
AMALGAMATION AGREEMENT

BETWEEN:

GOLDEN CROSS RESOURCES INC.

AND:

GOLDEN CROSS ACQUISITION INC.

AND:

BLUE GOLD TAILING TECHNOLOGIES LTD.

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AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT is dated as of the 21st day of November, 2012.

BETWEEN:

GOLDEN CROSS RESOURCES INC., a corporation existing under the laws of the Province of British Columbia

(“**Golden Cross**”);

AND:

GOLDEN CROSS ACQUISITION INC., a corporation existing under the laws of the Province of Ontario

(“**MergerSub**”);

AND:

BLUE GOLD TAILING TECHNOLOGIES LTD., a corporation existing under the laws of the Province of Ontario

(“**Blue Gold**”);

WHEREAS:

(A) it is intended that Blue Gold and MergerSub, a wholly-owned subsidiary of Golden Cross, will amalgamate and form one corporation under the provisions of the Ontario BCA;

(B) Golden Cross is a “reporting issuer” (as that term is defined in section 1 of the B.C. Securities Act and section 1 of the Ontario Securities Act) and a listed issuer on the Exchange;

(C) the board of directors of each of Golden Cross and Blue Gold has determined that the Amalgamation to be effected pursuant to this Agreement is advisable and in the best interests of the respective corporations and their shareholders and has approved the transactions contemplated by this Agreement and determined to recommend approval of the Amalgamation and the other transactions contemplated hereby to the holders of Golden Cross Shares and Blue Gold Shareholders;

(D) in furtherance of the Amalgamation, the board of directors of Blue Gold intends to submit the Blue Gold Amalgamation Resolution, in accordance with section 176 of the Ontario BCA, to the Blue Gold Shareholders for approval;

(E) Golden Cross, as the sole shareholder of MergerSub, intends to approve the Amalgamation, in accordance with section 176 of the Ontario BCA; and

(F) upon the Amalgamation taking effect, the Blue Gold Shareholders will receive Golden Cross Shares and Golden Cross will receive Amalco Shares in the proportions and to the extent set out herein;

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 do hereby covenant and agree as follows:

PART 1 **INTERPRETATION**

Definitions

1.1 In this Agreement, the following defined terms have the meanings hereinafter set forth:

- (a) “**Agreement**” means this amalgamation agreement (including the schedules and exhibits hereto) as supplemented, modified or amended and not any particular article, section, schedule, exhibit or other portion hereof;
- (b) “**Amalco**” means the corporation resulting from the Amalgamation;
- (c) “**Amalco Shares**” means the authorized common shares in the capital of Amalco;
- (d) “**Amalgamating Corporations**” means, collectively, Blue Gold and MergerSub;
- (e) “**Amalgamation**” means the amalgamation of MergerSub and Blue Gold under section 176 of the Ontario BCA on the terms and conditions set forth in this Agreement;
- (f) “**Applicable Canadian Securities Laws**” means, collectively, and as the context may require, the applicable securities legislation of each of the provinces and territories of Canada, and the rules, regulations, instruments, orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Effective Date;
- (g) “**Applicable Laws**” means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority, that is binding upon or applicable to such person or persons or its or their 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;

- (h) **“Appropriate Regulatory Approvals”** means all of the rulings, consents, orders, exemptions, permits and other approvals of Governmental Authorities or necessary for the completion of the transactions provided for in this Agreement and the Amalgamation;
- (i) **“Articles of Amalgamation”** means the articles of amalgamation of Amalco in respect of the Amalgamation, in the form required by the Ontario BCA, to be sent to the Director, subject to the conditions of this Agreement, substantially the form set out in Exhibit “A” to this Agreement;
- (j) **“Assets”** means all of the property (whether real or personal, tangible or intangible), rights, interests, entitlements and undertakings of the Party, including without limitation:
 - (1) its Books and Records;
 - (2) in the case of Golden Cross, its Real Property Interests as set forth in Schedule A;
 - (3) in the case of Blue Gold, its Real Property Interests as set forth in Schedule B
 - (4) in the case of Golden Cross, its Intellectual Property as set forth in Schedule C;
 - (5) in the case of Blue Gold, its Intellectual Property as set forth in Schedule D;
 - (6) all Contracts of, or arising from, the Business to which the Party is a party, under which such Party may have any rights or by which such Party, its Business or any of its Property may be bound, and all bids, quotations and proposals therefor, including the Material Contracts set forth in Schedule E in the case of Golden Cross and Schedule F in the case of Blue Gold;
 - (7) all related Permits, Environmental Permits and approvals from Governmental Authorities;
 - (8) all assets recorded or reflected on the Blue Gold Financial Statements or in the Golden Cross Financial Statements, as applicable; and
 - (9) all related information relating to the Party, its Business or Assets in any form;
- (k) **“BCBCA”** means the *Business Corporations Act* (British Columbia), as amended, including the regulations promulgated thereunder;
- (l) **“B.C. Securities Act”** means the *Securities Act*, R.S.B.C. 1996, c. 418, as amended, including the regulations promulgated thereunder;

- (m) “**Blue Gold Amalgamation Resolution**” means the special resolution in respect of the Amalgamation to be considered by the Blue Gold Shareholders at the Blue Gold Meeting;
- (n) “**Blue Gold Corporate Reorganization**” means the proposed acquisition by Blue Gold of all or substantially all of the assets of Blue Gold Holdings Ltd., an affiliated entity, in exchange for the issuance by Blue Gold of Blue Gold Shares, and all other necessary or desirable transactions related thereto;
- (o) “**Blue Gold Financial Statements**” means the audited financial statements of Blue Gold for the fiscal period commencing April 13, 2012 (the date of incorporation of Blue Gold) to September 30, 2012, consisting of a balance sheet, a statement of deficit, a statement of operations and a statement of cash flow, and all notes thereto;
- (p) “**Blue Gold Meeting**” means the special meeting of Blue Gold Shareholders to be called to consider and, if thought fit, approve and adopt the Amalgamation Agreement and related matters, and includes any adjournments thereof;
- (q) “**Blue Gold Shareholders**” means the holders of Blue Gold Shares;
- (r) “**Blue Gold Shares**” means authorized common shares in the capital of Blue Gold;
- (s) “**Books and Records**” means all technical, financial, accounting, business, tax and employee information, records and files, in any form whatsoever (including written, printed or electronic form) of the Party and its predecessor companies or current subsidiaries, financial statements, regulatory filings and returns, filings and correspondence relating to the Intellectual Property, books of account and related original source documentation, Corporate Records of such Party, actuarial, tax and accounting information, reports, files, lists, drawings, plans, logs, briefs, computer program documentation, employee data and records, deeds, certificates, contracts, surveys, title and legal opinions, records of payment, asset documentation, written employment manuals and employment policies;
- (t) “**Business**” means the business and activities carried on by Blue Gold or Golden Cross, as the case may be, including the ownership of its Assets and the activities related thereto;
- (u) “**Business Day**” means a day other than a Saturday, Sunday or other day when banks in the City of Vancouver, British Columbia and in the City of Toronto, Ontario, are not generally open for business;
- (v) “**Circular**” means the notice of the Golden Cross Meeting and the accompanying management proxy circular, including the exhibits and schedules thereto, to be sent to the shareholders of Golden Cross in connection with the Golden Cross Meeting;

- (w) “**Claims**” has the meaning set forth under Section 6.1;
- (x) “**Constating Documents**” means, as to each of the Parties, its certificate of incorporation, notice of articles and articles of incorporation, as amended (as the case may be, as in effect as of the date of this Agreement);
- (y) “**Contracts**” means written contracts, agreements, understandings or arrangements to which a Party is a party or by which it is bound;
- (z) “**Corporate Records**” means the corporate records of the Party including its Constating Documents, share registers, registers of directors, and minutes of shareholders’ and directors’ meetings;
- (aa) “**Director**” means the Director appointed under section 278 of the Ontario BCA;
- (bb) “**Dissenting Shareholder**” has the meaning set forth in Section 2.20;
- (cc) “**Effective Date**” means the effective date of the Amalgamation as set forth in the certificate of amalgamation issued to Amalco;
- (dd) “**Effective Time**” means 12:01 a.m. (Eastern time) on the Effective Date;
- (ee) “**Encumbrances**” means any encumbrance of any kind whatever and includes any pledge, lien, charge, security interest, lease, title retention agreement, mortgage, hypothec, restriction, royalty, right of first refusal, development or similar agreement, option or adverse claim or encumbrance of any kind or character whatsoever or howsoever arising, and any right or privilege capable of becoming any of the foregoing, excluding Permitted Encumbrances;
- (ff) “**Environmental Laws**” has the meaning set out in Section 4.1(q);
- (gg) “**Environmental Permit**” means any Permit, closure letter, identification number, agreement, license or other authorization regarding the Business issued or required to be issued pursuant to any Environmental Law;
- (hh) “**Exchange**” means the Canadian National Stock Exchange;
- (ii) “**Exchange Ratio**” means the ratio of 0.373549223 of a Golden Cross Share for each one Blue Gold Share,
- (jj) “**Facilities**” means all buildings, plants and other structures, fixtures and improvements, stores of a capital and consumable nature, all equipment used in operations relating to the Business of the relevant Party or otherwise owned by such Party and all other property, whether fixed or moveable, as the same may exist at any time;
- (kk) “**Financing**” has the meaning set out in Section 5.4;

- (ll) “**Form 10**” means the Exchange Form 10 *Notice of Proposed Transaction* to be filed by Golden Cross in respect of the Amalgamation;
- (mm) “**Golden Cross Financial Statements**” means: (i) the consolidated audited financial statements of Golden Cross for the fiscal year ended September 30, 2011, consisting of a consolidated balance sheet, a consolidated statement of deficit, a consolidated statement of operations and a consolidated statement of cash flows; and (ii) the consolidated interim financial statements of Golden Cross for the nine-month period ended June 30, 2012, consisting of a consolidated balance sheet, a consolidated statement of deficit, a consolidated statement of operations and a consolidated statement of cash flows, and, in each case, all notes thereto;
- (nn) “**Golden Cross Meeting**” means the special meeting of the shareholders of Golden Cross, and any adjournments thereof, called to consider the Golden Cross Shareholder Resolutions;
- (oo) “**Golden Cross Options**” means unexercised stock options to acquire Golden Cross Shares granted pursuant to the Golden Cross Stock Option Plan;
- (pp) “**Golden Cross Shares**” means authorized common shares in the capital of Golden Cross;
- (qq) “**Golden Cross Shareholder Resolutions**” means, collectively:
 - (i) the special resolution of the shareholders of Golden Cross authorizing the Amalgamation;
 - (ii) the special resolution of the shareholders of Golden Cross authorizing a consolidation of the Golden Cross Shares on the basis of one Golden Cross Share for every two Golden Cross Shares issued and outstanding; and,
 - (iii) the special resolution of the shareholders of Golden Cross authorizing the continuance of Golden Cross under the Ontario BCA (if and at such a time as the directors of Golden Cross determine it is desirable);
- (rr) “**Golden Cross Stock Option Plan**” means the stock option plan of Golden Cross established on December 16, 2011;
- (ss) “**Golden Cross Warrants**” means unexercised warrants to acquire Golden Cross Shares;
- (tt) “**Governmental Authority**” means any federal, state, provincial or municipal government, regulatory authority, governmental department, ministry, agency, commission, bureau, official, minister, crown corporation, court, board, tribunal, stock exchange, dispute settlement panel or body or other law, rule or regulation-making entity having jurisdiction;

