and such Technical Reports shall have been filed with and accepted by the TSXV.

- 8.1.10 The Non-Principals and the Principals shall have entered into the Non-Principal Agreements and the Agreement, as applicable, with the Purchaser agreeing to sell the Corporation Shares representing at least 90% of the issued and outstanding Corporation Shares.
- 8.1.11 All Encumbrances affecting the Assets or Properties requested to be discharged by the Purchaser will have been discharged.
- 8.2** The conditions set forth in subsection 8.1 are for the exclusive benefit of the Purchaser and may be waived by the Purchaser in writing in whole or in part at any time on or before the Closing, but save as so waived, the completion of the sale referred to in section 6 by the Purchaser will not prejudice or affect in any way the rights of the Purchaser in respect of the warranties and representations of the Principals set forth in section 2 of this Agreement.
- 8.3** The obligations of the Principals to carry out the terms of this Agreement and complete the sale of the Purchased Shares and Purchased Warrants to the Purchaser are subject to the fulfilment of each of the following conditions on or before the Closing Date:
- 8.3.1 Subject to subsection 2.3.3, the warranties and representations of the Purchaser set forth in section 2.2 of this Agreement shall be true in every material particular on the Closing Date as if such warranties and representations had been made by the Purchaser on the Closing Date.
- 8.3.2 All the covenants to be performed by the Purchaser hereunder on or prior to the Closing Date shall have been timely performed.
- 8.3.3 The Principals' Representative shall have received the documents specified in subsection 8.6.
- 8.3.4 The nomination of Mr. Alexander Stewart to the board of directors of the Purchaser.
- 8.4** The conditions set forth in subsection 8.3 of this Agreement are for the exclusive benefit of the Principals and may be waived by the Principals in writing in whole or in part at any time on or before the Closing but save as so waived, the completion of the sale referred to in section 6 by the Principals will not prejudice or affect in any way the rights of the Principals in respect of the warranties and representations of the Purchaser set forth in subsection 2.3 of this Agreement.
- 8.5** On Closing, the Principals shall deliver or cause to be delivered to the Purchaser, or as directed by the Purchaser, the following documents:
- 8.5.1 The existing certificates representing the Corporation's Shares owned by the Principals, or in the case such certificates have been lost, stolen or mutilated, any other required document in form satisfactory to the Purchaser evidencing the ownership of such Corporation's Shares.

- 8.6** On Closing, the Corporation will deliver or cause to be delivered to the Purchaser, or as directed by the Purchaser the following documents.
- 8.6.1 Share certificates of the Corporation representing the Corporation Shares purchased by the Purchaser under this Agreement and the Non-Principal Agreements.
- 8.6.2 A certificate of the Principals Representative confirming, for and on behalf of all of the Principals, the accuracy and completeness of the representations and warranties contained in section 2, and the fulfilment of the covenants of the Principals contained in sections 3 and 4 hereof.
- 8.6.3 If not already delivered, certified copies of each of the Material Contracts.
- 8.6.4 All Books and Records and all Data.
- 8.6.5 A certified copy of a resolution of the Corporation's directors appointing, as directors of the Corporation effective immediately following the Closing, such persons as may be notified by the Purchaser to the Principals' Representative prior to Closing.
- 8.6.6 Undated resignations and releases, in form reasonably satisfactory to the Purchaser, in favour of the Corporation and the Purchaser, from such persons as may be designated by the Purchaser to the Principals' Representative including, without limitation, each officer and director of the Corporation.
- 8.7** On Closing, the Purchaser will deliver or cause to be delivered to, or as instructed by, the Principals:
- (a) certified copies of resolutions of the directors of the Purchaser authorizing this Agreement, the Non-Principals Agreements, the issuance of the Everton Shares and Everton Warrants, and the delivery of the certificates representing the Everton Shares and Everton Warrants issued on Closing in the names of and as directed by the Vendors; and
  - (b) the certificates representing the Everton Shares, registered in the names of the Principals.

**ARTICLE 9**  
**HOLD PERIOD AND RESALE RESTRICTIONS AND VENDOR'S COVENANT**  
**REGARDING RESALE OF SHARES**

- 9.1** Each Principal acknowledges that the certificates representing the Everton Shares will not be legended and each Principal shall be solely responsible for compliance with resale restrictions eventually applicable to the Everton Shares under securities laws and regulations.
- 9.2** Each Principal acknowledges that it is the responsibility of such Principal to determine and confirm what restrictions there are on that Principal's ability to resell the Everton Shares and to comply with them before selling any of the Everton Shares and, in particular, each Principal covenants with the Purchaser that:

- (a) he/it will comply with the applicable rules and policies of the TSXV and the provisions of the Securities Act and any other relevant securities legislation, concerning the holding and resale or other disposition of the Everton Shares; and
- (b) upon each resale or other disposition by such Principal of the Everton Shares, that Principal will effect such resale only in accordance with all applicable laws and TSXV policies.

