

## THE ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT dated as of the 12th day of May, 2011.

### BETWEEN:

**FIREBIRD RESOURCES INC.**, a corporation existing under the laws of British Columbia, with a business office at Suite 2500 – 555 West Hastings Street, Vancouver, British Columbia V6B VN5

("Firebird" or the "Company")

### AND:

**GTO RESOURCES INC.**, a corporation incorporated under the laws of British Columbia, with a business office at Suite 2500 – 555 West Hastings Street, Vancouver, British Columbia V6B VN5

("Newco")

### WHEREAS:

A. Firebird and Newco have agreed to proceed with a corporate restructuring by way of a statutory plan of arrangement pursuant to which:

- (i) the Assets (as hereinafter defined) will be transferred to Newco in exchange for common shares of Newco;
- (ii) Firebird will reorganize its capital; and
- (iii) Firebird will distribute the common shares of Newco which it receives in exchange for the Assets to the Firebird Shareholders (as hereinafter defined);

B. Firebird proposes to convene a meeting of the Firebird Shareholders to consider the Arrangement pursuant to the Arrangement Provisions of the BCBCA, on the terms and conditions set forth in the Plan of Arrangement attached as Exhibit II hereto; and

C. Each of the parties to this Agreement has agreed to participate in and support the Arrangement.

**NOW THEREFORE**, in consideration of the promises and the respective covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties hereby covenant and agree as follows:

### ARTICLE 1 DEFINITIONS, INTERPRETATION AND EXHIBITS

1.1 **Definitions:** In this Agreement, including the recitals hereto, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

- (a) "**Agreement**" means this agreement including the exhibits attached hereto as same may be amended or restated from time to time;
- (b) "**Arrangement**" means the arrangement under the Arrangement Provisions pursuant to which the Company proposes to reorganize its business and assets, and which is set out in detail in the Plan of Arrangement;
- (c) "**Arrangement Provisions**" means Division 5 of Part 9 - *Arrangements* of the BCBCA;

- (d) "**Assets**" means all of the Company's interest in and to each of the RCU Property and the HPU Property, which assets are being transferred to Newco under the Arrangement;
- (e) "**BCBCA**" means the *Business Corporations Act* (British Columbia), S.B.C. 2002, c.57, as may be amended or replaced from time to time;
- (f) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;
- (g) "**Court**" means the Supreme Court of British Columbia;
- (h) "**Effective Date**" means the date upon which the Arrangement becomes effective;
- (i) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date;
- (j) "**Exchange**" means the TSX Venture Exchange;
- (k) "**Final Order**" means the final order of the Court approving the Arrangement;
- (l) "**Firebird Class A Shares**" means the renamed and redesignated Firebird Shares as described in §3.1(b)(i) of the Plan of Arrangement;
- (m) "**Firebird Class B Preferred Shares**" means the Class "B" preferred shares in the capital of Firebird without par value which will be created and issued pursuant to §3.1(b)(iii) of the Plan of Arrangement;
- (n) "**Firebird Meeting**" means the annual general and special meeting of the Firebird Shareholders to be held by the Company in connection with the Arrangement, and any adjournment(s) or postponement(s) thereof, to consider, among other things, and if deemed advisable approve, the Arrangement;
- (o) "**Firebird Optionholder**" means a holder of the Firebird Options;
- (p) "**Firebird Option Plan**" means the stock option plan of the Company;
- (q) "**Firebird Options**" means options to purchase Firebird Shares outstanding under the Firebird Option Plan;
- (r) "**Firebird Shareholder**" means a holder of Firebird Shares;
- (s) "**Firebird Shares**" means outstanding common shares without par value in the authorized share structure of the Company, as constituted on the date hereof;
- (t) "**Firebird Warrantholder**" mean a holder of the Firebird Warrants;
- (u) "**Firebird Warrants**" means outstanding common share purchase warrants of the Company entitling the holder to acquire Firebird Shares, exercisable at a specified price per Firebird Share;
- (v) "**HPU Property**" means the Hyman Porter Uranium Property, comprised of 70 claims totaling approximately 1120 hectares in the Hyman and Porter Townships, located approximately fifty (50) kilometers west of Sudbury, Ontario, as further described in Exhibit I attached to this Agreement;
- (w) "**Information Circular**" means the management information circular of Firebird to be sent to the Firebird Shareholders in connection with the Firebird Meeting;
- (x) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Firebird Meeting and the Arrangement;

