

AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT made as of the 22nd day of November, 2013.

BETWEEN:

GIDEON CAPITAL CORP., a corporation existing
under the laws of Ontario ("**Gideon**");

-and-

2396933 ONTARIO INC., a corporation existing
under the laws of Ontario ("**Gideon Sub**");

-and-

BATHURST RESOURCES CORP., a corporation existing
under the laws of Ontario ("**Bathurst**");

WHEREAS Bathurst and Gideon Sub have agreed to amalgamate pursuant to section 175 of the *Business Corporations Act* (Ontario), and for such purpose Gideon has agreed to issue certain of its securities to the securityholders of Bathurst;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree with each other as follows:

ARTICLE I DEFINITIONS

1.1 **Definitions.** In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following words and terms set forth in this Article I shall have the following meanings:

- (a) "**Affiliate**" means an affiliated body corporate within the meaning of the OBCA;
- (b) "**Agreement**" means this Agreement and all instruments supplemental hereto or in amendment or confirmation hereof; "herein", "hereof" and similar expressions mean and refer to this Agreement and not to any particular article, section, clause or subclause; and "Article", "Section", "clause" or "subclause" means and refers to the specified article, section, clause or subclause of this Agreement;
- (c) "**Amalco**" has the meaning specified in Section 2.2 hereof;
- (d) "**Amalgamating Corporations**" means, collectively, Bathurst and Gideon Sub;
- (e) "**Amalgamation**" means the amalgamation of Bathurst and Gideon Sub pursuant to this Agreement and in accordance with the OBCA;

- (f) “**Applicable Securities Laws**” means collectively, the applicable securities laws of each of the provinces of Canada, the respective regulations, rules and orders made and forms prescribed thereunder together with all applicable published rules, policy statements, blanket orders and rulings of the securities commissions in such provinces;
- (g) “**Arm's Length**” has the same meaning ascribed thereto in the Tax Act;
- (h) “**Bathurst**” means Bathurst Resources Corp., a corporation incorporated under the laws of Ontario;
- (i) “**Bathurst Optionor Bonus Shares**” means up to \$400,000 worth of Bathurst Shares issuable to the L’Or Bai and Chamberlain Vendors. Pursuant to the L’Or Bai and Chamberlain Option Agreement Bathurst will be required to issue (i) \$50,000 worth of Bathurst Shares (up to 333,333 Bathurst Shares at a deemed price of \$0.15 per share) to the L’Or Bai Vendors in the event of a discovery of a volcanic-hosted massive sulphide in-situ on the L’Or Bai Property assaying 5% lead-zinc-copper over a true width of greater than two metres, at a price per share equal to the greater of \$0.15 and the VWAP of thirty (30) trading days prior to the notice of such discovery, (ii) \$50,000 worth of Bathurst Shares (up to 333,333 Bathurst Shares at a deemed price of \$0.15 per share) to the Chamberlain Vendors in the event of a discovery of a volcanic-hosted massive sulphide in-situ on the Chamberlain Property assaying 5% lead-zinc-copper over a true width of greater than two metres, at a price per share equal to the greater of \$0.15 and the VWAP of thirty (30) trading days prior to the notice of such discovery, (iii) \$150,000 worth of Bathurst Shares (up to 1,000,000 Bathurst Shares at a deemed price of \$0.15 per share) to the L’Or Bai Vendors upon delineation of a one metric tonne or more mineral deposit consisting of 500,000 tonnes or more of a measured and indicated resource, plus a greater than 500,000 tonne of an inferred resource assaying greater than 5% zinc equivalent of zinc-lead-copper-silver on the L’Or Bai Property, at a price per share equal to the greater of \$0.15 and the VWAP of thirty (30) trading days prior to the notice of such delineation, and \$150,000 worth of Bathurst Shares (up to 1,000,000 Bathurst Shares at a deemed price of \$0.15 per share) to the Chamberlain Vendors upon delineation of a one metric tonne or more mineral deposit consisting of 500,000 tonnes or more of a measured and indicated resource, plus a greater than 500,000 tonne of an inferred resource assaying greater than 5% zinc equivalent of zinc-lead-copper-silver on the Chamberlain Property, at a price per share equal to the greater of \$0.15 and the VWAP of thirty (30) trading days prior to the notice of such delineation;
- (j) “**Bathurst Optionor Future Shares**” means a total of \$400,000 worth of Bathurst Shares issuable to the L’Or Bai and Chamberlain Vendors pursuant to contractual obligations in the L’Or Bai and Chamberlain Option Agreement, of which \$80,000 worth of Bathurst Shares are issuable on each of the first to fifth anniversaries of the listing of the Bathurst Shares on the Exchange at a value based on the VWAP of thirty (30) trading days prior to each anniversary, subject to a minimum price of \$0.15 per share;
- (k) “**Bathurst Shareholders**” means all of the shareholders of the Bathurst Shares;
- (l) “**Bathurst Shares**” means the fully paid and non-assessable common shares in the capital of Bathurst;