- (uu) “**Holy Cross Property**” means the property consisting of three mineral tenures covering 2,005 hectares located in the Omineca Mining Division of north central British Columbia;
- (vv) “**Intellectual Property**” means all rights, title and interest used or owned by a Party in association with its Business or otherwise in patent applications, patents, plans, drawings, blue prints, trade names, trade marks, symbols, copyrights, business processes, process technology, trade secrets, product design, literary or artistic works, digital media, patterns, designs, know-how, descriptive information, and other similar intangible property;
- (ww) “**IFRS**” means International Financial Reporting Standards;
- (xx) “**ITA**” means the *Income Tax Act* (Canada), as amended, including the regulations promulgated thereunder, as amended from time to time;
- (yy) “**Material Adverse Change**” or “**Material Adverse Effect**” means, with respect to a Person, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, results of operations, assets, capitalization, financial condition, rights or liabilities contractual or otherwise, of such Person and its subsidiaries, if applicable, taken as a whole, other than any matter, action, effect or change relating to or resulting from: (i) a matter that has been publicly disclosed prior to the date of this Agreement or otherwise disclosed in writing by a Party to the other Party prior to the date of this Agreement; (ii) any action or inaction taken by such Person to which the other Person had consented in writing; (iii) the announcement of the transactions contemplated by the Amalgamation or this Agreement; or (iv) general economic, financial, currency exchange, securities, banking or commodity market conditions in the United States, Canada or worldwide;
- (zz) “**Material Change**” and “**Material Fact**” have the respective meanings attributed thereto in the Ontario Securities Act;
- (aaa) “**Material Contract**” means those Contracts entered into by a Party or its subsidiaries which have individual payment obligations on the part of such Party or its subsidiaries that exceed \$10,000 or are for a term extending one year after the Effective Time or have been entered into out of the ordinary course of business;
- (bbb) “**MergerSub Shares**” means authorized common shares in the capital of MergerSub;
- (ccc) “**Ontario BCA**” means the *Business Corporations Act* (Ontario), as amended, including the regulations promulgated thereunder;
- (ddd) “**Ontario Securities Act**” means the *Securities Act*, R.S.O. 1990, c. 5.5 as amended, including the regulations promulgated thereunder;

- (eee) **“Outside Date”** means February 28, 2013;
- (fff) **“Parties”** means, collectively, the parties to this Agreement;
- (ggg) **“Permit”** means any permit, licence, agreement, concession, approval, certificate, consent, certificate of approval, right, privilege or franchise, registration (including any required export/import approval) or exemption of any nature or any other authorization (other than an Environmental Permits) conferred or otherwise granted by any Governmental Authority and used in the conduct of the Business as currently being conducted or related to any Asset;
- (hhh) **“Permitted Encumbrances”** means:
- (i) inchoate or statutory liens for taxes, assessments or utilities not at the time overdue;
 - (ii) any reservations or exceptions contained in the original grants of land;
 - (iii) liens of landlords and liens of carriers, warehousemen, mechanics and materialmen and other like liens arising in the ordinary course of business for sums not yet due and payable; and
 - (iv) any and all other Encumbrances disclosed in writing by Blue Gold and approved by Golden Cross (which approval shall not be unreasonably withheld) prior to the Effective Date;
- (iii) **“Person”** is to be broadly interpreted and includes an individual, a corporation, a partnership, a joint venture, a trust, an association, an unincorporated organization, a Governmental Authority, an executor or administrator or other legal or personal representative, or any other juridical entity;
- (jjj) **“Principal”** means:
- (a) a person or company who acted as a promoter of either Party within two years before the Amalgamation;
 - (b) a director or senior officer of Golden Cross or any material operating subsidiary at the time of the Amalgamation; and
 - (c) a 10% holder - a person or company that holds securities carrying more than 10% of the voting rights attached to a company’s outstanding securities at the time of the Amalgamation;
- (kkk) **“Public Record”** means all information filed by Golden Cross with any securities commission or similar regulatory authority which is available through the SEDAR website as of the date hereof;
- (lll) **“Real Property”** means land, buildings and fixtures;

- (mmm) “**Registrar**” means the Registrar of Companies or a Deputy Registrar of Companies for the Province of British Columbia duly appointed under the BCBCA;
- (nnn) “**subsidiary**” has the meaning ascribed thereto in the B.C. Securities Act;
- (ooo) “**Transfer Agent**” means Equity Financial Trust Company, the transfer agent for the Golden Cross Shares;
- (ppp) “**Unit**” has the meaning set out in Section 5.4; and
- (qqq) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended, and the rules, regulations and orders promulgated thereunder.

Interpretation

- 1.2 For the purposes of this Agreement, except as otherwise expressly provided:
- (a) the provision of a table of contents, the division of this Agreement into parts, sections and other portions and the insertion of headings is for convenience of reference only and does not affect the construction or interpretation of this Agreement;
 - (b) the terms “this Agreement”, “hereto”, “herein” and “hereunder” and similar expressions refer to this Agreement (including exhibits and schedules hereto) and not to any particular part, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto;
 - (c) words importing the singular number include the plural and vice versa, and words importing the use of any gender include the masculine and the feminine genders;
 - (d) the word “including”, when following any general statement or term, is not to be construed as limiting the general statement or term to the specific items or matters set forth or to similar items or matters, but rather as permitting the general statement or term to refer to all other items or matters that could reasonably fall within its broadest possible scope;
 - (e) if any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day in the place where an action is required to be taken, such action is required to be taken on the next succeeding day which is a Business Day in such place;
 - (f) any reference in this Agreement to any statute or any section thereof will, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time, and to any regulations promulgated thereunder;

- (g) references to any agreement or document will be to such agreement or document (together with all schedules and exhibits thereto), as it may have been or may hereafter be amended, supplemented, replaced or restated from time to time;
- (h) all sums of money that are referred to in this Agreement are expressed in the currency of Canada unless otherwise noted;
- (i) unless otherwise stated, all accounting terms used in this Agreement will have the meanings attributable thereto under IFRS and all determinations of an accounting nature are required to be made will be made in a manner consistent with IFRS;
- (j) all representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief and general principals of equity);
- (k) where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, it refers to the actual knowledge of the senior officers of the Party after due inquiry into the relevant subject matter; and
- (l) the Parties and their respective legal counsel have reviewed and participated in settling the terms of this Agreement and any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party will not be applicable in the interpretation of this Agreement.

Schedules and Exhibits

1.3 The following schedules and exhibits attached hereto are incorporated into and form an integral part of this Agreement:

Schedule A – Golden Cross Real Property Interests

Schedule B - Blue Gold Real Property Interests

Schedule C – Golden Cross Intellectual Property Interests

Schedule D - Blue Gold Intellectual Property Interests

Schedule E – Golden Cross Material Contracts

Schedule F - Blue Gold Material Contracts

Exhibit “A” – Form of Articles of Amalgamation

Exhibit “B” – Earn-Out Shares

Exhibit “C” – Escrow Release Schedule

PART 2
THE AMALGAMATION

Agreement to Amalgamate

2.1 Golden Cross, MergerSub and Blue Gold agree that MergerSub and Blue Gold will amalgamate pursuant to the provisions of the Ontario BCA as of the Effective Date and continue as one corporation on the terms and conditions set out in this Agreement.

Implementation Steps

2.2 Golden Cross covenants in favour of Blue Gold that it shall lawfully convene and hold the Golden Cross Meeting for the purpose of considering the Golden Cross Shareholder Resolutions as soon as reasonably practicable.

2.3 Blue Gold covenants in favour of Golden Cross that it shall lawfully convene and hold the Blue Gold Meeting for the purpose of considering the Amalgamation, and (if necessary) the Blue Gold Corporate Reorganization, as soon as reasonably practicable .

2.4 Blue Gold covenants in favour of Golden Cross that it shall use its reasonable commercial efforts to complete the Blue Gold Reorganization and provide Golden Cross with a certified copy of a list of Blue Gold Shareholders after giving effect to the Blue Gold Corporate Reorganization as soon as reasonably practicable and, in any event, no later than December 17, 2013.

2.5 Blue Gold covenants in favour of Golden Cross that it shall deliver to Golden Cross a copy of the Blue Gold Financial Statements as soon as reasonably practicable and, in any event, no later than November 30, 2012

2.6 [This subsection left blank.]

Filing of Articles of Amalgamation

2.7 Subject to the rights of termination contained in Part 9, upon the holders of Blue Gold Shares approving the Amalgamation, upon the shareholders of Golden Cross approving the Golden Cross Shareholder Resolutions, upon Golden Cross, as the sole shareholder of MergerSub, approving the Amalgamation, upon receipt of all approvals and in accordance with the provisions of the Ontario BCA, Blue Gold and MergerSub shall jointly file with the Director the Articles of Amalgamation and such other documents as are required to be filed under the Ontario BCA for acceptance by the Director to give effect to the Amalgamation pursuant to section 176 of the Ontario BCA.

Effect of Amalgamation

2.8 Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time:

- (a) Blue Gold and MergerSub shall amalgamate and continue as one corporation under the Ontario BCA in the manner set out in Sections 2.9 through Section 2.17 hereof and with the effect set out in section 176 of the Ontario BCA, unless and until otherwise determined in the manner required by law, by Amalco or by its directors or holders of the Amalco Shares;
- (b) immediately upon the amalgamation of Blue Gold and MergerSub to form Amalco, as set forth in Section 2.8(a):
 - (i) each issued and outstanding Blue Gold Share (other than any Blue Gold Shares held by Dissenting Shareholders) immediately before the Effective Time shall be exchanged for 0.373549223 of a Golden Cross Share in accordance with the Exchange Ratio;
 - (ii) each outstanding MergerSub Share shall be converted into one Amalco Share;
- (c) with respect to each Blue Gold Share exchanged in accordance with Section 2.8(b):
 - (i) the holder thereof shall cease to be the holder of such Blue Gold Share, and the name of such holder shall be removed from the register of holders of Blue Gold Shares;
 - (ii) the certificate (if any) representing such Blue Gold Shares shall be deemed to have been cancelled as of the Effective Date;
 - (iii) the holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to exchange such securities in accordance with Section 2.8(b);
- (d) in consideration of the issue of Golden Cross Shares to effect the Amalgamation, Amalco will issue to Golden Cross that number of Amalco Shares equal to the number of Blue Gold Shares exchanged for Golden Cross Shares pursuant to the Amalgamation;
- (e) each of Blue Gold and MergerSub shall cease to exist as entities separate from Amalco;
- (f) the properties and assets of each of MergerSub and Blue Gold will continue to be the properties and assets of Amalco;
- (g) Amalco will continue to be liable for all the obligations and liabilities of each of MergerSub and Blue Gold; and

- (h) the Articles of Amalgamation will be the articles of Amalco, provided that none of the foregoing shall occur or shall be deemed to occur unless all of the foregoing occurs.

The Golden Cross Shares held by Principals at the Effective Time will be subject to escrow in accordance with the policies of the Exchange and the escrow agreement in Form 46-201F1. Escrowed shares will be released from escrow in accordance with the schedule in Exhibit "C."

Name

- 2.9 The name of Amalco will be "Blue Gold Tailings Technologies Ltd."

Registered Office

- 2.10 The registered office of Amalco will be 2660 Meadowvale Blvd., Suite 6B, Mississauga, Ontario, L5N 6M6.

Authorized Capital and Restrictions on Share Transfers

- 2.11 The authorized capital of Amalco will consist of an unlimited number of common shares, which will have the rights, privileges, restrictions and conditions set out in the Articles of Amalgamation. No shares of Amalco may be transferred except in compliance with the restrictions set out in the Articles of Amalgamation.

Fiscal Year

- 2.12 The fiscal year end of Amalco will be September 30 of each calendar year.

Business

- 2.13 There will be no restriction on the business which Amalco is authorized to carry on.

Number of Directors

- 2.14 The number of directors of Amalco shall be not less than one and not more than seven, or such other number as the shareholders of Amalco may from time to time determine by special resolution or, if empowered to do so by special resolution, as the directors of Amalco may from time to time determine.