- (y) "**New Firebird Warrants**" mean the common share purchase warrants of Firebird to be issued to Firebird Warranholders as at the Effective Time in exchange for their existing Firebird Warrants, as described in §3.1(j) of the Plan of Arrangement, all of which shall: (i) have an exercise price equal to the existing exercise price of such Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;
- (z) "**New Shares**" means the new class of common shares without par value which Firebird will create pursuant to §3.1(b)(ii) of the Plan of Arrangement and which, immediately after the Effective Date, will be identical in every relevant respect to the Firebird Shares;
- (aa) "**Newco Shareholder**" means a holder of Newco Shares as at the date hereof;
- (bb) "**Newco Shares**" means the class A voting common shares without par value in the authorized share structure of Newco as constituted on the date hereof;
- (cc) "**Newco Warrants**" mean common share purchase warrants of Newco to be issued to Firebird Warranholders as at the Effective Time in exchange for their existing Firebird Warrants held, as described in §3.1(j) of the Plan of Arrangement, all of which Newco Warrants shall: (i) have an exercise price equal to the existing exercise price of the Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;
- (dd) "**Notice of Alteration**" means the notice of alteration to the articles of Firebird;
- (ee) "**Person**" means and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, a trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof;
- (ff) "**Plan of Arrangement**" means the plan of arrangement attached to this Agreement as Exhibit II, as amended or restated from time to time;
- (gg) "**RCU Property**" means the Roberts Creelman Uranium Property, an early stage exploration project consisting of three contiguous unpatented, unleased mining claims comprised of 34 claim units covering approximately 544 hectares in the Roberts and Creelman Townships, located approximately fifty (50) kilometers north of Sudbury, Ontario, as further described in Exhibit I attached to this Agreement; and
- (hh) "**Registrar**" means the Registrar of Companies under the BCBCA.

1.2 **Currency:** All amounts of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.3 **Interpretation Not Affected by Headings:** The division of this Agreement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the provisions of this Agreement. The terms "this Agreement", "hereof", "herein", "hereunder" and similar expressions refer to this Agreement and the exhibits hereto as a whole and not to any particular article, section, subsection, paragraph or subparagraph hereof and include any agreement or instrument supplementary or ancillary hereto.

1.4 **Number and Gender:** In this Agreement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing the use of either gender shall include both genders and neuter, and words importing a person shall include a partnership or corporation.

1.5 **Date for any Action:** In the event that any date on which any action is required to be taken hereunder by Firebird or Newco is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.6 **Meaning:** Words and phrases used herein (and not otherwise defined) and defined in the BCBCA shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.7 **Exhibits:** Attached hereto and deemed to be incorporated into and forming part of this Agreement is Exhibit I, being a description of the Assets, Exhibit II, being the Plan of Arrangement and Exhibit III, being the special rights and restrictions for the Firebird Class B Preferred Shares.

## ARTICLE 2 ARRANGEMENT

2.1 **Arrangement:** The parties agree to effect the Arrangement pursuant to the Arrangement Provisions on the terms and subject to the conditions contained in this Agreement and the Plan of Arrangement.

2.2 **Effect of the Plan:**

- (a) The Notice of Alteration will be filed with the Registrar with the purpose and intent that none of the provisions of the Plan of Arrangement will become effective unless all of the provisions of the Plan of Arrangement will have become effective; and
- (b) The Plan of Arrangement, upon the filing of the Notice of Alteration with the Registrar, will become effective and be binding on and after the Effective Time, on Firebird, Newco and Firebird's securityholders.

2.3 **Filing of Final Material with the Registrar:** Subject to the rights of termination contained in Article 6 hereof, upon the Firebird Shareholders approving the Arrangement by special resolution in accordance with the provisions of the Interim Order and the BCBCA, Firebird obtaining the Final Order and the other conditions contained in Article 5 hereof being complied with or waived, Firebird on its behalf and on behalf of Newco shall file, pursuant to section 291 of the BCBCA, the Notice of Alteration and all other necessary documents to give effect to the Arrangement.

## ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 **Representations and Warranties:** Each of the parties hereby represents and warrants to the other that:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of its jurisdiction of existence and has full capacity and authority to enter into this Agreement and to perform its covenants and obligations hereunder;
- (b) it has taken all corporate actions necessary to authorize the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by it;
- (c) neither the execution and delivery of this Agreement nor the performance of any of its covenants and obligations hereunder will constitute a material default under, or be in any material contravention or breach of: (i) any provision of its constituting or governing corporate documents, (ii) any judgment, decree, order, law, statute, rule or regulation applicable to it or (iii) any agreement or instrument to which it is a party or by which it is bound; and
- (d) no dissolution, winding up, bankruptcy, liquidation or similar proceedings have been commenced or are pending or proposed in respect of it.

## ARTICLE 4 COVENANTS

4.1 **Commitment to Effect:** Subject to termination of this Agreement pursuant to Article 6, the parties shall each use all reasonable efforts and do all things reasonably required to cause the Plan of Arrangement to become effective as soon as possible after approval of the Arrangement by the Firebird Shareholders at the Firebird Meeting,

or by such other date as Firebird and Newco may determine, and in conjunction therewith to cause the conditions described in §5.1 to be complied with or waived, as the case may be, prior to the Effective Date.

4.2 **Obligation to Execute Documents**: Each of the parties covenants with the other that it will do and perform all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may reasonably be required to facilitate the carrying out of the intent and purpose of this Agreement.