- (m) “**Bathurst’s Assets**” means all of Bathurst’s material assets including but not limited to: (i) the mineral assets set out in the Filing Statement and the Technical Report; and (ii) those assets set out in Bathurst’s Financial Statements;
- (n) “**Bathurst’s Business**” means the business previously and heretofore carried on by Bathurst, namely, mining exploration on certain volcanic-hosted massive sulphides properties in the Province of New Brunswick as set out in the Filing Statement;
- (o) “**Bathurst’s Financial Statements**” means the financial statements of Bathurst included in the Filing Statement;
- (p) “**Broker Warrants**” means common share purchase warrants of Gideon issuable in connection with the Private Placement, with each warrant entitling the holder to purchase that number of Gideon Shares as is equal to 8% of the number of (i) Units sold under the Private Placement, at an exercise price of \$0.15 per Gideon Share exercisable for a period of 24 months from the date of issue, and (ii) FT Units sold under the Private Placement, at an exercise price of \$0.17 per Gideon Share exercisable for a period of 24 months from the date of issue;
- (q) “**Business Day**” means a day other than a Saturday or Sunday on which the principal commercial banks located in Toronto, Ontario, are open for business during normal banking hours;
- (r) “**Closing**” means the completion of the Amalgamation set forth herein, including the issuance of securities of Gideon to Bathurst securityholders, which shall take place on the Effective Date;
- (s) “**Closing Date**” means the day of the Closing;
- (t) “**Chamberlain Property**” means the 60 claim units located on 1,320 hectares of the Gloucester Project and subject to the L’Or Bai and Chamberlain Option Agreement;
- (u) “**Chamberlain Vendors**” means collectively Daniel Frenette, Gerard Roy, Donna Gummer and Rose Hannan, with ownership interests in the Chamberlain Property as follows: (i) 30% Gerard Roy, (ii) 30% Donna Gummer, (iii) 30% Daniel Frenette and (iv) 10% Rose Hannan;
- (v) “**Director**” means the Director appointed under the OBCA;
- (w) “**Effective Date**” means the date of amalgamation as set forth in the certificate of amalgamation for Amalco;
- (x) “**Engagement Letter**” means the letter dated as of July 31, 2013 between Bathurst, Gideon and All Group Financial Services Inc.;
- (y) “**Exchange**” means the TSX Venture Exchange Inc.;
- (z) “**Exchange Shares**” means Gideon Shares which are to be issued from the treasury of Gideon to the Bathurst Shareholders in accordance with Section 3.1 hereof;