Initial Directors

- 2.15 The first directors of Amalco will be the Persons whose names and addresses appear below:

<u>Name</u>	<u>Address for Service</u>
Derek Blackburn	2660 Meadowvale Blvd., Suite 6B Mississauga, ON L5N 6M6
Alfredo Albi	2660 Meadowvale Blvd., Suite 6B Mississauga, ON L5N 6M6
Raj Kurichh	2660 Meadowvale Blvd., Suite 6B Mississauga, ON L5N 6M6
Chris Crupi	2660 Meadowvale Blvd., Suite 6B Mississauga, ON L5N 6M6

Such directors will hold office until the first annual meeting of shareholders of Amalco or until their successors are elected or appointed.

Initial Officers

2.16 The first officers of Amalco will be the Persons whose names and positions appear below:

<u>Name</u>	<u>Position</u>
Derek Blackburn	President and Chief Executive Officer
Nigel Greening	Vice-President, Field Operations
Alfredo Albi	Chief Financial Officer and Corporate Secretary
Raj Kurichh	Vice-President, Corporate Affairs
Emmanuel Moya	Vice-President, Engineering & Technology

By-laws

2.14 The by-laws of Amalco, until repealed, amended or altered, shall be the same as the by-laws of MergerSub with such amendments thereto as may be necessary to give effect to this Agreement.

Auditors

2.15 The auditors of Amalco, until the first annual meeting of shareholders of Amalco, shall be Grant Thornton LLP.

No Fractional Shares

2.16 No fractional Golden Cross Shares will be issued. In the event that a Blue Gold Shareholder would otherwise be entitled to a fractional Golden Cross Share hereunder, the number of Golden Cross Shares issued to such Blue Gold Shareholder will be rounded up to the

next greater whole number of Golden Cross Shares if the fractional entitlement is equal to or greater than 0.5 and will, without any additional compensation, be rounded down to the next lesser whole number of Golden Cross Shares if the fractional entitlement is less than 0.5. In calculating such fractional interests, all Golden Cross Shares registered in the name of or beneficially held by such Blue Gold Shareholder or its nominee will be aggregated.

Stated Capital

2.17 Upon completion of the Amalgamation, the stated capital of the Amalco Shares will be equal to the stated capital of the Blue Gold Shares and the stated capital of the MergerSub Shares.

Certificates; Lost Certificates

2.18 Following the Effective Time, Golden Cross shall cause the Transfer Agent to issue to each holder of outstanding Blue Gold Shares immediately before the Effective Time that were exchanged for Golden Cross Shares, one or more certificates representing the applicable number of Golden Cross Shares.

2.19 In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Blue Gold Shares that were exchanged pursuant to Section 2.8 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder thereof claiming such certificate to be lost, stolen or destroyed and such other documents as may reasonably be required, the Transfer Agent may issue in exchange for such lost, stolen or destroyed certificate, one or more certificates representing one or more of the applicable number of Golden Cross Shares. When authorizing such issuance in exchange for any lost, stolen or destroyed certificate, the holder to whom certificates representing the applicable Golden Cross Shares are to be issued shall, as a condition precedent to the issuance thereof, give a bond satisfactory to Golden Cross and the Transfer Agent in such sum as Golden Cross may direct or otherwise indemnify Golden Cross in a manner satisfactory to Golden Cross against any claim that may be made against Golden Cross with respect to the certificate alleged to have been lost, stolen or destroyed.

Dissenting Shareholders

2.20 Registered Blue Gold Shareholders entitled to vote at the Blue Gold Meeting will be entitled to exercise dissent rights with respect to their Blue Gold Shares in connection with the Amalgamation. Blue Gold will give Golden Cross notice of any written notice of a dissent, withdrawal of such notice, and any other instruments served pursuant to such dissent rights and received by Blue Gold and will provide Golden Cross with copies of such notices and written objections. Blue Gold Shares which are held by a dissenting shareholder (a “**Dissenting Shareholder**”) will not be exchanged for Golden Cross Shares pursuant to the Amalgamation. Each Blue Gold Share in respect of which a notice of dissent has been received (and not withdrawn) shall be transferred by the registered holder thereof, without any further act or formality on the part of such Dissenting Shareholder, free and clear of all Encumbrances, to Golden Cross immediately before the Effective Time with Golden Cross being obligated to pay therefor the amount determined and payable in accordance with the Ontario BCA and the name

of such Dissenting Shareholder will be removed from the register of holders of Blue Gold Shares and Golden Cross will be recorded as the registered holder of such Blue Gold shares so transferred and will be deemed to be the legal and registered holder of such Blue Gold Shares. However, if a Dissenting Shareholder fails to perfect or effectively withdraws such Dissenting Shareholder's claim under the Ontario BCA or forfeits such Dissenting Shareholder's right to make a claim under the Ontario BCA, or if such Dissenting Shareholder's rights as a Blue Gold Shareholder are otherwise reinstated, such Blue Gold Shareholder's Blue Gold Shares will thereupon be deemed to have been exchanged for Golden Cross Shares as of the Effective Time as prescribed herein.

Tax Withholdings

2.21 Golden Cross will be entitled to deduct and withhold from any consideration otherwise payable to any non-resident holder (“**Holder**”) of Blue Gold Shares such amounts as Golden Cross is required to deduct and withhold with respect to such payment under the ITA, or any provision of Applicable Laws. To the extent that amounts are so withheld, such withheld amounts will be treated for all purposes hereof as having been paid to the Holder in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority. To the extent that Golden Cross is entitled to withhold amounts pursuant to subsection 116(5) of the ITA in respect of Golden Cross Shares that are deliverable to Holders who are not resident in Canada for the purposes of the ITA (the “**Subject Securities**”), such withholdings will be made “in kind” by delivering or causing to be delivered to an escrow agent, acceptable to Golden Cross, the appropriate portion of such Subject Securities, as determined by Golden Cross, acting reasonably, to be held by the escrow agent pending the issuance of certificates to such non-resident Holders pursuant to the ITA, and, with authority of the escrow agent, in the event such certificates are not obtained (which may, if appropriately notified by the Canada Revenue Agency, be after the time specified in the ITA), to sell a sufficient number of such Subject Securities to generate net cash proceeds sufficient to allow Golden Cross to remit the required amounts to the Receiver General pursuant to the ITA.

Completion of the Amalgamation and Effective Time

2.22 Upon the satisfaction or waiver of the conditions herein contained in favour of each Party, Blue Gold and MergerSub will immediately deliver to the Director the Articles of Amalgamation and such other documents as may be required to give effect to the Amalgamation. The Amalgamation will become effective at the Effective Time.

Golden Cross Guarantee

2.23 Golden Cross hereby unconditionally and irrevocably guarantees the due and punctual performance by MergerSub of each and every covenant and obligation of MergerSub arising under the Amalgamation. Golden Cross hereby agrees that Blue Gold will not have to proceed first against MergerSub before exercising its rights under this guarantee against Golden Cross.

Earn-Out Shares

2.24 Up to 9,000,000 Golden Cross Shares (the “Earn-Out Shares”) will be issuable to the individuals designated by the directors of Blue Gold pursuant to the formula set forth in Exhibit “B”. On or before November 30, 2012, Blue Gold will provide to Golden Cross a list stating the names and addresses of the individuals designated to receive the Earn-Out Shares and the percentage of Earn-Out Shares each individual will receive.

PART 3 **COVENANTS**

Mutual Covenants

3.1 From the date of this Agreement until the earlier of the Effective Date and the termination of this Agreement in accordance with Part 9, except as otherwise expressly permitted or specifically contemplated by this Agreement or required by Applicable Laws, each of the Parties will:

- (a) carry on its Business in the usual, regular and ordinary course of business consistent with its past practice;
- (b) not alter or amend its Constatng Documents as the same exist at the date of this Agreement, except as contemplated by this Agreement;
- (c) take, or cause to be taken, all action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the Amalgamation, including using reasonable commercial efforts:
 - (i) to obtain all necessary consents, assignments, waivers and amendments to or terminations of any agreements and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated hereby;
 - (ii) to effect all necessary registrations, filings and submissions of information requested by Governmental Authorities required to be effected by it in connection with the Amalgamation;
 - (iii) to oppose, lift or rescind any injunction or restraining or other order seeking to stop, or otherwise adversely affecting its ability to consummate, the Amalgamation and to defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging this Agreement or the consummation of the transactions contemplated hereby; and
 - (iv) to reasonably cooperate with the other Parties and their tax advisors in structuring the Amalgamation and other transactions contemplated to occur in conjunction with the Amalgamation in a tax effective manner and

assist the other Parties and their tax advisors in making such investigations and enquiries with respect to such Parties in that regard, as the other Parties and its tax advisors will consider necessary, acting reasonably;

- (d) not take any action that would render, or may reasonably be expected to render, any representation or warranty made by such Party in this Agreement untrue in any material respect;
- (e) use reasonable commercial efforts to obtain and maintain the third party approvals applicable to them and provide the same to the other Parties on or prior to the Effective Date;
- (f) use reasonable commercial efforts to complete the Amalgamation on or before the Outside Date;
- (g) except for the Blue Gold Corporate Reorganization or as otherwise provided in this Agreement, not to amalgamate or consolidate with, or enter into any other corporate reorganization with, any other Person or perform any act or enter into any transaction or negotiation which, in the opinion of Blue Gold or Golden Cross acting reasonably, interferes or is inconsistent with the completion of the transactions contemplated hereby and, without limiting the foregoing, except for the Blue Gold Corporate Reorganization or as otherwise provided in this Agreement, none of the Parties will: (i) make any distribution by way of dividend, return of capital or otherwise to or for the benefit of its shareholders; or (ii) issue any of its shares or other securities convertible into shares or enter into any commitment or agreement (other than on the exercise of convertible securities);
- (h) furnish to the other Parties such information, in addition to the information contained in this Agreement, relating to its financial condition, business, properties and affairs as may reasonably be requested by another Party, which information will be true and complete in all material respects and will not contain an untrue statement of any Material Fact or omit to state any Material Fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances in which they are made, not misleading and will notify the other Parties of any significant development or Material Change relating to it promptly after becoming aware of any such development or change;
- (i) promptly notify the other Parties in writing of any change in any representation or warranty provided in this Agreement which change is or may be of such a nature as to render any representation or warranty misleading or untrue in any material respect and the Parties will in good faith discuss with the other Parties such change in circumstances (actual, anticipated, contemplated, or to its knowledge, threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the other Parties pursuant to this Section 3.1(i);
- (j) promptly notify the other Parties in writing of any material breach by such Party of any covenant, obligation or agreement contained in this Agreement; and

- (k) not, directly or indirectly, solicit, initiate, assist, facilitate, promote or knowingly encourage the initiation of proposals or offers from, entertain or enter into discussions or negotiations with any person other than the other Parties hereto, with respect to any amalgamation, merger, consolidation, arrangement, restructuring, sale of any material assets or part thereof of such Party, unless such action, matter or transaction is part of the transactions contemplated in this Agreement or is required as a result of the duties of directors and officers of the applicable Party in compliance with Applicable Laws.