4.3 **Giving Effect to the Arrangement**: The Arrangement shall be effected as follows:

- (a) the parties shall proceed forthwith to apply for the Interim Order providing for, among other things, the calling and holding of the Firebird Meeting for the purpose of, among other things, considering and, if deemed advisable, approving and adopting the Arrangement;
- (b) the Newco Shareholder shall approve the Arrangement by a consent resolution;
- (c) the Firebird Warrantholders, the Firebird Optionholders and the Firebird Debentureholders, respectively, as determined at the record date for the Firebird Meeting shall approve the Arrangement by separate unanimous consent resolutions;
- (d) upon obtaining the Interim Order, Firebird shall call the Firebird Meeting (if it has not already done so) and mail the Information Circular and related notice of meeting and form of proxy to the Firebird Shareholders;
- (e) if the Firebird Shareholders approve the Arrangement as set out in §5.1(b) hereof, Firebird shall thereafter (subject to the exercise of any discretionary authority granted to Firebird's directors by the Firebird Shareholders) take the necessary actions to submit the Arrangement to the Court for approval and grant of the Final Order; and
- (f) upon receipt of the Final Order, Firebird shall, subject to compliance with any of the other conditions provided for in Article 5 hereof and to the rights of termination contained in Article 6 hereof, file the material described in §2.3 with the Registrar in accordance with the terms of the Plan of Arrangement.

## ARTICLE 5 CONDITIONS

5.1 **Conditions Precedent**: The respective obligations of the parties to complete the transactions contemplated by this Agreement shall be subject to the satisfaction of the following conditions:

- (a) the Interim Order shall have been granted in form and substance satisfactory to Firebird and Newco;
- (b) the Arrangement and this Agreement, with or without amendment, shall have been approved at the Firebird Meeting by the Firebird Shareholders in accordance with the Arrangement Provisions, the constating documents of Firebird, the Interim Order and the requirements of any applicable regulatory authorities;
- (c) the Arrangement and this Agreement, with or without amendment, shall have been approved by the Newco Shareholder to the extent required by, and in accordance with, the Arrangement Provisions and the constating documents of Newco;
- (d) the Arrangement and this Agreement, with or without amendment, shall have been approved by the Firebird Warrantholders, the Firebird Optionholders and the Firebird Debentureholders, respectively, in accordance with this Agreement, the Interim Order and the requirements of any applicable regulatory authorities;
- (e) the Final Order shall have been obtained in form and substance satisfactory to Firebird and Newco;

- (f) the Exchange shall have conditionally approved the Arrangement, including the listing of the Firebird Class A Shares in substitution for the Firebird Shares, the delisting of the Firebird Class A Shares, the listing of the New Shares and the Firebird Class B Preferred Shares, the delisting of the Firebird Class B Preferred Shares upon their redemption and the listing of the Newco Shares, as of the Effective Date, subject to compliance with the requirements of the Exchange;
- (g) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in this Agreement and the Plan of Arrangement shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances, each in form acceptable to Firebird and Newco;
- (h) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Arrangement; and
- (i) this Agreement shall not have been terminated under Article 6.

Except for the conditions set forth in this §5.1 which, by their nature, may not be waived, any of the other conditions in this §5.1 may be waived, either in whole or in part, by either Firebird or Newco, as the case may be, at its discretion.

5.2 **Closing:** Unless this Agreement is terminated earlier pursuant to the provisions hereof, the parties shall meet at the offices of Sangra Moller LLP, Suite 1000, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2, at such time as determined by the parties on the Effective Date, or on such other date as they may mutually agree, and each of them shall deliver to the other of them:

- (a) the documents required to be delivered by it hereunder to complete the transactions contemplated hereby, provided that each such document required to be dated the Effective Date shall be dated as of, or become effective on, the Effective Date and shall be held in escrow to be released upon the occurrence of the Effective Date; and
- (b) written confirmation as to the satisfaction or waiver by it of the conditions in its favour contained in this Agreement.

5.3 **Merger of Conditions:** The conditions set out in §5.1 hereof shall be conclusively deemed to have been satisfied, waived or released upon the occurrence of the Effective Date.

5.4 **Merger of Representations and Warranties:** The representations and warranties in §3.1 shall be conclusively deemed to be correct as of the Effective Date and each shall accordingly merge in and not survive the effectiveness of the Arrangement.

## ARTICLE 6 AMENDMENT AND TERMINATION

6.1 **Amendment:** Subject to any restrictions under the Arrangement Provisions or the Final Order, this Agreement, including the Plan of Arrangement, may at any time and from time to time before or after the holding of the Firebird Meeting, but prior to the Effective Date, be amended by agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of the Firebird Shareholders.

6.2 **Termination:** Subject to §6.3, this Agreement may at any time before or after the holding of the Firebird Meeting, and before or after the granting of the Final Order, but in each case prior to the Effective Date, be terminated by direction of the board of directors of Firebird without further action on the part of the Firebird Shareholders, or by the board of directors of Newco without further action on the part of the Newco Shareholders, and nothing expressed or implied herein or in the Plan of Arrangement shall be construed as fettering the absolute discretion by the board of directors of Firebird or Newco, respectively, to elect to terminate this Agreement and discontinue efforts to effect the Arrangement for whatever reasons it may consider appropriate.