- (aa) “**Filing Statement**” means the disclosure document prepared in accordance with the policies of the Exchange, which provides full, true and plain disclosure of all Material Facts relating to Gideon, Bathurst and the Amalgamation;
- (bb) “**Final Exchange Bulletin**” means the bulletin issued by the Exchange that evidences the final Exchange acceptance of the Proposed Transaction of Gideon as its Qualifying Transaction;
- (cc) “**FT Units**” means the units issued by Gideon pursuant to the Private Placement, at a price of \$0.17 per FT Unit. Each FT Unit entitling the holder thereof to acquire one Gideon Share, issued on a “flow through” basis and qualifying as a “flow-through” share for the purposes of the Tax Act, and one Warrant;
- (dd) “**Gideon**” means Gideon Capital Corp., a corporation existing under the laws of Ontario;
- (ee) “**Gideon Broker Warrants**” means the non-transferable common share purchase warrants exercisable for up to 250,000 Gideon Shares until February 3, 2014, issued to Raymond James Ltd. in connection with the closing of the Gideon IPO;
- (ff) “**Gideon Escrow Agreement**” means the escrow agreement dated December 1, 2011 among Gideon, Computershare Investor Services Inc. and certain shareholders of Gideon;
- (gg) “**Gideon’s Business**” means investigating projects, businesses or other assets to acquire in order to complete a Qualifying Transaction;
- (hh) “**Gideon’s Financial Statements**” means the audited consolidated financial statements of Gideon most recently filed on SEDAR;
- (ii) “**Gideon IPO**” means the initial public offering of Gideon which closed on February 1, 2012, whereby it sold 2,500,000 Gideon Shares at a price of \$0.10 per share and raised gross proceeds of \$250,000;
- (jj) “**Gideon Options**” means the non-transferable incentive stock options to purchase 350,000 Gideon Shares granted to three officers/directors of Gideon upon completion of the Gideon IPO;
- (kk) “**Gideon Securities**” means, collectively, the Gideon Shares, Gideon Broker Warrants and Gideon Options;
- (ll) “**Gideon Shares**” means the common shares in the capital of Gideon of which 12,500,000 are issued and outstanding as at the date hereof;
- (mm) “**Gideon Sub**” means 2396933 Ontario Inc., a corporation existing under the laws of Ontario;
- (nn) “**Gloucester Project**” means the 15 mining claim blocks composed of 191 claim units in Gloucester County, Northern New Brunswick, Canada;
- (oo) “**Governmental Entity**” means any: (i) national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign;

- (ii) subdivision, agent, commission board or authority of any of the foregoing; or (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (pp) “**IFRS**” means the International Financial Reporting Standards, being the International Financial Reporting Standards of accounting, applicable as at the date on which such calculation is made or required to be made in accordance with such standards;
- (qq) “**L’Or Bai and Chamberlain Properties**” means collectively the L’Or Bai Property and the Chamberlain Property;
- (rr) “**L’Or Bai and Chamberlain Option Agreement**” means the arm’s length option agreement effective as of April 7, 2013 and executed on July 3, 2013, as amended on November 6, 2013, between Bathurst and the L’Or Bai and Chamberlain Vendors whereby Bathurst obtained the option to acquire a 100% interest in various claim units located on the L’Or Bai and Chamberlain Properties;
- (ss) “**L’Or Bai and Chamberlain Vendors**” means collectively the L’Or Bai Vendors and the Chamberlain Vendors;
- (tt) “**L’Or Bai Property**” means the 123 claim units located on 2,706 hectares of the Gloucester Project and subject to the L’Or Bai and Chamberlain Option Agreement;
- (uu) “**L’Or Bai Vendors**” means collectively Daniel Frenette, Gerard Roy, Donna Gummer and Rose Hannan with ownership interests in the L’Or Bai Property as follows: (i) 36% Daniel Frenette, (ii) 27% Gerard Roy, (iii) 27% Donna Gummer and (iv) 10% Rose Hannan;
- (vv) “**Material Adverse Change**” or “**Material Adverse Effect**” means, when used in connection with a company, any change or effect (or any condition, event or development involving a prospective change or effect) in or on the business, operations, results of operations, assets, capitalization, financial condition, licenses, permits, concessions, rights or liabilities, whether contractual or otherwise, of the company and its subsidiaries, taken as a whole, and which change or effect may reasonably be expected to materially reduce the value of the equity securities of the company (other than a change or effect: (i) which arises out of a matter that has been publicly disclosed or otherwise disclosed in writing by the company to the other party prior to the date hereof; (ii) resulting from conditions affecting the oil and gas industry generally in jurisdictions in which the company or its subsidiaries carry on business; or (iii) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States or elsewhere);
- (ww) “**Material Fact**” in relation to any party hereto includes, without limitation, any fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the shares of such party;
- (xx) “**OBCA**” means the *Business Corporations Act* (Ontario), as amended, including the regulations promulgated thereunder;