**ARTICLE 10  
NOTICES**

**10.1 Notice**

10.1.1 Any notice, direction or other communication required or contemplated by any provision of this Agreement (a “**Notice**”) will be in writing and given by personal delivery or registered mail by overnight courier or by telecopier and addressed:

in the case of a Notice to the Principals, at:

[REDACTED]

Email: [REDACTED]

[REDACTED]

Email: XXXXXXXXXXXXXXXXXX

[REDACTED]

Email: [REDACTED]

[REDACTED]

Email: [REDACTED]

*[IDENTITY OF PRINCIPAL SHAREHOLDERS OF HAYS LAKE GOLD]*

with a copy to, for information purposes only:

**Hays Lake Gold Inc.**  
3422 Mulcaster Road  
Mississauga, Ontario L5L 5A8

Email: alex@rtozarex.com

in the case of a Notice to the Purchaser, at:

**Everton Resources Inc.**  
5420 Canotek Road  
Suite 103  
Ottawa, Ontario  
K1J 1E9  
Telecopier (Fax) No.:(613) 241-8632

Email: andre@evertonresources.com

with a copy to, for information purposes only:

**Miller Thomson Pouliot LLP**  
Attention : Mtre Frank Mariage  
1155 René Lévesque West Blvd  
Suite 31  
Montréal, Québec  
H3B 3S6  
Telecopier (Fax) No.:(514) 875-4308

E-mail: fmariage@millerthomsonpouliot.com

in the case of a Notice to the Corporation, at:

**Hays Lake gold Inc.**  
3422 Mulcaster Road  
Mississauga, Ontario  
L5L 5A8

E-mail: alex@rtozarex.com

10.1.2 Any Notice:

- (a) delivered before 4:30 p.m. local time on a Business Day will be deemed to have been received on the date of delivery and any Notice delivered after 4:30 p.m. local time on a Business Day or delivered on a day other than a Business Day, will be deemed to have been received on the next Business Day.

- (b) mailed will be deemed to have been received seventy two (72) hours after the date it is postmarked, provided that if the day on which the Notice is deemed to have been received is not a Business Day, then the Notice will be deemed to have been received on the next Business Day.
  - (c) sent by telecopier before 4:30 p.m. local time on a Business Day will be deemed to have been received when the sender receives the answer back confirming receipt by the recipient, provided that any telecopy received after 4:30 p.m. local time on a Business Day or received on a day other than a Business Day will be deemed to have been received on the next Business Day.
- 10.1.3 If the Party sending the Notice knows or might reasonably be expected to know that, at the time of sending or within 72 hours thereafter, normal mail service has been disrupted, then the Notice may only be sent (or re-sent) by delivery, overnight courier or telecopier.
- 10.1.4 Any Party may change its address for service, its fax number, [its e-mail address], the name of the individual to the attention of whom a Notice is to be sent or the person to whom a copy of the Notice is to be sent, by written notice given to the other Parties in accordance with this Article 10.

## **ARTICLE 11 CLOSING DATE**

- 11.1 Unless otherwise agreed, the Closing Date is, and the Closing will take place at 1:30 p.m. (Montréal time) on September 17, 2009 or such other date acceptable to the Purchaser and the Principals and the TSXV as applicable.
- 11.2 The Closing will take place at the Montréal offices of Miller Thomson Pouliot LLP, the legal counsel for the Purchaser, or such other place as may be agreed upon by the parties.

## **ARTICLE 12 INDEMNIFICATION**

- 12.1 Subject to sections 12.2 and 12.3, each of the Corporation and the Principals on one hand, and the Purchaser, on the other hand (as the case may be, the “**Indemnifying Party**”) shall, jointly and severally, indemnify and save the other Party (the “**Indemnified Party**”) harmless from any loss, damage or cost (including interest and reasonable legal fees and disbursements) that arises as a result of or in connection with any claim whatsoever including any demand, action, motion, application, cause of action, dispute, trial, suit, administrative proceeding, quotation or re-quotation, order, judgement, decree or arbitral award, resulting from a material breach, inaccuracy or untruth in respect of any representation or warranty or covenant given in this Agreement (a “**Claim**”).