6.3 **Cessation of Right**: The right of Firebird or Newco or any other party to amend or terminate the Plan of Arrangement pursuant to §6.1 and §6.2 shall be extinguished upon the occurrence of the Effective Date.

## **ARTICLE 7 GENERAL**

7.1 **Notices**: All notices which may or are required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be delivered or telecopied, addressed as follows:

in the case of Firebird:

Firebird Resources Inc.  
Suite 2500, 555 West Hastings Street  
Vancouver, British Columbia V4K 5A3

Attention: John Cook, Chief Executive Officer  
Facsimile: (780) 440-1377

in the case of Newco:

GTO Resources Inc.  
Suite 2500, 555 West Hastings Street  
Vancouver, British Columbia V4K 5A3

Attention: Thomas R. Tough, Chief Executive Officer  
Facsimile: (780) 440-1377

and, in each case, with a copy to:

Sangra Moller LLP  
Suite 1000 – 925 West Georgia Street  
Vancouver, British Columbia  
V6C 3L2

Attention: Gary S. Gill  
Facsimile: (604) 669-8803

7.2 **Assignment**: None of the parties may assign its rights or obligations under this Agreement or the Arrangement without the prior consent of the other party.

7.3 **Binding Effect**: This Agreement and the Arrangement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.

7.4 **Waiver**: Any waiver or release of the provisions of this Agreement, to be effective, must be in writing and executed by the party granting such waiver or release.

7.5 **Governing Law**: This Agreement shall be governed by and be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and shall be treated in all respects as a British Columbia contract.

7.6 **Counterparts**: This Agreement may be executed in one or more counterparts and by facsimile or email transmission, each of which shall be deemed to be an original and all of which together shall constitute one and the same agreement.

7.7 **Expenses**: All expenses incurred by a party in connection with this Agreement, the Arrangement and the transactions contemplated hereby and thereby shall be borne by the party that incurred the expense.

7.8 **Entire Agreement:** This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties.

7.9 **Time of Essence:** Time is of the essence of this Agreement.

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

**FIREBIRD RESOURCES INC.**

Per:     /s/Thomas R. Tough      
Authorized Signatory

**GTO RESOURCES INC.**

Per:     /s/Kenneth Ralfs      
Authorized Signatory



## EXHIBIT I

### DESCRIPTION OF THE ASSETS

#### THE ROBERTS CREELMAN URANIUM PROPERTY

The following are the mineral claims comprising the Roberts Creelman Uranium Property:

<b>Township or Areas</b>	<b>Claim Number</b>	<b>Claim Recording Date</b>	<b>Claim Due Date</b>	<b>Status</b>	<b>No. of Units</b>
Creelman	3014453	Feb 3, 2005	Aug 3, 2011	Active	8
Creelman	3016125	Dec 23, 2004	Jun 23, 2011	Active	10
Roberts	3014452	Feb 3, 2005	Feb 3, 2012	Active	16
<b>TOTALS</b>	<b>3 Claims</b>				

The RCU Property claim block forms an irregular block about 4 kilometres long east-west and 2 kilometres wide north-south with all of the claims held in the name of Firebird Resources Inc. Under the *Ontario Mining Act*, the staking of a mining claim does not confer title, it only gives the claim holder certain rights to enter onto the land and carry out exploration and other activities subject to certain conditions as specified in the *Ontario Mining Act*. To maintain a mining claim in Ontario in good standing an exploration expenditure of \$400 per unit is required on or before 2 years from the date of recording and in each subsequent year.

#### THE HYMAN PORTER URANIUM PROPERTY

The following are the mineral claims comprising the HPU Property, which is situated in the Sudbury Mining Division of Ontario:

<b>Township or Areas</b>	<b>Claim Number</b>	<b>Claim Recording Date</b>	<b>Claim Due Date</b>	<b>Status</b>	<b>No. of Units</b>
Hyman	3016027	Dec 23, 2004	Jun 23, 2011	Active	16
Hyman	3016128	Dec 23, 2004	Jun 23, 2011	Active	16
Porter	4203204	Feb 3, 2005	Aug 3, 2011	Active	8
Porter	4203205	Feb 3, 2005	Aug 3, 2011	Active	15
Porter	4203206	Feb 3, 2005	Aug 3, 2011	Active	15
<b>TOTALS</b>	<b>5 Claims</b>				<b>70</b>

## EXHIBIT II

**TO THE ARRANGEMENT AGREEMENT  
DATED AS OF THE 12TH DAY OF MAY, 2011 BETWEEN  
FIREBIRD RESOURCES INC.  
AND  
GTO RESOURCES INC.**

### **PLAN OF ARRANGEMENT**

**UNDER DIVISION 5 OF PART 9 OF  
THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)  
S.B.C. 2002, c.57**

#### **ARTICLE 1 DEFINITIONS AND INTERPRETATION**

1.1 **Definitions:** In this plan of arrangement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