Additional Covenants of Golden Cross and MergerSub

3.2 From the date of this Agreement until the earlier of the Effective Date and the termination of this Agreement in accordance with Part 9, except as expressly permitted or specifically contemplated by this Agreement or required by Applicable Laws, each of Golden Cross and MergerSub jointly covenant and agree that:

- (a) Golden Cross and MergerSub will use their reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 7.1 and Section 7.3 as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of Golden Cross or MergerSub, as the case may be;
- (b) Golden Cross shall not do any act or take any steps that would be in violation or contrary to the policies of the Exchange;
- (c) Golden Cross will, as the sole shareholder of MergerSub, approve by special resolution the Amalgamation, together with such matters as are required to effect the Amalgamation;
- (d) Golden Cross will, subject to the approval of the Exchange, use its reasonable commercial efforts to cause the shareholders of Golden Cross to approve the Golden Cross Shareholders Resolutions;
- (e) Golden Cross will, subject to the approval of the Exchange, use its reasonable commercial efforts to cause, as of the Effective Time, the Golden Cross board of directors to consist of Derek Blackburn, Alfredo Albi, Raj Kurichh, David Rowson, Chris Crupi and Lance Morginn.
- (f) Golden Cross will, subject to the approval of the Exchange, use its reasonable commercial efforts to cause, as of the Effective Time, the officers of Golden Cross to be the following: Derek Blackburn, President and Chief Executive Officer; Nigel Greening, Vice-President Field Operations; Alfredo Albi, Chief Financial Officer and Corporate Secretary; Raj Kurichh, Vice President Corporate Affairs; and Emmanuel Moya, Vice-President Engineering and Technology; and,
- (g) Golden Cross will, on the Effective Date, provide to the Transfer Agent an irrevocable direction authorizing and directing the Transfer Agent to issue the Golden Cross Shares issuable under the Amalgamation to holders of the Blue Gold Shares and will irrevocably direct the Transfer Agent to distribute the

Golden Cross Shares to the holders of the Blue Gold Shares in accordance with the terms of the Amalgamation.

Additional Covenants of Blue Gold

3.3 From the date of this Agreement until the earlier of the Effective Date and the termination of this Agreement in accordance with Part 9, except as expressly permitted or specifically contemplated by this Agreement or required by Applicable Laws, Blue Gold covenants and agrees that:

- (a) Blue Gold will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 7.1 and Section 7.2 as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of Blue Gold;
- (b) Blue Gold will use reasonable commercial efforts to seek approval of the Blue Gold Amalgamation Resolution at the Blue Gold Meeting, together with the approval of such matters as are required to effect the Amalgamation; and Blue Gold will promptly advise Golden Cross of the number of Blue Gold Shares for which Blue Gold receives notices of dissent or written objections to the Amalgamation.

PART 4 **REPRESENTATIONS AND WARRANTIES**

Representations and Warranties of Golden Cross and MergerSub

4.1 Golden Cross and MergerSub jointly represent and warrant to Blue Gold as follows, and acknowledge that Blue Gold is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

- (a) each of Golden Cross and MergerSub has good and sufficient right and authority to enter into this Agreement and carry out its intentions hereunder;
- (b) each of Golden Cross and MergerSub is conducting their respective Business in compliance with all Applicable Laws and Applicable Canadian Securities Laws, other than acts of non-compliance which, individually or in aggregate, are not material. Without limiting the generality of the foregoing, Golden Cross has not received a written notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such Applicable Laws and Canadian Securities Laws, regulations or permits which would have a Material Adverse Effect and Golden Cross has not received any written notice of proceedings relating to the revocation or adverse modification of any material mining or exploration permit or licence, nor has it received written notice of the revocation or cancellation of, or any intention to revoke or cancel, any mining claims, groups of claims, exploration rights, concessions or leases with respect to the Holy Cross Property;

- (c) Golden Cross is duly incorporated under the BCBCA, is currently in good standing, and is not subject to any regulatory decision or order prohibiting or restricting trading in its shares;
- (d) MergerSub is duly incorporated under the Ontario BCA, is currently in good standing, and is not subject to any regulatory decision or order prohibiting or restricting trading in its shares;
- (e) Golden Cross is a “reporting issuer” in British Columbia, Alberta and Ontario and is currently listed on the Exchange;
- (f) Golden Cross is in compliance in all material respects with all of the rules, policies and requirements of the Exchange;
- (g) Golden Cross is authorized to issue an unlimited number of common shares, of which 47,454,529 common shares are outstanding as at the date hereof, and it has outstanding 1,300,000 Golden Cross Options, each of which is exercisable to acquire one Golden Cross Share, at exercise prices ranging from \$0.14 to \$0.18, and 21,014,561 Golden Cross Warrants, each of which is exercisable to acquire one Golden Cross Share at prices ranging from \$0.10 to \$0.30, as of the date hereof;
- (h) MergerSub is authorized to issue an unlimited number of common shares, of which one common share is outstanding as at the date hereof, which is held by Golden Cross;
- (i) there are no other shares, options, warrants, convertible notes or debentures, agreements, documents, instruments or other writings of any kind whatsoever which constitute a “security” (as that term is defined in the B.C. Securities Act) or is convertible into or exchangeable for a “security” of Golden Cross or MergerSub, other than the securities referred to in section 4.1(g) and section 4.1(h) and the 3,000,000 Golden Cross Shares (determined on a post-consolidation basis) issuable, at a deemed value of approximately \$0.224 per share, to certain individuals in respect of a finder’s fee payable by Golden Cross;
- (j) other than any escrow agreements required by the Exchange, there are no shareholders’ agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the Golden Cross Shares or MergerSub Shares to which Golden Cross or MergerSub are a party or to which they are bound;
- (k) Golden Cross has good and marketable title to its Assets free and clear of any actual, pending or, to the knowledge and belief of Golden Cross, threatened claims, set-offs, or other Encumbrances whatsoever, including, without limitation any action, proceeding or investigation affecting title to its Assets before any Governmental Authority;
- (l) Golden Cross holds either freehold title, mining leases, mineral prospecting licenses, mining claims or participating interests or other conventional property or proprietary interests or rights, recognized in the jurisdiction in which a particular property

is located, in respect of the Holy Cross Property under valid, subsisting and enforceable documents or recognized and enforceable agreements or instruments sufficient to permit Golden Cross to explore the minerals relating thereto, and all material property, options, leases or claims in which the Golden Cross has an interest or right have been validly located and recorded in accordance with all applicable laws and are valid and subsisting. Golden Cross has all necessary surface rights, access rights and other necessary rights and interests relating to the Holy Cross Property granting Golden Cross the right and ability to explore for minerals, ore and metals as are appropriate in view of the rights and interest therein of Golden Cross, with only such exceptions as do not materially interfere with the use made by it of the rights or interest so held, and each of the proprietary interests or rights and each of the documents, agreements and instruments and obligations relating thereto referred to above is currently in good standing in the name of Golden Cross;

(m) Golden Cross does not know of any claim or the basis for any claim that might or could materially and adversely affect its right to use, transfer or otherwise exploit the Holy Cross Property or its assets and it does not have any responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect to the property and assets thereof, other than any regulatory or contractual obligations with respect to the Holy Cross Property, which are listed on Schedule A;

(n) Golden Cross has not approved and has not entered into any agreement in respect of the disposition of the Holy Cross Property or any interest therein;

(o) the Holy Cross Property is the only mineral property of Golden Cross;

(p) all exploration activities on the Holy Cross Property by Golden Cross have been conducted in all material respects in accordance with good exploration practices, and all applicable workers' compensation and health and safety and workplace laws and regulations have been complied with in all material respects;

(q) Golden Cross has not been and is not currently in violation of, in connection with the ownership, use, maintenance or operation of the Holy Cross Property, any Applicable Laws relating to environmental, health or safety matters (collectively, the "**Environmental Laws**") which would reasonably be expected to have a Material Adverse Effect;

(r) without limiting the generality of Section 4.1(q), Golden Cross does not have any knowledge of, and has not received, any notice of any material claim, judicial or administrative proceeding, pending or threatened against, or which may affect, Golden Cross or any of its property, Assets or operations, relating to, or alleging any violation of any Environmental Laws, and Golden Cross does not have any knowledge of any facts which could reasonably be expected to give rise to any such claim or judicial or administrative proceeding and, to the knowledge of Golden Cross, neither it nor any of its property, Assets or operations is the subject of any investigation, evaluation, audit or review by any Governmental Authority to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is

needed in connection with a release of any contaminant into the environment, except for compliance investigations conducted in the normal course by any Governmental Authority, in each case which could reasonably be expected to have a Material Adverse Effect;

(s) there are no orders, rulings or directives issued, pending or, to the knowledge of Golden Cross, threatened against Golden Cross under or pursuant to any Environmental Laws requiring any work, repairs, construction or capital expenditures with respect to the Holy Cross Property;

(t) Golden Cross is not subject to any contingent or other liability relating to the restoration or rehabilitation of land, water or any other part of the environment (except for those derived from normal exploration activities) or non-compliance with Environmental Laws which could reasonably be expected to have a Material Adverse Effect;

(u) there are no outstanding actions, suits, judgments, investigations or proceedings of any kind whatsoever against or affecting Golden Cross or MergerSub at law or in equity or before or by any Governmental Authority, nor are there, to their knowledge, any pending or threatened, nor is Golden Cross or MergerSub aware of any basis for any such actions, suits, judgments, investigations or proceedings. Neither Golden Cross nor MergerSub are subject to any outstanding order, writ, injunction or decree that would prevent or materially delay the consummation of the transactions contemplated hereby;

(v) no proceedings have been taken, are pending or authorized by Golden Cross or MergerSub or, to the knowledge of Golden Cross, by any other Person in respect of the bankruptcy, insolvency, liquidation or winding up of Golden Cross or MergerSub;

(w) this Agreement is a binding agreement on Golden Cross and MergerSub, enforceable against each of them in accordance with its terms and conditions, except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction;

(x) neither the execution and delivery of this Agreement, nor the consummation of the Amalgamation, will conflict with or result in any breach of any of the terms or provisions of, or constitute a default under, the material contracts and the Constating Documents of Golden Cross or MergerSub, director or shareholder minutes of Golden Cross or MergerSub, any agreement or instrument to which Golden Cross or MergerSub is a party or by which Golden Cross or MergerSub is bound, or any Applicable Law to which Golden Cross or MergerSub is subject;

(y) neither Golden Cross nor MergerSub is in material default under any Material Contract to which it is a party and there has not occurred any event which, with the lapse of time or giving of notice or both, would constitute a default under any Material Contract by Golden Cross or MergerSub, as applicable. Each Material Contract is in full force and effect, unamended by written or oral agreement, and either Golden Cross or

MergerSub, as applicable, is entitled to the full benefit and advantage of each Material Contract in accordance with its terms. Neither Golden Cross nor MergerSub has received any notice of a default by Golden Cross or MergerSub, as applicable, or a dispute between Golden Cross or MergerSub and any other party in respect of any Material Contract. Complete and correct copies of each of the Material Contracts to which Golden Cross or MergerSub is a part or by which it is bound have been provided or made available to Blue Gold and its counsel prior to the date hereof;

(z) Golden Cross has, as the sole shareholder of MergerSub, approved the Amalgamation, together with such matters as are required to effect the Amalgamation;

(aa) the Golden Cross Financial Statements, annual and interim MD&As, and press releases of Golden Cross filed with the securities commissions in British Columbia, Alberta and Ontario, on or during the twelve (12) months preceding the date hereof are in all material respects accurate and up to date and omit no facts, the omission of which makes the Public Record or any particulars therein, materially misleading or incorrect;

(bb) since June 30, 2012, neither Golden Cross nor MergerSub has incurred any debts or liabilities, absolute, contingent or otherwise except in the ordinary course of business and neither Golden Cross nor MergerSub has granted any general security over its assets;

(cc) the information in the Circular relating to Golden Cross and MergerSub will be true, correct and complete in all material respects and not contain any untrue statement of any material fact, nor omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading in light of the context in which they are to be made;

(dd) neither Golden Cross nor MergerSub has any outstanding taxes due and payable;

(ee) Golden Cross is up to date and current with all filings required by the Applicable Canadian Securities Laws and the securities commissions of Ontario, British Columbia and Alberta;

(ff) as of the date hereof, neither Golden Cross nor MergerSub has any debts or obligations other than those disclosed in its Public Record, other than work in progress for legal, auditor and other professional fees and has granted no general security over its assets or security in any particular asset;

(gg) as at the date hereof, there are no reasonable grounds for believing that any creditor of Golden Cross or MergerSub will be prejudiced by the Amalgamation;

(hh) as at the date hereof, Golden Cross has no subsidiaries, except for MergerSub;

(ii) there are no agreements, covenants, undertakings, rights of first refusal or other commitments of either Golden Cross or MergerSub or any instruments binding on it or its Assets:

(i) which would preclude it from entering into this Agreement;

(ii) under which the Amalgamation would have the effect of imposing restrictions or obligations on Amalco greater than those imposed upon Golden Cross or MergerSub;

(iii) which would give a third party, as a result of the transactions contemplated in this Agreement, the right to terminate any material agreement to which Golden Cross or MergerSub is a party or to purchase any of Golden Cross', MergerSub's or Amalco's assets; or

(iv) which would impose restrictions on the ability of Amalco:

(A) to carry on any business which it might choose to carry on within any geographical area;

(B) to acquire property or dispose of its property and assets as an entirety;

(C) to pay dividends, redeem shares or make other distributions to its shareholders;

(D) to borrow money or to mortgage and pledge its property as security therefore; or

(E) to change its corporate status;

(jj) neither Golden Cross nor MergerSub or any of their respective directors, officers or employees has incurred or will incur on behalf of Golden Cross or MergerSub any brokerage fees, finder's fees, agent's commissions or other similar forms of compensation in connection with this Agreement, other than as provided herein, including 3,000,000 Golden Cross Shares (determined on a post-consolidation basis) issuable, at a deemed value of approximately \$0.224 per share, to certain individuals in respect of a finder's fee payable by Golden Cross; and

(kk) the representations, warranties or statements of fact made in this section do not contain any untrue statement of a Material Fact or omit to state any Material Fact necessary to make any such warranty or representation not misleading to Blue Gold in seeking full information as to Golden Cross and MergerSub and their respective assets, liabilities and Business.