- 12.2** The obligations of the Indemnifying Party under section 12.2 shall terminate on the date on which each representation, warranty or covenant ceases to survive, except with respect to bona fide claims by the Indemnified Party set forth in written notices prior to the relevant date.
- 12.3** The obligation of the Indemnifying Party to defend the Indemnified Party pursuant to section 12.1 is conditional upon the following:
- (a) the Corporation must promptly give notice thereof to the Indemnifying Party and must thereafter cooperate fully in the defence of the Claim; and
  - (b) the Indemnifying Party shall have exclusive control of the defence and of any negotiation leading to the settlement of the Claim, provided that the written consent of the Corporation shall be obtained before any settlement is made final and conclusive.

## **ARTICLE 13 GENERAL**

### **13.1 Entire Agreement**

This Agreement constitute the entire agreement between the Parties relating to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no representations, warranties, conditions, covenants or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth herein and therein.

### **13.2 Amendment and Waiver**

This Agreement may only be amended by written agreement signed by each Party hereto, however, amendments, other than to section 7, may be executed by the Principals' Representative on behalf of the Principals. Any waiver of any provision of this Agreement will be effective only if it is in writing and signed by the Party to be bound thereby, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement will operate as a waiver of such right. No single or partial exercise of any such right will preclude any further or other exercise of such right.

### **13.3 Severability**

If any provision of this Agreement is determined to be invalid, illegal or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement, and the remaining provisions will remain in full force and effect.

### **13.4 Expenses**

Except as otherwise provided in this Agreement, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection

with this Agreement and the transactions contemplated by this Agreement will be paid by the Party incurring those expenses.

### **13.5 Time**

Time is of the essence of this Agreement.

### **13.6 Assignment and Benefit of the Agreement**

Neither this Agreement nor any of the rights or obligations under this Agreement are assignable by either Party without the prior written consent of the other Party. Subject to that condition, this Agreement will enure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.

### **13.7 Further Assurances**

Each Party agrees that upon the reasonable written request of the other Party, at any time, it will perform all acts and execute all documents as may be necessary or desirable to effect the purpose of this Agreement or to better evidence the transactions contemplated by this Agreement, whether before or after the Closing.

### **13.8 Governing Law and Attornment**

This Agreement is governed by and will be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each Party irrevocably attorns to the exclusive jurisdiction of the courts of Québec with respect to any matter arising under or relating to this Agreement.

### **13.9 Counterparts and Electronic Execution**

This Agreement may be executed or by facsimile signature in any number of counterparts each of which will be deemed to be an original, and all of which taken together will be deemed to constitute one and the same instrument.

[Rest of page left blank intentionally.]



IN WITNESS WHEREOF the Parties have executed this Agreement.

**EVERTON RESOURCES INC.**

Per: (s) André Audet  
Name: André D. Audet  
Title: Chief executive officer,  
President and Chairman

**HAYS LAKE GOLD INC.**

Per: (s) Alexander Stewart  
Name: Alexander Stewart  
Title: Chief executive officer

[REDACTED]  
Per: (s)  
Name: [REDACTED]  
Title: \_\_\_\_\_

(s)  
\_\_\_\_\_  
[REDACTED]

(s)  
\_\_\_\_\_  
[REDACTED]

(s)  
\_\_\_\_\_  
[REDACTED]

*[IDENTITY OF PRINCIPAL SHAREHOLDERS OF HAYS LAKE GOLD]*

**SCHEDULE A  
THE PRINCIPALS**

<b>Name and Address</b>	<b>Number of Common Shares</b>	<b>Number of Warrants</b>
[REDACTED]	5,000,000	Nil
[REDACTED]	5,000,000	Nil
[REDACTED]	2,250,000	Nil
[REDACTED]	2,000,000	Nil
<b>Total</b>	14,250,000	-

*[IDENTITY OF PRINCIPAL SHAREHOLDERS OF HAYS LAKE GOLD]*

**SCHEDULE B  
THE NON-PRINCIPALS**

Name and Address	Number of Common Shares	Number of Warrants
[REDACTED]	15,000	Nil
[REDACTED]	1,000,000	Nil
[REDACTED]	2,250,000	Nil
[REDACTED]	2,000,000	Nil
[REDACTED]	1,000,000	Nil
[REDACTED]	120,000	Nil
[REDACTED]	60,000	Nil
[REDACTED]	90,000	Nil
[REDACTED]	15,000	Nil
[REDACTED]	100,000	100,000
[REDACTED]	100,000	100,000
[REDACTED]	100,000	100,000
[REDACTED]	100,000	100,000
[REDACTED]	100,000	100,000
[REDACTED]	100,000	100,000
[REDACTED]	100,000	100,000
[REDACTED]	200,000	200,000
[REDACTED]	200,000	200,000
[REDACTED]	40,000	40,000