- (a) "**Arrangement**" means the arrangement pursuant to the Arrangement Provisions pursuant to which the Company proposes to reorganize its business and assets, and which is set out in detail in this Plan of Arrangement;
- (b) "**Arrangement Agreement**" means the arrangement agreement dated as of May 12, 2011, between Firebird and Newco to which this Exhibit is attached, and any amendment(s) or variation(s) thereto;
- (c) "**Arrangement Provisions**" means Division 5 of Part 9 – *Arrangements* of the BCBCA;
- (d) "**Assets**" means all of the Company's interest in and to each of the RCU Property and the HPU Property, which assets are being transferred to Newco under the Arrangement;
- (e) "**BCBCA**" means the *Business Corporations Act* (British Columbia), S.B.C. 2002, c.57, as may be amended or replaced from time to time;
- (f) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;
- (g) "**Company**" means Firebird Resources Inc., a company existing under the BCBCA;
- (h) "**Court**" means the Supreme Court of the British Columbia;
- (i) "**Depositary**" means Sangra Moller LLP, solicitors for Firebird and Newco;
- (j) "**Dissent Procedures**" means the procedures set forth in Division 2 of Part 8 of the BCBCA required to be taken by a registered holder of Firebird Shares to exercise the Dissent Rights in respect of such Firebird Shares in connection with the Arrangement, as modified by Article 5, the Interim Order, the Final Order and any further order(s) of the Court;
- (k) "**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in Article 5 of this Plan of Arrangement;
- (l) "**Distributed Newco Shares**" means that number of Newco Shares which is equal to the total number of Firebird Shares issued and outstanding as at the Effective Time on the Effective Date, less 9,056,603, multiplied by the Exchange Factor, which Newco Shares are to be distributed to the Firebird Shareholders pursuant to §3.1(a) of this Plan of Arrangement;

EXHIBIT II - 2

;

- (m) "**Effective Date**" means the date upon the Arrangement becomes effective;
- (n) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date;
- (o) "**Exchange Factor**" means 0.5;
- (p) "**Final Order**" means the final order of the Court approving the Arrangement;
- (q) "**Firebird**" means Firebird Resources Inc., a company existing under the BCBCA;
- (r) "**Firebird Class A Shares**" means the renamed and redesignated Firebird Shares as described in §3.1(b)(i) of this Plan of Arrangement;
- (s) "**Firebird Class B Preferred Shares**" means the Class "B" preferred shares in the capital of Firebird without par value which will be created and issued pursuant to §3.1(b)(iii) of this Plan of Arrangement;
- (t) "**Firebird Meeting**" means the annual general and special meeting of the Firebird Shareholders to be held by the Company in connection with the Arrangement, and any adjournment(s) or postponement(s) thereof to consider, among other things, and if deemed advisable approve, the Arrangement;
- (u) "**Firebird Optionholder**" means a holder of Firebird Options;
- (v) "**Firebird Option Plan**" means the stock option plan of the Company;
- (w) "**Firebird Options**" means options to purchase Firebird Shares outstanding under the Firebird Option Plan;
- (x) "**Firebird Shareholder**" means the holders of Firebird Shares;
- (y) "**Firebird Shares**" means the common shares without par value in the authorized share structure of Firebird, as constituted on the date of the Arrangement Agreement;
- (z) "**Firebird Warrantholders**" means a holder of Firebird Warrants;
- (aa) "**Firebird Warrants**" means outstanding common share purchase warrants of the Company entitling the holder to acquire Firebird Shares, exercisable at a specified price per Firebird Share;
- (bb) "**HPU Property**" means the Hyman Porter Uranium Property, comprised of 70 claims totaling approximately 1120 hectares in the Hyman and Porter Townships, located approximately fifty (50) kilometers west of Sudbury, Ontario, as further described in Exhibit I attached to the Arrangement Agreement;
- (cc) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Firebird Meeting and the Arrangement;
- (dd) "**New Firebird Warrants**" mean the common share purchase warrants of Firebird to be issued to Firebird Warrantholders as at the Effective Time in exchange for their existing Firebird Warrants, as described in §3.1(j) of this Plan of Arrangement, all of which shall: (i) have an exercise price equal to the existing exercise price of the Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;