Representations and Warranties of Blue Gold

4.2 Blue Gold represents and warrants to Golden Cross and MergerSub as follows, and acknowledges that Golden Cross and MergerSub are relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

(a) it has good and sufficient right and authority to enter into this Agreement and carry out its intentions hereunder;

- (b) it is duly incorporated under the Ontario BCA and is currently in good standing, and is not subject to any regulatory decision or order prohibiting or restricting trading in its shares;
- (c) it is authorized to issue an unlimited number of common shares and an unlimited number of preference shares issuable in series, of which 101,726,888 common shares and no preference shares will be outstanding immediately before the Effective Time;
- (d) as at the Effective Time, there will be no other shares, options, warrants, convertible notes or debentures, agreements, documents, instruments or other writings of any kind whatsoever which constitute a "security" (as that term is defined in the B.C. Securities Act) of Blue Gold outstanding and Blue Gold will have no agreements or commitments of any character whatsoever convertible into, or exchangeable or exercisable for or otherwise requiring the issuance, sale or transfer by Blue Gold of any Blue Gold Shares or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any Blue Gold Shares;
- (e) except as previously disclosed in writing to Golden Cross, there are no outstanding actions, suits, judgments, investigations or proceedings of any kind whatsoever against or affecting Blue Gold at law or in equity or before or by any Governmental Authority nor are there, to its knowledge, any pending or threatened which could have a Material Adverse Effect on the Business of Blue Gold or Amalco or interfere with the completion of the Amalgamation as contemplated by this Agreement;
- (f) this Agreement is a binding agreement on Blue Gold, enforceable against it in accordance with its terms and conditions, except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction;
- (g) neither the execution and delivery of this Agreement, nor the consummation of the Amalgamation, will conflict with or result in any breach of any of the terms or provisions of, or constitute a default under, the Material Contracts of Blue Gold, the Constating Documents of Blue Gold, any director or shareholder minutes of Blue Gold, any agreement or instrument to which Blue Gold is a party or by which Blue Gold is bound, or any order, decree, statute, regulation, covenant or restriction applicable to Blue Gold;
- (h) except as disclosed herein, as of the date hereof, Blue Gold does not have any debts, liabilities or obligations other than those disclosed in its accounts and has not granted any Encumbrance over its Assets or any Encumbrance in any particular Asset other than to Golden Cross;
- (i) the information provided by or on behalf of Blue Gold to Golden Cross for the Form 10 relating to Blue Gold will be true, correct and complete in all material respects and will not contain any untrue statement of any Material Fact, nor omit to state any

Material Fact required to be stated therein or necessary in order to make the statements therein not misleading in light of the context in which they are to be made;

(j) Blue Gold does not have any outstanding taxes due and payable and there exist no facts or circumstances which may reasonably be expected to result in the issuance of assessment or reassessment of tax;

(k) except as previously disclosed in writing to Golden Cross, Blue Gold has duly and on a timely basis prepared and filed all tax returns required to be filed by it prior to the date hereof and such returns and documents are complete and correct in all material respects and Blue Gold has no knowledge of any contingent tax liabilities or any grounds which would prompt an assessment or reassessment of any of such returns or reports, including aggressive treatment of income and expenses in filing any tax returns. Complete and correct copies of all such returns and other documents filed since the inception of Blue Gold have been provided to Golden Cross prior to the date hereof;

(l) the Corporate Records of Blue Gold are complete and accurate in all material respects and, except as disclosed to Golden Cross, all corporate proceedings and actions reflected in the Corporate Records have been conducted or taken in compliance with all Applicable Laws and with the Constatng Documents of Blue Gold;

(m) no proceedings have been taken, are pending or authorized by Blue Gold or by any other Person in respect of the bankruptcy, insolvency, liquidation or winding up of Blue Gold;

(n) as at the date hereof, there are no reasonable grounds for believing that any creditor of Blue Gold will be prejudiced by the Amalgamation;

(o) Blue Gold does not have any subsidiaries:

(p) there are no agreements, covenants, undertakings, rights of first refusal or other commitments of Blue Gold or any instruments binding on it or its Assets:

(i) which would preclude Blue Gold from entering into this Agreement;

(ii) under which the Amalgamation would have the effect of imposing restrictions or obligations on Amalco greater than those imposed upon Blue Gold;

(iii) which would give a third party, as a result of the transactions contemplated in this Agreement, the right to terminate any Material Contract to which Blue Gold is a party or to purchase any of Blue Gold's or Amalco's assets;
or

(iv) which would impose restrictions on the ability of Amalco:

(A) to carry on any business which it might choose to carry on within any geographical area;

- (B) to acquire property or dispose of its property and assets as an entirety;
- (C) to pay any dividends, redeem shares or make other distributions to its shareholders;
- (D) to borrow money or to mortgage and pledge its property as security therefor; or
- (E) to change its corporate status;
- (q) Schedule B sets forth all rights, title and interest of Blue Gold in Real Property;
- (r) Schedule D sets forth all rights, title and interest of Blue Gold in Intellectual Property;
- (s) Schedule F sets forth all Material Contracts of Blue Gold;
- (t) to its knowledge, there is no shareholders' agreement, partnership agreement, voting trust, voting agreement, pooling agreement, proxy or other arrangement relating to the voting or other rights attached to any of the Blue Gold Shares, except as previously disclosed in writing to Golden Cross;
- (u) Blue Gold has good and marketable legal and beneficial title to all of its Assets, free and clear of any Encumbrances, other than Permitted Encumbrances;
- (v) the Assets owned and leased by Blue Gold constitute all of the material property and Assets used or held for use in connection with the Business of Blue Gold;
- (w) the patent applications held by Blue Gold and listed in Schedule D are in good standing and valid, free and clear of all Encumbrances, other than Permitted Encumbrances;
- (x) Blue Gold is conducting its Business in compliance with all Applicable Laws, other than acts of non-compliance which, individually or in aggregate, are not material;
- (y) Blue Gold is not in material default under any Material Contract to which it is a party and there has not occurred any event which, with the lapse of time or giving of notice or both, would constitute a default under any Material Contract by Blue Gold. Each Material Contract is in full force and effect, unamended by written or oral agreement, and Blue Gold is entitled to the full benefit and advantage of each Material Contract in accordance with its terms. Blue Gold has not received any notice of a default by Blue Gold or a dispute between Blue Gold and any other party in respect of any Material Contract. Complete and correct copies of each of the Material Contracts have been provided or made available to Golden Cross prior to the date hereof;
- (z) Blue Gold does not have any liabilities, obligations or indebtedness (whether accrued, absolute, contingent or otherwise) of any kind whatsoever, and, there is no basis

for assertion against Blue Gold of any liabilities, obligations or indebtedness (whether accrued, absolute, contingent or otherwise) of any kind, other than liabilities that will be disclosed or reflected in or provided for in the Blue Gold Financial Statements or incurred in the ordinary course of business;

(aa) no Person has any written or oral agreement, option or warrant or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming such for the purchase or acquisition from Blue Gold of any of its Assets;

(bb) Blue Gold is not subject to any obligation to make any investment in or to provide funds by way of loan, capital contribution or otherwise to any person; and

(cc) the representations, warranties or statements of fact made in this section do not contain any untrue statement of a Material Fact or omit to state any Material Fact necessary to make any such warranty or representation not misleading to Golden Cross or MergerSub in seeking full information as to Blue Gold and its assets, liabilities and business.

Survival of Representation and Warranties

4.3 The representations and warranties herein will survive the performance of the Parties respective obligations hereunder and the termination of this Agreement but will expire one year after the Effective Date.

PART 5 **AGREEMENTS**

Blue Gold Meeting

5.1 As promptly as practical following the execution of this Agreement and in compliance with Applicable Laws (including Applicable Canadian Securities Laws), Blue Gold will ensure that it provides Blue Gold Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them at the Blue Gold Meeting.

Amalgamation

5.2 Blue Gold and Golden Cross will use their reasonable commercial efforts to consummate the Amalgamation contemplated by this Agreement as soon as practicable under the rules and policies of the Exchange.

Preparation of Filings

5.3 (a) Golden Cross and Blue Gold will cooperate in the taking of all such action as may be required under the Ontario BCA, Applicable Canadian Securities Laws, and other Applicable Laws in connection with the Amalgamation, including structuring the Amalgamation as a plan of arrangement in accordance with the U.S. Securities Act, if necessary.

- (b) Each of Golden Cross and Blue Gold will promptly furnish to the other all information concerning it as may be required for the effectuation of the actions described in this Agreement and the provisions of this Section 5.3.

Financing

5.4 The Parties agree and acknowledge that, concurrent with, or prior to, the completion of the Amalgamation, Golden Cross may complete a non-brokered private placement of up to 14,285,714 units of Golden Cross (each, a “**Unit**”) at a price of no less than \$0.14 per Unit for gross proceeds of approximately \$2,000,000 (the “**Financing**”). Each Unit will be comprised of one Golden Cross Share and one half of one Golden Cross Warrant, with each whole Golden Cross Warrant entitling the holder to acquire one additional Golden Cross Share at a price of \$0.18 for a period of two years from the first date of issue. The Parties agree and acknowledge that Golden Cross may pay agent’s fees, in the form of cash and warrants, pursuant to the Financing.

Golden Cross Options

5.5 All Golden Cross Options held by directors and officers of Golden Cross who resign at the Effective Time will continue in full force and effect and be exercisable by the holders thereof in accordance with the terms of such Golden Cross Options in accordance with the provisions of the Golden Cross Stock Option Plan.

Name Change

5.6 On or as soon as reasonably possible following the Effective Date, Golden Cross will change its name to “Blue Gold Water and Tailings Ltd.” or such other name as may be accepted by the Director or the Registrar (as the case may be) and continued under the Ontario BCA, subject to the approval of the Exchange.