- (yy) “**Person**” means any individual, corporation, partnership, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;
- (zz) “**Policy 2.4**” means Exchange Policy 2.4 – *Capital Pool Companies*;
- (aaa) “**Private Placement**” means the brokered private placement, through All Group Financial Services Inc., by Gideon of Units at \$0.15 per Unit and FT Units at \$0.17 per FT Unit for a minimum of 7,333,333 Private Placement Units for aggregate gross proceeds of no less than \$1,100,000 (including at least \$450,000 of Units) and a maximum of 10,000,000 Private Placement Units for aggregate gross proceeds of no less than \$1,500,000;
- (bbb) “**Private Placement Units**” means the Units and FT Units issued by Gideon pursuant to the Private Placement;
- (ccc) “**Proposed Transaction**” means the completion of the Amalgamation and Private Placement as contemplated herein, which transaction constitutes a “Qualifying Transaction” as defined in the Policies of the Exchange, together with receipts by Gideon of all required regulatory approvals;
- (ddd) “**Public Record**” means all information filed with the securities commissions, including without limitation, the documents and any other information filed with any securities commissions in compliance, or intended compliance, with any Applicable Securities Laws;
- (eee) “**Qualifying Transaction**” has the meaning ascribed to such term in Policy 2.4.
- (fff) “**Securities Acts**” means collectively the *Securities Act* (Ontario), the *Securities Act* (Alberta) and the *Securities Act* (British Columbia) as may be amended from time to time, and any successors thereto;
- (ggg) “**Tax Act**” means the *Income Tax Act* (Canada), as it may be amended from time to time, and any successor thereto. Any reference herein to a specific section or sections of the Tax Act, or regulations promulgated thereunder, shall be deemed to include a reference to all corresponding provision of future law;
- (hhh) “**Tax Laws**” shall mean the Tax Act and any applicable provincial, or foreign income taxation statute(s), as from time to time amended, and any successors thereto;
- (iii) “**Technical Report**” means the technical report prepared for Bathurst and Gideon dated July 11, 2013 entitled “Gloucester Project, Bathurst Mining Camp, New Brunswick, Canada” prepared by Sears, Barry & Associates Limited;
- (jjj) “**Third Party**” means any Person other than the parties to this Agreement;
- (kkk) “**Units**” means the units issued by Gideon pursuant to the Private Placement, at a price of \$0.15 per Unit. Each Unit entitling the holder thereof to acquire one Gideon Share and one Warrant;
- (lll) “**Vienneau Option Agreement**” means the arm’s length option agreement dated April

29, 2013 between Bathurst and Kevin Vienneau whereby Bathurst obtained the option to acquire a 100% interest in various claim units located on the Vienneau Property;

(mmm) “**Vienneau Property**” means the 8 claim units located on 176 hectares of the Gloucester Project subject to the Vienneau Option Agreement;

(nnn) “**VWAP**” means volume weighted average price; and

(ooo) “**Warrant**” means the common share purchase warrants of Gideon underlying the Units and the FT Units with each Warrant entitling the holder thereof to acquire one Gideon Share at a price of \$0.30 for a period of 24 months from the date of issue.