EXHIBIT II - 3

- (ee) "**New Shares**" means the new class of common shares without par value which the Firebird will create pursuant to §3.1(b)(ii) of this Plan of Arrangement and which, immediately after the Effective Date, will be identical in every relevant respect to the Firebird Shares;
- (ff) "**Newco**" means GTO Resources Inc., a company incorporated under the BCBCA;
- (gg) "**Newco Shareholder**" means a holder of Newco Shares;
- (hh) "**Newco Shares**" means the class A voting common shares without par value in the authorized share structure of Newco as constituted on the date of the Arrangement Agreement;
- (ii) "**Newco Warrants**" mean common share purchase warrants of Newco to be issued to Firebird Warrantholders as at the Effective Time in exchange for their existing Firebird Warrants held, as described in §3.1(j) of this Plan of Arrangement, all of which shall: (i) have an exercise price equal to the existing exercise price of the Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;
- (jj) "**Option Agreement**" means the mining option agreement, with respect to the Buzzard-Jefferson and Belk Properties, between the Optioner thereunder and Firebird dated June 24, 2010, as amended;
- (kk) "**Optioner**" means the optioner under the Option Agreement;
- (ll) "**Optioner Shares**" means the 9,056,603 Firebird Shares held by the Optioner;
- (mm) "**Plan of Arrangement**" means this Plan of Arrangement, as may be amended or restated from time to time;
- (nn) "**RCU Property**" means the Roberts Creelman Uranium Property, an early stage exploration project consisting of three contiguous unpatented, unleased mining claims comprised of 34 claim units covering approximately 544 hectares in the Roberts and Creelman Townships, located approximately fifty (50) kilometers north of Sudbury, Ontario, as further described in Exhibit I attached to the Arrangement Agreement;
- (oo) "**Registrar**" means the Registrar of Companies under the BCBCA;
- (pp) "**Tax Act**" means the *Income Tax Act* (Canada), as amended; and
- (qq) "**Transfer Agent**" means Computershare Investor Services Inc. at its principal office in Vancouver, British Columbia.

1.2 **Interpretation Not Affected by Headings:** The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specifically indicated, the terms "this Plan of Arrangement", "hereof", "hereunder" and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section, subsection, paragraph or subparagraph and include any agreement or instrument supplementary or ancillary hereto.

1.3 **Number and Gender:** Unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter, and words importing a person shall include a partnership or corporation.

1.4 **Meaning:** Undefined words and phrases used herein that are defined in the BCBCA shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

**ARTICLE 2  
ARRANGEMENT AGREEMENT**

2.1 **Arrangement Agreement**: This Plan of Arrangement is made pursuant and subject to the Arrangement Agreement.

**ARTICLE 3  
THE ARRANGEMENT**

3.1 **The Arrangement**: At the Effective Time, the following shall occur and be deemed to occur in the following chronological order without further act or formality, notwithstanding anything contained in the provisions attaching to any of the securities of Firebird or Newco, but subject to the provisions of Article 5:

- (a) the Company will transfer the Assets to Newco in consideration for the Distributed Newco Shares and the Company will be added to the central securities register of Newco in respect of such Newco Shares;
- (b) the authorized share capital of the Company will be changed by:
  - (i) altering the identifying name of the Firebird Shares to class A common shares without par value, being the Firebird Class A Shares,
  - (ii) creating a class consisting of an unlimited number of common shares without par value, being the New Shares, and
  - (iii) creating a class consisting of an unlimited number of class B preferred shares without par value, having the rights and restrictions described in Exhibit III to the Arrangement Agreement, being the Firebird Class B Preferred Shares;
- (c) each issued Firebird Class A Share, (other than the Optioner Shares) will be exchanged for one New Share and one Firebird Class B Preferred Share and, subject to the exercise of a right of dissent, the holders of the Firebird Class A Shares (other than the Optioner) will be removed from the central securities register of the Company and will be added to that central securities register as the holders of the number of New Shares and Firebird Class B Preferred Shares that they have received on the exchange;
- (d) each issued Optioner Share will be exchanged for one New Share and the Optioner will be removed from the central securities register of the Company and will be added to that central securities register as the holder of the number of New Shares that it has received on the exchange;
- (e) all of the issued Firebird Class A Shares will be cancelled with the appropriate entries being made in the central securities register of the Company, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the Firebird Class A Shares immediately prior to the Effective Date will be allocated between the New Shares and the Firebird Class B Preferred Shares so that the aggregate paid-up capital of the Firebird Class B Preferred Shares is equal to the aggregate fair market value of the Distributed Newco Shares as of the Effective Date, and each Firebird Class B Preferred Share so issued will be issued by the Company at an issue price equal to such aggregate fair market value divided by the number of issued Firebird Class B Preferred Shares, such aggregate fair market value of the Distributed Newco Shares to be determined as at the Effective Date by the board of directors of the Company;
- (f) the Company will redeem the issued Firebird Class B Preferred Shares for consideration consisting solely of the Distributed Newco Shares such that each holder of Firebird Class B Preferred Shares will, subject to the rounding of fractions and the exercise of rights of dissent, receive that number of Newco Shares that is equal to the number of Firebird Class B Preferred Shares held by such holder multiplied by the Exchange Factor;

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- (g) the name of each holder of Firebird Class B Preferred Shares will be removed as such from the central securities register of the Company, and all of the issued Firebird Class B Preferred Shares will be cancelled with the appropriate entries being made in the central securities register of the Company;
- (h) the Distributed Newco Shares transferred to the holders of the Firebird Class B Preferred Shares pursuant to step §(f) above will be registered in the names of the former holders of Firebird Class B Preferred Shares and appropriate entries will be made in the central securities register of Newco;
- (i) the Firebird Class A Shares and the Firebird Class B Preferred Shares, none of which will be allotted or issued once the steps referred to in steps §(c) to §(g) above are completed, will be cancelled and the authorized share structure of the Company will be changed by eliminating the Firebird Class A Shares and the Firebird Class B Preferred Shares therefrom; and
- (j) each Firebird Warrant held by a Firebird Warrantholder will be exchanged for one (1) New Firebird Warrant and one-half of one (1) Newco Warrant and the Firebird Warrants shall be cancelled and terminated and cease to represent any right or claim whatsoever.