PART 6 **INDEMNIFICATION**

Mutual Indemnifications for Breaches of Warranty

6.1 Subject to Section 6.2, Blue Gold hereby covenants and agrees with each of Golden Cross and MergerSub, and their respective directors, officers, employees, agents, advisors and representatives, and each of Golden Cross and MergerSub hereby covenants and agrees with Blue Gold, and its directors, officers, employees, agents, advisors and representatives (the Parties covenanting and agreeing to indemnify another Person under this Section are hereinafter individually referred to as the “**Indemnifying Party**” and the Persons being indemnified by a Party are hereinafter individually referred to as the “**Indemnified Party**”), to indemnify and save harmless the Indemnified Party from and against any and all liabilities, losses, damages, claims, costs, expenses, interest awards, judgments and penalties (collectively “**Claims**”) which may be suffered or incurred by the Indemnified Party as a result of, or arising out of:

- (a) any non-fulfillment of any covenant or agreement on the part of the Indemnifying Party under this Agreement, or
- (b) any incorrectness in or breach of any representation or warranty of the Indemnifying Party contained in this Agreement,

except that the Indemnifying Party will not be liable in any such case to the extent that any such Claims arise out of or are based upon the negligence or wilful misconduct of an Indemnified Party or the non-compliance by an Indemnified Party with any requirement of Applicable Laws in connection with the transactions contemplated by this Agreement.

Limitation on Mutual Indemnification

6.2 The indemnification obligations of each of the Parties pursuant to Section 6.1 will be subject to the following:

- (a) the applicable limitation mentioned in Section 4.3 respecting the survival of the representations and warranties; and
- (b) an Indemnifying Party will not be required to indemnify an Indemnified Party until the aggregate claims sustained by that Indemnified Party exceeds a value of \$10,000, in which case, the Indemnifying Party will be obligated to the Indemnified Party for all claims.

Procedure for Indemnification

6.3 The following provisions will apply to any Claims for which an Indemnifying Party may be obligated to indemnify an Indemnified Party pursuant to this Agreement:

- (a) upon receipt from a third party by the Indemnified Party of notice of a Claim or the Indemnified Party becoming aware of any Claims in respect of which the Indemnified Party proposes to demand indemnification from the Indemnifying Party, the Indemnified Party will give notice to that effect to the Indemnifying Party with reasonable promptness, provided that failure to give such notice will not relieve the Indemnifying Party from any liability it may have to the Indemnified Party except to the extent that the Indemnifying Party is prejudiced thereby;
- (b) in the case of Claims arising from third parties, the Indemnifying Party will have the right by notice to the Indemnified Party not later than 30 days after receipt of the notice described in Section 6.3(a) above to assume the control of the defense, compromise or settlement of the Claims, provided that such assumption will, by its terms, be without costs to the Indemnified Party and the Indemnifying Party will at the Indemnified Party's request furnish it with reasonable security against any costs or other liabilities to which it may be or become exposed by reason of such defense, compromise or settlement;

- (c) upon the assumption of control by the Indemnifying Party as aforesaid, the Indemnifying Party will diligently proceed with the defense, compromise or settlement of the Claims at its sole expense, including employment of counsel reasonably satisfactory to the Indemnified Party and, in connection therewith, the Indemnified Party will co-operate fully, but at the expense of the Indemnifying Party, to make available to the Indemnifying Party all pertinent information and witnesses under the Indemnified Party's control, make such assignments and take such other steps as in the opinion of counsel for the Indemnifying Party are necessary to enable the Indemnifying Party to conduct such defense; provided always that the Indemnified Party will be entitled to reasonable security from the Indemnifying Party for any expense, costs or other liabilities to which it may be or may become exposed by reason of such co-operation;
- (d) the final determination of any such Claims arising from third parties, including all related costs and expenses, will be binding and conclusive upon the Parties as to the validity or invalidity, as the case may be, of such Claims against the Indemnifying Party hereunder; and
- (e) should the Indemnifying Party fail to give notice to the Indemnified Party as provided in Section 6.3(b) above, the Indemnified Party will be entitled to make such settlement of the Claims as in its sole discretion may appear reasonably advisable, and such settlement or any other final determination of the Claims will be binding upon the Indemnifying Party.

PART 7

CONDITIONS PRECEDENT

Mutual Conditions Precedent

7.1 The respective obligations of the Parties to consummate the transactions contemplated hereby, and in particular the completion of the Amalgamation, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) the Blue Gold Amalgamation Resolution will have been passed by the requisite majority of votes cast at the Blue Gold Meeting;
- (b) the Golden Cross Shareholder Resolutions will have been passed by the requisite majority of votes cast at the Golden Cross Meeting;
- (c) the Articles of Amalgamation to be filed with the Director will be in form and substance satisfactory to each of the Parties, acting reasonably;
- (d) the Amalgamation will have become effective on or prior to the Outside Date;
- (e) all other consents, orders and approvals, including Regulatory Approvals, necessary or desirable for the completion of the transactions provided for in this

Agreement and the Amalgamation will have been obtained or received from the persons, authorities or bodies having jurisdiction in the circumstances;

- (f) this Agreement will not have been terminated under Part 9;
- (g) dissent rights will not have been exercised with respect to the Amalgamation by Blue Gold Shareholders which will in the aggregate represent 7% or more of the Blue Gold Shares outstanding on the record date for the Blue Gold Meeting;
- (h) the availability of prospectus exemptions for the Amalgamation under Applicable Canadian Securities Laws and the availability of registration exemptions for the Amalgamation under applicable securities laws of the United States in respect of Golden Cross Shares to be issued in the United States, if any; and
- (i) there will not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Amalgamation.

The foregoing conditions are for the mutual benefit of Golden Cross and MergerSub on the one hand and Blue Gold on the other hand and may be waived, in whole or in part, jointly by the Parties at any time. If any of the foregoing conditions are not satisfied or waived on or before the Effective Date then a Party may terminate this Agreement by written notice to the other Parties in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of such terminating Party's breach of this Agreement.

Additional Conditions to Obligations of Golden Cross

7.2 The obligations of Golden Cross and MergerSub to consummate the transactions contemplated hereby, and in particular to complete the Amalgamation, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) Blue Gold will have performed, satisfied and complied with all obligations, covenants and agreements to be performed and complied with by it on or before the Effective Date pursuant to the terms of this Agreement and that, except as affected by the transactions contemplated by this Agreement, the representations and warranties of Blue Gold made in this Agreement will be true and correct in all material respects as at the Effective Date;
- (b) the representations and warranties of Blue Gold contained herein shall have been true in all material respects, in each case when made and on and as of the Effective Time as though made on and as of the Effective Time;
- (c) Blue Gold will have furnished Golden Cross with:
 - (i) certified copies of the resolutions duly passed by the board of directors of Blue Gold approving this Amalgamation Agreement and the consummation of the transactions contemplated hereby;

- (ii) certified copies of the resolutions of the shareholders of Blue Gold approving this Amalgamation Agreement and the consummation of the transactions contemplated hereby;
 - (iii) copies of Blue Gold's Constatng Documents;
 - (iv) a certificate of good standing of Blue Gold dated within one day of the Effective Date;
 - (v) duly executed accredited investor certificates for any shareholders of Blue Gold resident in the United States, if required under applicable securities laws, or such other documentation required for a U.S. exemption from prospectus and registration requirements;
 - (vi) a legal opinion regarding the Blue Gold Intellectual Property opining on the status of all patent applications and other patent-related rights held by Blue Gold and that those same rights will transfer to the ownership and control of Amalco, free and clear of any Encumbrances, upon completion of the Amalgamation;
 - (vii) a certificate of Blue Gold addressed to Golden Cross and dated the Effective Date, signed on behalf of Blue Gold by a senior officer of Blue Gold, confirming that the conditions in Sections 7.2(a), (d) and (e) have been satisfied;
 - (viii) a legal opinion, as is customarily provided in transactions similar to the Amalgamation, from legal counsel for Blue Gold dated the Effective Date and in a form satisfactory to Golden Cross and its counsel, acting reasonably; and,
 - (ix) such other documents as may be requested by Golden Cross, acting reasonably;
- (d) no act, action, suit, proceeding, objection or opposition will have been taken against or affecting Blue Gold before or by any Governmental Authority or other Person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) will have been enacted, promulgated, amended or applied, which in the sole judgment of Blue Gold, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a Material Adverse Change respecting Blue Gold or would materially impede the ability of the Parties to complete the Amalgamation; and
- (e) there will not have occurred any Material Adverse Change of Blue Gold.

The conditions in this Section 7.2 are for the exclusive benefit of Golden Cross and may be asserted by Golden Cross regardless of the circumstances or may be waived by Golden Cross in

its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Golden Cross may have.

Additional Conditions to Obligations of Blue Gold

7.3 The obligations of Blue Gold to consummate the transactions contemplated hereby, and in particular to complete the Amalgamation, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) Golden Cross and MergerSub will have performed, satisfied and complied with all obligations, covenants and agreements to be performed and complied with by them on or before the Effective Date pursuant to the terms of this Agreement and that, except as affected by the transactions contemplated by this Agreement, the representations and warranties of Golden Cross and MergerSub made in this Agreement will be true and correct in all material respects as at the Effective Date;
- (b) the representations and warranties of Golden Cross and MergerSub contained herein shall have been true in all material respects, in each case when made and on and as of the Effective Time as though made on and as of the Effective Time;
- (c) the Golden Cross Shares to be issued to the Blue Gold Shareholders will be issued as fully paid and non-assessable common shares in the capital of Golden Cross, free and clear of any and all Encumbrances, except those pursuant to any relevant Exchange policies or Applicable Canadian Securities Laws;
- (d) Golden Cross will have furnished Blue Gold with:
 - (i) certified copies of the resolutions duly passed by the boards of directors of Golden Cross and MergerSub approving this Agreement and the consummation of the transactions contemplated hereby;
 - (ii) certified copies of the resolutions of Golden Cross, as the sole shareholder of MergerSub, approving this Agreement and the consummation of the transactions contemplated hereby;
 - (iii) certified copies of the Golden Cross Shareholder Resolutions;
 - (iv) copies of Golden Cross and MergerSub's Constating Documents;
 - (v) certificates of good standing of Golden Cross and MergerSub dated within one day of the Effective Date;
 - (vi) a legal opinion, as is customarily provided in transactions similar to the Amalgamation, from legal counsel for Golden Cross dated the Effective Date and in a form satisfactory to Blue Gold and its counsel, acting reasonably;

- (vii) a certificate of Golden Cross addressed to Blue Gold and dated the Effective Date, signed on behalf of Golden Cross by a senior officer of Golden Cross, confirming that the conditions in sections 7.3(a), (b), (e), (f), and (g) have been satisfied;
 - (viii) a certificate of MergerSub addressed to Blue Gold and dated the Effective Date, signed on behalf of MergerSub by a senior officer of MergerSub, confirming that the conditions in sections 7.3(a), (b) and (f) have been satisfied; and
 - (ix) such other closing documents as may be requested by Blue Gold, acting reasonably;
- (e) there will not have occurred any Material Adverse Change of Golden Cross or MergerSub;
- (f) Golden Cross will maintain its current listing on the Exchange and will maintain its status as a “reporting issuer” not in default in the Provinces of British Columbia, Alberta and Ontario;
- (g) no act, action, suit, proceeding, objection or opposition will have been taken against or affecting Golden Cross before or by any Governmental Authority or any other Person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) will have been enacted, promulgated, amended or applied, which in the sole judgment of Blue Gold, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a Material Adverse Change respecting Golden Cross or would materially impede the ability of the Parties to complete the Amalgamation;
- (h) the completion of the consolidation of the Golden Cross Shares on the basis of one Golden Cross Share for every two Golden Cross Shares issued and outstanding; and
- (i) at the time of the closing of the Amalgamation, each of the current directors and officers of Golden Cross and MergerSub as at the date hereof, will have provided a resignation and release in form and substance satisfactory to Blue Gold, acting reasonably.

The conditions in this section 7.3 are for the exclusive benefit of Blue Gold and may be asserted by Blue Gold regardless of the circumstances or may be waived by Blue Gold in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Blue Gold may have.

Notice and Effect of Failure to Comply with Conditions

7.4 Each of Golden Cross and Blue Gold will give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date of any

event or state of facts which occurrence or failure would, or would be likely to: (i) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect; or (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder; provided, however, that no such notification will affect the representations or warranties of the Parties or the conditions to the obligations of the Parties hereunder.