1.2 **Currency.** Unless otherwise indicated, all dollar amounts referred to in this Agreement are in Canadian funds.

1.3 **Tender.** Any tender of documents or money hereunder may be made upon the counsel and money may be tendered by bank draft or by certified cheque.

1.4 **Number and Gender.** Where the context requires, words imparting the singular shall include the plural and vice versa, and words imparting gender shall include all genders.

1.5 **Headings.** Article and Section headings contained in this Agreement are included solely for convenience, are not intended to be full or accurate descriptions of the content thereof and shall not be considered part of this Agreement or affect the construction or interpretation of any provision hereof.

1.6 **Schedules.** The Schedules to this Agreement shall be construed with and be considered an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein. The following Schedule is attached hereto:

Schedule "A" Articles of Amalgamation

1.7 **Accounting Terms.** All accounting terms not specifically defined herein shall be construed in accordance with IFRS.

ARTICLE II AMALGAMATION

2.1 **Agreement to Amalgamate.** The Amalgamating Corporations do hereby agree to amalgamate pursuant to the provisions of section 175 of the OBCA as of the Effective Date and to continue as one corporation on the terms and conditions set out in this Agreement.

2.2 **Name.** The name of the amalgamated corporation shall be "Bathurst Resources Corp." ("**Amalco**").

2.3 **Registered Office.** The registered office of Amalco shall be 55 York Street, Suite 201, Toronto, Ontario, M5J 1R7.

2.4 **Articles of Amalgamation.** The articles of amalgamation of Amalco shall be in the form set out in Schedule "A" attached hereto.

2.5 **Initial Directors.** The first director of Amalco shall be the person whose name and residential address appears below:

<u>Name</u>	<u>Address</u>	<u>Resident Canadian</u>
Raniero Corsini		Yes

Such director shall hold office until the next annual meeting of shareholders of Amalco or until his successor is elected or appointed.

2.6 **By-Laws.** The by-laws of Amalco, until repealed, amended or altered, shall be the by-laws of Bathurst.

2.7 **Filing of Documents.** Upon the shareholders of each of the Amalgamating Corporations approving this Agreement by special resolution in accordance with the OBCA, the Amalgamating Corporations shall jointly file with the Director articles of amalgamation and such other documents as may be required.

2.8 **Stated Capital.** The stated capital of Amalco, immediately after the amalgamation becomes effective shall be equal to the aggregate stated capital of each of the Amalgamating Corporations.

ARTICLE III ISSUANCE OF SECURITIES

3.1 **Issuance of Shares.** In consideration of the agreement of the parties and their respective shareholders to the actions set forth herein, on the Effective Date:

- (a) Gideon shall issue 15,000,000 fully paid, issued and outstanding Exchange Shares to Bathurst Shareholders, being one (1) Exchange Share for each one (1) Bathurst Share issued and outstanding as of the execution of this Agreement;
- (b) Gideon shall assume the obligations of Bathurst to issue the Bathurst Optionor Bonus Shares and Bathurst Optionor Future Shares pursuant to the L'Or Bai and Chamberlain Option Agreement;
- (c) Amalco shall issue to Gideon, the sole shareholder of Gideon Sub, one (1) fully paid, issued and outstanding share in the capital of Amalco for each one (1) Gideon Sub share held; and
- (d) the holders of Bathurst Shares will need to surrender certificates representing such securities following completion of the Amalgamation in order to receive the applicable securities of Gideon noted above in this Section 3.1. Subject to the issuance of a replacement certificate as noted above, any outstanding certificates representing Bathurst Shares will be deemed to be null and void.