3.2 **No Fractional Shares or Warrants:** Notwithstanding §3.1, no fractional Newco Shares or Newco Warrants shall be distributed to the Firebird Shareholders or Firebird Warrantholders, as the case may be, and as a result all fractional amounts arising under such sections shall be rounded down to the next whole number. Any Distributed Newco Shares or Newco Warrants not distributed as a result of this rounding down shall be dealt with as determined by the board of directors of Firebird in its absolute discretion.

3.3 **Deemed Time for Redemption:** In addition to the chronological order in which the transactions and events set out in §3.1 shall occur and shall be deemed to occur, the time on the Effective Date for the redemption of the Firebird Class B Preferred Shares set out in §3.1(f) shall occur and shall be deemed to occur immediately after the time of listing of the Firebird Class B Preferred Shares on the TSX Venture Exchange on the Effective Date.

3.4 **Deemed Fully Paid and Non-Assessable Shares:** All New Shares, Firebird Class B Preferred Shares and Newco Shares issued pursuant to this Plan of Arrangement shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the BCBCA.

3.5 **Arrangement Effectiveness:** The Arrangement shall become final and conclusively binding on the Firebird Shareholders, the Newco Shareholders, Firebird and Newco at the Effective Time on the Effective Date.

3.6 **Supplementary Actions:** Notwithstanding that the transactions and events set out in §3.1 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of Firebird and Newco shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in §3.1, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefore, and any necessary additions to or deletions from share registers.

## ARTICLE 4 CERTIFICATES

4.1 **Firebird Class A Shares:** Recognizing that the Firebird Shares shall be renamed and redesignated as Firebird Class A Shares pursuant to §3.1(b)(i) and that the Firebird Class A Shares shall be exchanged partially for New Shares pursuant to §3.1(c), Firebird shall not issue replacement share certificates representing the Firebird Class A Shares.

4.2 **Firebird's Newco Shares:** Recognizing that the Distributed Newco Shares shall be transferred to the Firebird Shareholders as consideration for the redemption of the Firebird Class B Preferred Shares pursuant to §3.1(f), Newco shall issue one share certificate representing all of the Distributed Newco Shares registered in the name of Firebird, which share certificate shall be held by the Depositary until the Distributed Newco Shares are transferred to the Firebird Shareholders and such certificate shall then be cancelled by the Depositary. To facilitate the transfer of the Distributed Newco Shares to the Firebird Shareholders as of the Effective Date, Firebird shall

## EXHIBIT II - 6

execute and deliver to the Depository and the Transfer Agent an irrevocable power of attorney authorizing them to distribute and transfer the Distributed Newco Shares to such Firebird Shareholders in accordance with the terms of this Plan of Arrangement and Newco shall deliver a treasury order or such other direction to effect such issuance to the Transfer Agent as requested by it.

4.3 **Firebird Class B Preferred Shares:** Recognizing that all of the Firebird Class B Preferred Shares issued to the Firebird Shareholders pursuant to §3.1(c) will be redeemed by Firebird as consideration for the distribution and transfer of the Distributed Newco Shares under §3.1(f), Firebird shall issue one share certificate representing all of the Firebird Class B Preferred Shares issued pursuant to §3.1(f) in the name of the Depository, to be held by the Depository for the benefit of the Firebird Shareholders until such Firebird Class B Preferred Shares are redeemed, and such certificate shall then be cancelled.

4.4 **Delivery of Newco Share Certificates:** As soon as practicable after the Effective Date, Newco shall cause to be issued to the registered holders of Firebird Shares as at the Effective Time, share certificates representing the Newco Shares to which they are entitled pursuant to this Plan of Arrangement and shall cause such share certificates to be mailed to such registered holders.

4.5 **Delivery of the Newco Warrant Certificates:** As soon as practicable after the Effective Date, Newco shall cause to be issued to the registered Firebird Warrantholders as at the Effective Time, warrant certificates representing the Newco Warrants to which they are entitled pursuant to this Plan of Arrangement and shall cause such warrant certificates to be mailed to such registered holders.

4.6 **New Share Certificates:** From and after the Effective Date, share certificates representing Firebird Shares immediately before the Effective Date, except for those deemed to have been cancelled pursuant to Article 5, shall for all purposes be deemed to be share certificates representing New Shares, and no new share certificates shall be issued with respect to the New Shares issued in connection with the Arrangement.