Name and Address	Number of Common Shares	Number of Warrants
[REDACTED]	40,000	40,000
[REDACTED]	40,000	40,000
[REDACTED]	80,000	80,000
[REDACTED]	40,000	40,000
[REDACTED]	160,000	160,000
[REDACTED]	100,000	100,000
[REDACTED]	200,000	200,000
[REDACTED]	100,000	100,000
[REDACTED]	100,000	100,000
[REDACTED]	160,000	80,000
[REDACTED]	62,500	31,250
[REDACTED]	400,000	200,000
[REDACTED]	400,000	200,000
[REDACTED]	60,000	30,000
[REDACTED]	80,000	40,000
[REDACTED]	94,000	47,000
[REDACTED]	350,000	
[REDACTED]	2,719,200	
[REDACTED]	2,719,200	
[REDACTED]	1,000,000	70,000
[REDACTED]	1,000,000	70,000

Name and Address	Number of Common Shares	Number of Warrants
[REDACTED]		
[REDACTED]	400,000	
[REDACTED]	187,500	
[REDACTED]	Nil	425,650 <sup>1</sup>
[REDACTED]	Nil	60,000

1 Broker's unit, of which 300,000 units entitles the holder to acquire one common share of the Corporation and one common share purchase warrant and 125,650 entitles the holder to acquire one common share of the Corporation and one-half of one common share purchase warrant.

*[IDENTITY OF NON-PRINCIPAL SHAREHOLDERS OF HAYS LAKE GOLD]*

**SCHEDULE C**  
**THE ASSETS OF THE CORPORATION**

1. The property and option agreements listed in Schedule E.
2. A potential GST refund in an undetermined amount.
3. Cash on closing of about \$10,000.

The Corporation does not hold or own any Intellectual Property.

**SCHEDULE D  
THE PROPERTIES**

*See attached.*

**SCHEDULE E  
THE AGREEMENTS**

**1- List of Material Agreements**

- (i) Option agreement dated December 19, 2007 with Don Leisbman, Hacquoil Construction, Ken Fenwick, Don Devereaux and Georges Lucuik, as amended on November 28, 2008;
- (ii) Option agreement dated April 4, 2008 with Pierre C. Robert, as amended on March 3, 2009 and July 31, 2009
- (iii) Option agreement dated December 19, 2008 with Kenora Prospectors & Miners Ltd.;
- (iv) Assignment agreement dated March 27, 2009 with Roland and Kim Campbell, Lake of the Woods Electric Ltd. & Bestway Security Ltd., as amended on May 27, 2009;
- (v) Purchase agreement dated September 19, 2008 with Machin Mines Ltd.;
- (vi) Option agreement dated October 7, 2008 with Halo Resources Ltd., as amended on January 14, 2009, March 26, 2009 and May 21, 2009;
- (vii) Top-Up Agreement dated October 7, 2008 with Halo Resources Ltd. and The Sheridan Platinum Group Inc.;
- (viii) Consulting agreement dated September 19, 2008 with Mrs. Sue Dobson;
- (ix) Exploration support agreement dated September 19, 2008 with Mrs. Sue Dobson; and
- (x) Engagement letter dated March 16, 2009 with MAK Allen & Day Capital Partners Inc.

**2- Defaults in Agreements**

- 1. 
- 2. 
- 3. 
- 4. 
- 5. 



6.

[REDACTED]

7.

[REDACTED]

8.

[REDACTED]

*[LIST OF MATERIAL DEFAULTS OF HAYS LAKE GOLD IN THE MATERIAL AGREEMENTS]*

**SCHEDULE F**  
**OFFICERS AND DIRECTORS**

1. Alexander Stewart – Director, Chairman, Secretary and Chief Executive Officer
2. Chris North – Director and President
3. Simon Baker – Director and Executive Vice-President
4. Kirk Boyd – Director and Treasurer
5. Donna McLean – Chief Financial Officer

**SCHEDULE G**  
**EVERTON SHARES AND EVERTON WARRANTS ISSUED TO THE VENDORS**

Name and Address	Number of Everton Shares	Everton Warrants		
		Number	Exercise Price	Expiry Date
[REDACTED]	5,500	Nil		
[REDACTED]	1,850,000	Nil		
[REDACTED]	370,000	Nil		
[REDACTED]	1,850,000	Nil		
[REDACTED]	832,500	Nil		
[REDACTED]	740,000	Nil		
[REDACTED]	832,500	Nil		
[REDACTED]	740,000	Nil		
[REDACTED]	370,000	Nil		
[REDACTED]	44,400	Nil		
[REDACTED]	22,200	Nil		
[REDACTED]	33,300	Nil		
[REDACTED]	5,550	Nil		
[REDACTED]	37,000	37,000	\$0.27	April 8, 2010
[REDACTED]	37,000	37,000	\$0.27	April 8, 2010
[REDACTED]	37,000	37,000	\$0.27	April 8, 2010
[REDACTED]	37,000	37,000	\$0.27	April 8, 2010
[REDACTED]	37,000	37,000	\$0.27	April 8, 2010
[REDACTED]	37,000	37,000	\$0.27	April 8, 2010