3.2 **Fractional Shares.** No fractional securities shall be issued by Gideon pursuant to Section 3.1. Any exchange or replacement contemplated in Section 3.1 hereof that results in less than a whole number shall be rounded to the nearest whole number.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

4.1 **Representations and Warranties of Bathurst.** Bathurst represents and warrants as at the date of this Agreement to and in favour of Gideon as follows, and acknowledges that Gideon is relying upon such representations and warranties in connection with the completion of the transactions contemplated herein:

- (a) Bathurst is a corporation duly incorporated under the laws of Ontario and is a valid and subsisting corporation under the OBCA and is in compliance, in all material respects, with the requirements of the OBCA, and has all requisite power and authority to carry on its business and to carry out the provisions hereof;
- (b) Bathurst has no subsidiaries;
- (c) Bathurst has the requisite power, capacity and authority to enter into this Agreement on the terms and conditions herein set forth;
- (d) the authorized capital of Bathurst consists of an unlimited number of common shares, without nominal or par value, of which 15,000,000 Bathurst Shares are outstanding as at the date hereof;
- (e) except for up to 5,866,658 Bathurst Optionor Bonus Shares and Bathurst Optionor Future Shares reserved for issuance pursuant to the L'Or Bai and Chamberlain Option Agreement, no Person has any agreement, option or right, understanding, warrant call, conversion right, commitment or right or privilege of any kind to acquire or capable of becoming an agreement for the allotment, purchase or acquisition of any of the unissued share capital of Bathurst, and there are no outstanding securities or instruments which are convertible into or exchangeable for shares of Bathurst;
- (f) except for the Engagement Letter, Bathurst has not incurred any legal liability for brokerage fees, finder's fees, agent's commissions or other similar forms of compensation in connection with the transactions contemplated by this Agreement;
- (g) the information concerning Bathurst to be set forth in the Filing Statement will contain no untrue statement of a Material Fact and will not omit to state a Material Fact that is required to be stated or that is necessary to make a statement therein not misleading in light of the circumstances in which it will be made, and such information in the Filing Statement will constitute full, true and plain disclosure of all Material Facts relating to Bathurst therein;
- (h) Bathurst is not liable, in any material respects, for any foreign or Canadian federal, provincial, municipal or local taxes, assessments, withholding taxes, employee or other remittances, or other imposts or penalties due and unpaid at the date hereof in respect of its income, employees, business or property, or for the payment of any tax instalment due in respect of its current taxation year (but not including taxes accruing due) or any previous taxation years, and no such taxes, assessments, imposts, remittances or penalties are required to be reserved;
- (i) there is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, or, to the knowledge of Bathurst, pending or threatened against or relating to Bathurst, or affecting the assets of Bathurst which if determined adversely to Bathurst might have or might reasonably be expected to have a Material Adverse Effect on the properties, business, future prospects

or the financial condition of Bathurst and there is no circumstance, matter or thing known to Bathurst which might give rise to any such proceeding or to any governmental investigation relative to Bathurst and there is not outstanding against Bathurst any judgment, decree, injunction, rule or order of any court, government department, commission, agency or arbitrator;