4.7 **New Firebird Warrant Certificates:** From and after the Effective Date, certificates representing Firebird Warrants immediately before the Effective Date shall for all purposes be deemed to represent New Firebird Warrants, and no new certificates shall be issued with respect to the New Firebird Warrants issued in connection with the Arrangement.

### ARTICLE 5 RIGHTS OF DISSENT

5.1 **Dissent Right:** Notwithstanding §3.1 hereof, holders of Firebird Shares (other than the Vendor) may exercise Dissent Rights in connection with the Arrangement pursuant to the Interim Order and in accordance with the Dissent Procedures.

5.2 **Dealing with Dissenting Shares:** Registered holders of Firebird Shares (other than the Vendor) may exercise Dissent Procedures with respect to Firebird Shares in connection with the Arrangement, provided that, notwithstanding the Dissent Procedures, the written objection to the special resolution to approve the Arrangement contemplated by Section 242 of the BCBCA must be sent to Firebird by holders who wish to dissent at least two days before the Firebird Meeting or any date to which the Firebird Meeting may be postponed or adjourned and provided further that holders who exercise such rights of dissent and who:

- (a) are ultimately entitled to be paid fair value for their Firebird Shares, which fair value shall be the fair value of such shares on the close of business on the Business Day before the date of the Firebird Meeting, shall be paid an amount equal to such fair value by Newco and shall be deemed to have transferred their Firebird Shares, free of all liens, to Firebird for cancellation immediately before the Effective Date; and
- (b) are ultimately not entitled, for any reason, to be paid fair value for their Firebird Shares shall be deemed to have participated in the Arrangement, as of the Effective Date, on the same basis as a non-dissenting Firebird Shareholder and shall be entitled to receive only the consideration contemplated in Article 3 that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Procedures,

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but further provided that in no case shall Firebird, Newco or any other person be required to recognize holders of Firebird Shares who exercise Dissent Procedures as holders of Firebird Shares after the time that is immediately prior to the Effective Date, and the names of such holders of Firebird Shares who exercise Dissent Procedures shall be deleted from the central securities register as holders of Firebird Shares at the Effective Date.

5.3 **Reservation of Newco Shares:** If a Firebird Shareholder exercises the Dissent Right, Firebird shall on the Effective Date set aside and not distribute that portion of the Distributed Newco Shares that is attributable to the Firebird Shares for which the Dissent Right has been exercised. If the dissenting Firebird Shareholder is ultimately not entitled to be paid for their Dissenting Shares, Firebird shall distribute to such Firebird Shareholder such number of Newco Shares as is equal to the number of Firebird Shares held by the Firebird Shareholder as at the Effective Time on the Effective Date multiplied by the Exchange Factor. If a Firebird Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, then Firebird shall retain the portion of the Distributed Newco Shares attributable to such Firebird Shareholder (the "**Non-Distributed Newco Shares**"), and the Non-Distributed Newco Shares shall be dealt with as determined by the board of directors of Firebird in its absolute discretion.

### ARTICLE 6 REFERENCE DATE

6.1 **Reference Date:** This plan of arrangement is dated for reference the 12th day of May, 2011.



## EXHIBIT III

### SPECIAL RIGHTS AND RESTRICTIONS FOR FIREBIRD CLASS B PREFERRED SHARES

The class B preferred shares as a class shall have attached to them the following special rights and restrictions:

#### Definitions

- (1) In these Special Rights and Restrictions,
  - (a) "**Arrangement**" means the arrangement pursuant to Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) S.B.C. 2002, c.57 as contemplated by the Arrangement Agreement;
  - (b) "**Arrangement Agreement**" means the Arrangement Agreement dated as of May 12, 2011, between the Company and Newco;
  - (c) "**Company**" means Firebird Resources Inc.;
  - (d) "**Effective Date**" means the date upon which the Arrangement becomes effective;
  - (e) "**New Shares**" means the common shares without par value created in the authorized share structure of the Company pursuant to the Plan of Arrangement;
  - (f) "**Newco**" means GTO Resources Inc., a company incorporated under the *Business Corporations Act* (British Columbia) S.B.C. 2002, c.57;
  - (g) "**Old Common Shares**" means the common shares in the authorized share structure of the Company that have been re-designated as class A common shares without par value pursuant to the Plan of Arrangement; and
  - (h) "**Plan of Arrangement**" means the Plan of Arrangement attached as Exhibit II to the Arrangement Agreement.
- (2) The holders of the class B preferred shares are not as such entitled to receive notice of, nor to attend or vote at, any general meeting of the shareholders of the Company.
- (3) Class B preferred shares shall only be issued on the exchange of Old Common Shares for New Shares and class B preferred shares pursuant to and in accordance with the Plan of Arrangement.
- (4) The capital to be allocated to the class B preferred shares shall be the amount determined in accordance with §3.1(e) of the Plan of Arrangement.
- (5) The class B preferred shares shall be redeemable by the Company pursuant to and in accordance with the Plan of Arrangement.
- (6) Any class B preferred share that is or is deemed to be redeemed pursuant to and in accordance with the Plan of Arrangement shall be cancelled and may not be reissued.