Name and Address	Number of Everton Shares	Everton Warrants		
		Number	Exercise Price	Expiry Date
[REDACTED]	37,000	37,000	\$0.27	April 8, 2010
[REDACTED]	74,000	74,000	\$0.27	April 8, 2010
[REDACTED]	74,000	74,000	\$0.27	April 8, 2010
[REDACTED]	14,800	14,800	\$0.27	April 8, 2010
[REDACTED]	14,800	14,800	\$0.27	April 8, 2010
[REDACTED]	14,800	14,800	\$0.27	April 8, 2010
[REDACTED]	29,600	29,600	\$0.27	April 8, 2010
[REDACTED]	14,800	14,800	\$0.27	April 8, 2010
[REDACTED]	59,200	59,200	\$0.27	April 8, 2010
[REDACTED]	37,000	37,000	\$0.27	April 8, 2010
[REDACTED]	74,000	74,000	\$0.27	April 8, 2010
[REDACTED]	37,000	37,000	\$0.27	April 8, 2010
[REDACTED]	37,000	37,000	\$0.27	April 8, 2010
[REDACTED]	59,200	29,600	\$0.59	July 10, 2010
[REDACTED]	23,125	11,562	\$0.59	July 10, 2010
[REDACTED]	148,000	74,000	\$0.59	July 10, 2010
[REDACTED]	148,000	74,000	\$0.59	July 10, 2010
[REDACTED]	22,200	11,100	\$0.59	July 10, 2010
[REDACTED]	29,600	14,800	\$0.59	July 10, 2010
[REDACTED]	34,780	17,390	\$0.59	July 10, 2010

Name and Address	Number of Everton Shares	Everton Warrants		
		Number	Exercise Price	Expiry Date
[REDACTED]	129,500	Nil		
[REDACTED]	1,006,104	Nil		
[REDACTED]	1,006,104	Nil		
[REDACTED]	370,000	25,900	\$0.20	April 30, 2011
[REDACTED]	370,000	25,900	\$0.20	April 30, 2011
[REDACTED]	148,000	Nil		
[REDACTED]	69,375	Nil		
[REDACTED]	Nil	111,000 <sup>1</sup> 46,490 <sup>2</sup>	\$0.17 \$0.43	April 8, 2010 July 10, 2010
[REDACTED]	Nil	22,200	\$0.20	April 30, 2011

- 1 Broker's unit, each unit entitling the holder to acquire one common share of the Purchaser at a price of \$0.17 per share and one common share purchase warrant, each warrant entitling the holder to acquire one additional common share of the Purchaser at a price of \$0.27 per share until April 8, 2010.
- 2 Broker's unit, each unit entitling the holder to acquire one common share of the Purchaser at a price of \$0.43 per share and one-half of one common share purchase warrant, each whole warrant entitling the holder to acquire one additional common share of the Purchaser at a price of \$0.59 per share until July 10, 2010.

*[IDENTITY OF HAYS LAKE GOLD SHAREHOLDERS]*

**SCHEDULE H  
CORPORATION OUTSTANDING LIABILITIES**

1. The liabilities resulting from the defaults set out in Schedule E relating to property and option payments, work obligations, real estate taxes, mining taxes, rents, license fees and share deliveries are incorporated herein by reference.
2. HLG has an obligation, in an undetermined amount (not exceeding \$150,780, to spend CEE in Canada by December 31, 2009. The unspent amount is estimated at around \$110,000.

3. Accounts payable are as follows:

(a)	██████████	██████████	
(b)	██████████	██████████	
(c)	██████████	██████████	
(d)	██████████	██████████	████████████████████
(e)	████████████████████	██████████	████████████████████
(f)	██████████	██████████	
(g)	██████████	██████████	
(h)	██████████	██████████	
(i)	██████████	██████████	
(j)	██████████	██████████	

*[IDENTITY OF CREDITORS OF HAYS LAKE GOLD AND OF AMOUNTS OWED]*

**SCHEDULE I**  
**CORPORATION'S FINANCIAL STATEMENTS AS OF DECEMBER 31, 2008**

*See attached.*