- (j) Bathurst is a taxable Canadian corporation as defined in the Tax Act and is not liable, in any material respect, for any Canadian federal, provincial, municipal or local taxes, sales tax assessments, withholding taxes, employee or other remittances, or other imposts or penalties due and unpaid at the date hereof in respect of its income, capital, employees, business or property, or for the payment of any tax instalment due in respect of its current taxation year (but not including taxes accruing due) or any previous taxation years, and no such taxes, assessments, imposts, remittances or penalties are required to be reserved. All such taxes, assessments, imposts, remittances and penalties have been properly calculated by Bathurst, in all material respects. Bathurst is not in default in filing any returns or reports covering any Canadian federal, provincial, municipal or local taxes, assessments or other imposts in respect of its income, business or property and Bathurst has complied with all withholding, collection, remittance and other obligations under any applicable taxing statute;
- (k) no consent, approval, order or authorization of, or registration, declaration or filing with, any third party or Governmental Entity is required by or with respect to Bathurst in connection with the execution and delivery of this Agreement by Bathurst, the performance of its obligations hereunder or the consummation by Bathurst of the transactions contemplated hereby, other than: (a) the approval of the Amalgamation and the Amalgamation Agreement by the shareholders of Bathurst and the approval of the Amalgamation by the Director; (b) such registrations and other actions required under Applicable Securities Laws as are contemplated by this Agreement and registrations and applications required as a result of the formation of a new corporation on the Amalgamation; (c) any filings with the Director; and (d) any other consents, approvals, orders, authorizations, registrations, declarations or filings which, if not obtained or made, would not, individually or in the aggregate, have a Material Adverse Effect on Bathurst or prevent or materially impair Bathurst's ability to perform its obligations hereunder;
- (l) since August 31, 2013, other than as disclosed in writing to Gideon prior to the date hereof, there has not been any Material Adverse Change in the condition or operation of Bathurst or in its respective assets, liabilities or financial condition;
- (m) the Bathurst Financial Statements, are true and correct and present fairly, in all material respects, the financial position of Bathurst, on a consolidated basis, as at such dates and the results of its operations and changes in financial position for the periods indicated in the said statements, and have been prepared in accordance with IFRS applied on a basis consistent with that of prior periods;
- (n) there is no pending disagreement between Bathurst and its auditors which could materially affect the financial situation of Bathurst;
- (o) other than amounts owing to reimburse individuals for business expenses incurred in the ordinary course of business and approved on behalf of Bathurst and remuneration for services in the ordinary course of business, Bathurst is not indebted to:

- (i) any director, officer, employee or shareholder of Bathurst; or
- (ii) any corporation controlled, directly or indirectly, by any one or more of those Persons referred to in subsection 1.1(o)(i) hereof;
- (p) none of those Persons referred to in subsection 1.1(o) hereof is indebted to Bathurst;
- (q) to the best of the knowledge of Bathurst (after due inquiry) except as described in the Filing Statement, none of the proposed directors or officers of Bathurst and Gideon is or has ever been subject to prior regulatory, criminal or bankruptcy proceedings in Canada or elsewhere;
- (r) no Person has any written or oral agreement, option, understanding or commitment or any right or privilege capable of becoming an agreement for the purchase, exchange, transfer or other disposition from Bathurst of any of their assets;
- (s) the entering into and performance of this Agreement and the transactions contemplated therein by Bathurst will not violate:
 - (i) the constating documents or by-laws of Bathurst;
 - (ii) any material agreement to which Bathurst is a party, and will not give any Person any right to terminate or cancel any material agreement or any right enjoyed by Bathurst because of such agreement, and will not result in the creation or imposition of any lien, encumbrance or restriction of any nature whatsoever in favour of a third party upon or against Bathurst, or any of their respective assets; or
 - (iii) any statute, regulation, by-law, order, judgment or decree by which Bathurst is bound, except for such violations which would not have a Material Adverse Effect on the financial condition, assets or affairs of Bathurst;
- (t) Bathurst is not a party to any loan agreement, credit agreement, hypothec agreement or other agreement of the same nature, other than: (i) as disclosed in the Bathurst Financial Statements; or (ii) as may be entered into following the date hereof and disclosed to Gideon;
- (u) Bathurst has no material liabilities, contingent or otherwise, except those that will be set out in the Filing Statement or in the financial statements referred to in subsection 1.1(m) hereof, or, thereafter, incurred in the ordinary course of business, and except in the ordinary course of business, Bathurst has not guaranteed or indemnified, or agreed to guarantee or indemnify, any debt, liability or other obligation of any Person;
- (v) the Filing Statement will contain a list of all material contracts, agreements and commitments (whether written or oral) to which Bathurst is a party, and all of such material contracts, agreements and commitments are in full force and effect and Bathurst is not and will not be at Closing, in default under any of such contracts, agreements or commitments, save and except for any breach or default which is not material or which has been waived in writing by the other party to such contract, agreement or commitment;