Satisfaction of Conditions

7.5 The conditions set out in this Part 7 are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, the Amalgamation Application and Articles are filed under the Ontario BCA to give effect to the Amalgamation and the issuance by the Director of a certificate of amalgamation giving effect to the Amalgamation.

PART 8 **AMENDMENT**

Amendment

8.1 This Agreement may at any time and from time to time before or after the holding of the Blue Gold Meeting be amended by written agreement of the Parties hereto without, subject to Applicable Laws, further notice to or authorization on the part of their respective securityholders and any such amendment may, 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; or
- (d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment reduces or materially adversely affects the consideration to be received by Blue Gold Shareholders without approval by the affected Blue Gold Shareholders given in the same manner as required for the approval of the Amalgamation.

PART 9 **TERMINATION**

Termination

9.1 (a) This Agreement may be terminated at any time in each of the following circumstances:

- (i) an agreement to terminate is executed and delivered by all the Parties; or,
 - (ii) the Amalgamation has not been completed by the Outside Date, as amended in writing by the Parties.
- (b) If this Agreement is terminated in accordance with the foregoing provisions of this Section 9.1, this Agreement will forthwith become void and no Party will have any liability or further obligation to the other Parties hereunder except for each Party's obligations under Section 10.7 and Section 10.8, which will survive such termination, and provided that neither the termination of this Agreement nor anything contained in this Section 9.1(b) will relieve any Party from any liability for any breach by it of this Agreement, including from any inaccuracy in any of its representations and warranties and any non-performance by it of its covenants made herein, prior to the date of such termination.

PART 10 **GENERAL**

Notices

10.1 All notices that may be or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally, delivered by courier or sent by facsimile or other electronic transmission:

- (a) in the case of Golden Cross or MergerSub, to:

Golden Cross Resources Inc.
#804 – 750 West Pender Street
Vancouver, BC V6C 2T7
Attention: President
Email: tomkennedy@shaw.ca

with a copy to:

Bacchus Law Corporation
1820-925 West Georgia St.
Vancouver BC V6C 3L2
Attention: Kari Richardson
Email: krichardson@bacchuscorplaw.com

- (b) in the case of Blue Gold, to:

Blue Gold Tailing Technologies Ltd.
2660 Meadowvale Blvd.
Suite 6B

Mississauga, ON L5N 6M6
Attention: Fred Albi, Chief Financial Officer
Email: fred.albi@bgh2o.com

with a copy to:

Wildeboer Dellelce LLP
365 Bay Street
Suite 800
Toronto, ON M5H 2V1
Attention: Rory Cattanach
Fax: (416) 361-1790
Email: rory@wildlaw.ca

or such other address as the Parties may, from time to time, advise the other Parties hereto by notice in writing. The date or time of receipt of any such notice will be deemed to be the date of delivery or the time such facsimile or other electronic transmission is received.

Binding Effect

10.2 This Agreement will be binding upon and enure to the benefit of the Parties hereto and their respective successors and permitted assigns.

Assignment

10.3 Neither this Agreement nor any of the rights, interests or obligations hereunder will be assigned by any of the Parties hereto without the prior written consent of the other Parties hereto.

Entire Agreement

10.4 This Agreement, together with the agreements and documents referred to herein, constitute the entire agreement among the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect to the subject matter hereof.

Public Communications

10.5 Each of Golden Cross and Blue Gold agree to consult with each other prior to issuing any press releases or otherwise making public statements with respect to this Agreement or the Amalgamation or making any filing with any Governmental Authority with respect thereto. Without limiting the generality of the foregoing, no Party will issue any press release regarding the Amalgamation, this Agreement or any transaction relating to this Agreement without first providing a draft of such press release to the other Party and reasonable opportunity for comment; provided, however, that the foregoing will be subject to each Party's overriding obligation to make any such disclosure required in accordance with Applicable Laws. If such disclosure is required and the other Party has not reviewed or commented on the disclosure, the Party making such disclosure will use all commercially reasonable efforts to give prior oral or

written notice to the other Party, and if such prior notice is not possible, to give such notice promptly following such disclosure.

No Shop

10.6 Each of the Parties will not, nor will it permit any of its respective directors, officers, affiliates, employees, representatives or agents (including and without limitation, investment bankers, attorneys and accountants), directly or indirectly, to, solicit, discuss, encourage or accept any offer for the purchase of such Party or the Business or the Assets of such Party, whether as a primary or backup offer, or take any other action with the intention or reasonable foreseeable effect of leading to any commitment or agreement to sell such Party or the Business or the Assets of such Party (an “**Alternative Transaction**”). Each Party represents and warrants to the other that it is not currently in any discussions or negotiations with any other Person with respect to any Alternative Transaction. Each Party will promptly notify the other Parties of any Alternative Transaction of which any director, senior officer or agent of the Party is or becomes aware of, any amendment to any of the foregoing or any request for non-public information relating to the Party. Such notice will include a description of the material terms and conditions of any such proposal and the identity of the person making such proposal, inquiry, request or contact.

Costs

10.7 All fees, costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the Party incurring such cost or expense, whether or not the Amalgamation is completed. For the purposes of clarity, Golden Cross will be responsible for paying all costs and fees payable to the Exchange in connection with the Transaction and the Financing.

Confidentiality

10.8 Each of Golden Cross and Blue Gold acknowledge that it will be providing to and receiving from the other information that is non-public, confidential and proprietary in nature. Each Party agrees that any information provided to or received from the other in connection with the Amalgamation will be maintained in confidence and will not be disclosed to any other party, other than each Party’s respective professional advisors, except where disclosure is compelled by Applicable Laws or Exchange rules and policies. Each Party agrees that such information will not be used by the Party for any purpose other than the evaluation and completion of the Amalgamation. All obligations regarding confidentiality will survive the termination of this Agreement.

Severability

10.9 If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect, the remaining provisions or parts thereof contained herein will be and will be conclusively deemed to be severable therefrom and the validity, legality or enforceability of such remaining provisions or parts thereof will not in any way be affected or impaired by the severance of the provisions or parts thereof severed. Upon such determination that any term or other provision is invalid, illegal or incapable of being

enforced, the Parties will 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.

Further Assurances

10.10 Each Party hereto will, from time to time and at all times hereafter, at the request of the other Parties hereto, but without further consideration, do all such further acts, and execute and deliver all such further documents and instruments and provide all such further assurances as may be reasonably required in order to fully perform and carry out the terms and intent hereof.

Time of Essence

10.11 Time is of the essence to this Agreement.

Applicable Law and Enforcement

10.12 This Agreement will be governed, including as to validity, interpretation and effect, by the laws of the Province of Ontario and the laws of Canada applicable therein. The Parties hereby irrevocably submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.

Waiver

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


Counterparts

10.14 This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together constitute one and the same instrument.


[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

GOLDEN CROSS RESOURCES INC.

Per: 
Authorized Signatory

GOLDEN CROSS ACQUISITION INC.

Per: 
Authorized Signatory

BLUE GOLD TAILING TECHNOLOGIES LTD.

Per: _____
Authorized Signatory

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

GOLDEN CROSS RESOURCES INC.

Per: _____
Authorized Signatory

GOLDEN CROSS ACQUISITION INC.

Per: _____
Authorized Signatory

BLUE GOLD TAILING TECHNOLOGIES LTD.

Per: _____
Authorized Signatory



SCHEDULE A

GOLDEN CROSS REAL PROPERTY INTERESTS

Golden Cross owns a 100% interest in the Holy Cross property (the “Property,”) tenure number 551476. The Property is located in the Omineca Mining Division of north-central British Columbia, approximately 145 kilometres west of Prince George, BC and 33 kilometres south of the village of Fraser Lake between Bentzi Lake and Holy Cross Mountain. The claim covers approximately 2,005.5 Ha and expires on April 28, 2014.

Regulatory or Contractual Obligations with respect to the Holy Cross Property:

None

SCHEDULE B

BLUE GOLD REAL PROPERTY INTERESTS

None

SCHEDULE C

GOLDEN CROSS INTELLECTUAL PROPERTY INTERESTS

None

SCHEDULE D

BLUE GOLD INTELLECTUAL PROPERTY INTERESTS

Licenses:

Exclusive Licence Agreement dated July 25, 2011 between University of Saskatchewan and Blue Gold Holdings Ltd. (to be acquired from Blue Gold Holdings Ltd. pursuant to the Blue Gold Corporate Reorganization).

Patent Applications:

1. U.S. Patent Application no. 61/640649: Mine Dam Water Treatment
2. U.S. Patent Application no. 61/636497: Nanosan Toilets with Options
3. U.S. Patent Application no. 61/636540: Landfill Leachate Process
4. U.S. Patent Application no. 61/640587: Extraction of Gold and other Metals from Mine Tailings
5. U.S. Patent Application no. 13/134851: Centrifugal Separator (to be acquired from Blue Gold Holdings Ltd. pursuant to the Blue Gold Corporate Reorganization)
6. U.S. Patent Application no. 13/134849: Sand Filter (to be acquired from Blue Gold Holdings Ltd. pursuant to the Blue Gold Corporate Reorganization)
7. U.S. Patent Application no. 13/134853: Self Cleaning Universal Strainer (to be acquired from Blue Gold Holdings Ltd. pursuant to the Blue Gold Corporate Reorganization)
8. U.S. Patent Application no. 13/134852: Electronic Precipitator (to be acquired from Blue Gold Holdings Ltd. pursuant to the Blue Gold Corporate Reorganization)
9. U.S. Patent Application no. 61/503310: Integrated Wind Turbine and Desalination System (to be acquired from Blue Gold Holdings Ltd. pursuant to the Blue Gold Corporate Reorganization)

Trade Marks (unregistered):

- Blue Gold
- Blue Gold Canada
- Blue Gold Tailings
- Pureinator
- Resinator
- Desalt ZWD

- LAREMUTEC – Laser Aided Recovery of Metals and Ultrasonic Thermal and Electric Conductivity Method

Domain Names (URLs):

- bgh2o.com
- bgnano.com
- bluegold.ca
- bgpureinator.com

SCHEDULE E

GOLDEN CROSS MATERIAL CONTRACTS

Escrow Agreement with Principals, as amended, dated May 30, 2008

Listing Agreement with the CNSX dated June 10, 2008

Consulting Agreement with Shayne Corson dated July 30 2012

Stock Option Agreements:

- with Shayne Corson dated July 30 2012
- with Bruce Hirsche dated Mar 1 2011
- with Elston Johnston dated Mar 1 2011
- with James Chapman dated Mar 1 2011
- with John Morita dated Mar 1 2011
- with Lance Morginn dated Mar 1 2011
- with Mario Rizzuti dated Mar 1 2011
- with Silvio Forigo dated Mar 1 2011
- with Thomas Kennedy dated Mar 1 2011

SCHEDULE F

BLUE GOLD MATERIAL CONTRACTS

1. Independent Consultant Agreement commencing September 1, 2012 between Blue Gold and Shayne Corson.
2. Agreement dated June 13, 2012 between Blue Gold, Blue Gold Holdings Ltd. and The FRED Group Inc. regarding SR&ED claims for the fiscal years ended 2011, 2012 and 2013.
3. Consulting services agreement dated August 12, 2012 between Blue Gold and Fred Albi, regarding CFO services.
4. Vehicle lease dated August 31, 2012 between Raj K Kurichh and Erinwood Ford Sales Inc., in relation to 2012 Ford F150.
5. Exclusive Licence Agreement dated July 25, 2011 between University of Saskatchewan and Blue Gold Holdings Ltd. (to be acquired from Blue Gold Holdings Ltd. pursuant to the Blue Gold Corporate Reorganization).
6. Lease agreement made March 28, 2012 between Construct Properties Limited and Blue Gold Holdings Ltd. (intended to be assigned to Blue Gold, subject to landlord consent, pursuant to the Blue Gold Corporate Reorganization).
7. Advisory agreement dated September 27, 2012 between Blue Gold and Bellotti Goodman Capital Inc.

EXHIBIT "A"

FORM OF ARTICLES OF AMALGAMATION

Form 4
Business
Corporations
Act

Formule 4
Loi sur les
sociétés par
actions

**ARTICLES OF AMALGAMATION
STATUTS DE FUSION**

1. The name of the amalgamated corporation is: (Set out in BLOCK CAPITAL LETTERS)
Dénomination sociale de la société issue de la fusion: (Écrire en LETTRES MAJUSCULES SEULEMENT) :

B	L	U	E		G	O	L	D		T	A	I	L	I	N	G	S		T	E	C	H	N	O	L	O	G	I	E
S		L	T	D	.																								

2. The address of the registered office is:
Adresse du siège social :

266 Meadowvale Boulevard, Suite 6B

Street & Number or R.R. Number & if Multi-Office Building give Room No. /
Rue et numéro ou numéro de la R.R. et, s'il s'agit d'un édifice à bureaux, numéro du bureau

Mississauga,

ONTARIO

L 5 N 6 M 6

Name of Municipality or Post Office /
Nom de la municipalité ou du bureau de poste

Postal Code/Code postal

3. Number of directors is: Fixed number OR minimum and maximum 1 7
Nombre d'administrateurs : Nombre fixe *OU minimum et maximum*

4. The director(s) is/are: / *Administrateur(s) :*

<i>First name, middle names and surname Prénom, autres prénoms et nom de famille</i>	<i>Address for service, giving Street & No. or R.R. No., Municipality, Province, Country and Postal Code Domicile élu, y compris la rue et le numéro ou le numéro de la R.R., le nom de la municipalité, la province, le pays et le code postal</i>	<i>Resident Canadian State 'Yes' or 'No' Résident canadien Oui/Non</i>
Derek Blackburn	2660 Meadowvale Boulevard, Suite 6B Mississauga, Ontario, Canada, L5N 6M6	Yes
Alfredo Albi	2660 Meadowvale Boulevard, Suite 6B Mississauga, Ontario, Canada, L5N 6M6	Yes
Raj Kurichh	2660 Meadowvale Boulevard, Suite 6B Mississauga, Ontario, Canada, L5N 6M6	Yes

4. The director(s) is/are: / *Administrateur(s): (continued)*

First name, middle names and surname <i>Prénom, autres prénoms et nom de famille</i>	Address for service, giving Street & No. or R.R. No., Municipality, Province, Country and Postal Code <i>Domicile élu, y compris la rue et le numéro ou le numéro de la R.R., le nom de la municipalité, la province, le pays et le code postal</i>	Resident Canadian State 'Yes' or 'No' <i>Résident canadien Oui/Non</i>
Christopher Crupi	2660 Meadowvale Boulevard, Suite 6B Mississauga, Ontario, Canada L5N 6M6	Yes

5. Method of amalgamation, check A or B
Méthode choisie pour la fusion – Cocher A ou B :

A - Amalgamation Agreement / Convention de fusion :



The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176 (4) of the *Business Corporations Act* on the date set out below.
Les actionnaires de chaque société qui fusionne ont dûment adopté la convention de fusion conformément au paragraphe 176(4) de la Loi sur les sociétés par actions à la date mentionnée ci-dessous.

or
ou

B - Amalgamation of a holding corporation and one or more of its subsidiaries or amalgamation of subsidiaries / Fusion d'une société mère avec une ou plusieurs de ses filiales ou fusion de filiales :



The amalgamation has been approved by the directors of each amalgamating corporation by a resolution as required by section 177 of the *Business Corporations Act* on the date set out below.
Les administrateurs de chaque société qui fusionne ont approuvé la fusion par voie de résolution conformément à l'article 177 de la Loi sur les sociétés par actions à la date mentionnée ci-dessous.

The articles of amalgamation in substance contain the provisions of the articles of incorporation of
Les statuts de fusion reprennent essentiellement les dispositions des statuts constitutifs de

and are more particularly set out in these articles.
et sont énoncés textuellement aux présents statuts.

Names of amalgamating corporations <i>Dénomination sociale des sociétés qui fusionnent</i>	Ontario Corporation Number <i>Numéro de la société en Ontario</i>	Date of Adoption/Approval <i>Date d'adoption ou d'approbation</i>		
		Year <i>année</i>	Month <i>mois</i>	Day <i>jour</i>
GOLDEN CROSS ACQUISITION INC.				
BLUE GOLD TAILING TECHNOLOGIES LTD.	2324230			

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.
Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.

None.

7. The classes and any maximum number of shares that the corporation is authorized to issue:
Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

An unlimited number of common shares.

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

Not applicable.

9. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:
L'émission, le transfert ou la propriété d'actions est/n'est pas restreint. Les restrictions, s'il y a lieu, sont les suivantes :

If the corporation:

- (a) is not a reporting issuer or an investment fund within the meaning of applicable securities legislation; and
- (b) has not distributed to the public (excluding accredited investors within the meaning of applicable securities legislation) any of its securities, then no securities of the corporation (other than non-convertible debt securities) shall be transferred without either:
 - (c) the previous consent of the board of directors expressed by a resolution passed by the board of directors or by an instrument or instruments in writing signed by a majority of the directors; or
 - (d) the previous consent of the holders of at least 51% of the securities of that class for the time being outstanding expressed by a resolution passed by the securityholders or by an instrument or instruments in writing signed by such securityholders.

10. Other provisions, (if any):
Autres dispositions, s'il y a lieu :

None.

11. The statements required by subsection 178(2) of the *Business Corporations Act* are attached as Schedule "A".
Les déclarations exigées aux termes du paragraphe 178(2) de la Loi sur les sociétés par actions constituent l'annexe A.
12. A copy of the amalgamation agreement or directors' resolutions (as the case may be) is/are attached as Schedule "B".
Une copie de la convention de fusion ou les résolutions des administrateurs (selon le cas) constitue(nt) l'annexe B.

These articles are signed in duplicate.
 Les présents statuts sont signés en double exemplaire.

Name and **original signature** of a director or authorized signing officer of each of the amalgamating corporations. Include the name of each corporation, the signatories name and description of office (e.g. president, secretary). **Only a director or authorized signing officer can sign on behalf of the corporation.** / *Nom et signature originale d'un administrateur ou d'un signataire autorisé de chaque société qui fusionne. Indiquer la dénomination sociale de chaque société, le nom du signataire et sa fonction (p. ex. : président, secrétaire). Seul un administrateur ou un dirigeant habilité peut signer au nom de la société.*

GOLDEN CROSS ACQUISITION INC.

Names of Corporations / <i>Dénomination sociale des sociétés</i>		
By / Par		
Signature / <i>Signature</i>	Print name of signatory / <i>Nom du signataire en lettres moulées</i>	Description of Office / <i>Fonction</i>

BLUE GOLD TAILING TECHNOLOGIES LTD.

Names of Corporations / <i>Dénomination sociale des sociétés</i>		
By / Par		
Signature / <i>Signature</i>	Print name of signatory / <i>Nom du signataire en lettres moulées</i>	Description of Office / <i>Fonction</i>

Names of Corporations / <i>Dénomination sociale des sociétés</i>		
By / Par		
Signature / <i>Signature</i>	Print name of signatory / <i>Nom du signataire en lettres moulées</i>	Description of Office / <i>Fonction</i>

Names of Corporations / <i>Dénomination sociale des sociétés</i>		
By / Par		
Signature / <i>Signature</i>	Print name of signatory / <i>Nom du signataire en lettres moulées</i>	Description of Office / <i>Fonction</i>

Names of Corporations / <i>Dénomination sociale des sociétés</i>		
By / Par		
Signature / <i>Signature</i>	Print name of signatory / <i>Nom du signataire en lettres moulées</i>	Description of Office / <i>Fonction</i>

EXHIBIT "B"

EARN OUT SHARES

For each completed financial year until all of the Earn-Out Shares have been released, holders of Earn-Out Shares will be entitled to the *pro-rata* release of the number of Earn-Out Shares equal to the amount of Cumulative Cash Flow, not previously applied towards release or the original acquisition, divided by the Earn Out Price, or such other formula as agreed to by the parties in writing at a later date, if approved by the stock exchange on which Golden Cross is listed at that time.

In this Exhibit, except as otherwise defined in this Agreement, the following defined terms have the meanings hereinafter set forth:

- (a) **"Cash Flow"** means net income or loss before tax, adjusted to add back the following expenses:
 - (i) depreciation,
 - (ii) amortization of goodwill and deferred research and development costs, excluding general and administrative costs,
 - (iii) expensed research and development costs, excluding general and administrative costs, and
 - (iv) any other amounts permitted or required by the Exchange;
- (b) **"Cumulative Cash Flow"** means, the aggregate Cash Flow of an Issuer for any completed financial year, beginning with the Issuer's financial year-end immediately following the Effective Date, net of any negative Cash Flow carried over from previous financial years;
- (c) **"Earn Out Factor"** means the number obtained by squaring the Performance Share Percentage, expressed as a decimal, and multiplying by four;

(d) **"Earn Out Price"** the Market Price multiplied by the Earn Out Factor;

(g) **"Market Price"** for the purpose of calculating the Earn Out Price, means the weighted average closing price of Golden Cross' shares for the ten trading days immediately following the date of the reinstatement of trading in Golden Cross' shares after the Effective Date;

(h) **"Percentage Determination Date"** means the date on which the Performance Share Percentage is determined, which is expected to be the day of the reinstatement of trading in Golden Cross' shares following the Effective Date; and,

(i) **"Performance Share Percentage"** means the percentage, determined as of the Percentage Determination Date, that the performance shares of Golden Cross plus any other shares held by Principals subject to an escrow arrangement, are of the total issued and outstanding voting securities of the Issuer;

(j) **"Principal"** means:

(a) a Person who acted as a Promoter of the Issuer within two years before the IPO Prospectus or Exchange Bulletin confirming final acceptance of a transaction ("Final Exchange Bulletin");

(b) a director or senior officer of the Issuer or any of its material operating subsidiaries at the time of the IPO Prospectus or Final Exchange Bulletin;

(c) a 20% holder – a Person that holds securities carrying more than 20% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and

(d) a 10% holder – a Person that:

(i) holds securities carrying more than 10% of the voting rights attached to the Issuer's outstanding securities immediately before and immediately after the Issuer's IPO or immediately after the Final Exchange Bulletin for non IPO transactions; and

(ii) has elected or appointed, or has the right to elect or appoint, one or more directors or senior officers of the Issuer or any of its material operating subsidiaries.

In calculating these percentages, include securities that may be issued to the holder under outstanding convertible securities in both the holder's securities and the total securities outstanding.

A Company, more than 50% held by one or more Principals, will be treated as a Principal. (In calculating this percentage, include securities of the entity that may be issued to the Principals under outstanding convertible securities in both the Principals' securities of the entity and the total securities of the entity outstanding.) Any securities of the Issuer that this entity holds will be subject to escrow requirements.

A Principal's spouse and any relatives of the Principal or spouse who live at the same address as the Principal will also be treated as Principals and any securities of the Issuer they hold will be subject to escrow requirements.

EXHIBIT “C”

ESCROW RELEASE SCHEDULE

Timing	Shares Released
On the date the Issuer’s securities are listed on a Canadian exchange or (the listing date)*	10% of the escrowed securities
6 months after the listing date	15% of the escrowed securities
12 months after the listing date	15% of the escrowed securities
18 months after the listing date	15% of the escrowed securities
24 months after the listing date	15% of the escrowed securities
30 months after the listing date	15% of the escrowed securities
36 months after the listing date	15% of the escrowed securities

*In this case, the listing date will be the first day of trading of Golden Cross’ common shares on a Canadian Exchange following the completion of the Amalgamation.