- (w) there does not exist any state of facts which after notice or lapse of time, or both, will constitute a material default or breach on the part of Bathurst under any of the provisions contained in any of the material contracts, commitments or agreements referred to in subsection 4.1(v) hereof;
- (x) the corporate records and minute books of Bathurst contain, in all material respects, complete and accurate minutes of all material decisions made at any meeting of the directors and shareholders since its date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed;
- (y) Bathurst is duly licensed, registered and qualified, in all material respects, and possesses all material certificates, authorizations, permits or licences issued by the appropriate regulatory authorities in the jurisdictions necessary to enable its business to be carried on as now conducted and to enable its property and assets to be owned, leased and operated as they are now, and all such licences, registrations and qualifications are in good standing, in all material respects and none of such licenses, registrations or qualifications contains any burdensome term, provision, condition or limitation which has or is likely to have any Material Adverse Effect on the business of Bathurst, as now conducted;
- (z) Bathurst has conducted and is conducting its business in accordance with good mining practices;
- (aa) Bathurst, after making all due inquiries, does not have reason to believe that Bathurst does not have title to or the exclusive right to explore for, develop and produce minerals, and to sell its share of mineral production, on the terms set out in the L'Or Bai and Chamberlain Option Agreement and the Vienneau Option Agreement (for the purposes of this subsection, the foregoing are referred to as the "**Interests**") and does represent and warrant that the Interests are, to the best of its knowledge, information and belief, after due inquiry, free and clear of adverse claims created by, through or under Bathurst or, and, to the knowledge of Bathurst after due inquiry, Bathurst holds the Interests under valid and subsisting option agreements;
- (bb) Bathurst has paid in full all outstanding amounts owed and has met all obligations currently due as at the date hereof pursuant to the L'Or Bai and Chamberlain Option Agreement and the Vienneau Option Agreement;
- (cc) other than pursuant to the terms and conditions of the L'Or Bai and Chamberlain Option Agreement and the Vienneau Option Agreement, no person, owns, has or is entitled to any royalty, net profits interest, carried interest or any other encumbrances or claims of any nature whatsoever which are based on production from the properties or assets of Bathurst or any revenue or rights attributed thereto;
- (dd) any and all operations of Bathurst, and to the best of Bathurst's knowledge, any and all operations by third parties on or in respect of the assets and properties of Bathurst, have been conducted in accordance with good mining industry practice and in material compliance with applicable laws, rules, regulations, orders and directions of government and other competent authorities except where the failure to so conduct the operations would not have a Material Adverse Effect on Bathurst;
- (ee) Bathurst has made available to Gideon all documents of title and other documents and agreements in its possession affecting the title of Bathurst to their mining properties;

- (ff) except to the extent that any violation or other matter referred to in this subparagraph does not have a Material Adverse Effect on Bathurst, in respect of Bathurst:
- (i) it has not received any order or directive which relates to any material work, repairs, construction, or capital expenditures on the properties or assets of Bathurst;
 - (ii) to the best of the knowledge of Bathurst (after due inquiry), it is not in violation of any applicable federal, provincial, state, territory, municipal or local laws, regulations, orders, government decrees, approvals, licenses, permits or ordinances with respect to environmental, health or safety matters (collectively, "**Environmental Laws**");
 - (iii) it has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of Environmental Laws;
 - (iv) there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes into the earth, air or into any body of water or any municipal or other sewer or drain water systems by Bathurst that have not been remedied;
 - (v) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of Bathurst;
 - (vi) it has not failed to report to the proper federal, provincial, state, territorial, municipal or other political subdivision, government, department, commission, board, bureau, agency or instrumentality, domestic or foreign, the occurrence of any event which is required to be so reported by any Environmental Law;
 - (vii) it holds all licenses, permits and approvals required under any Environmental Laws in connection with the operation of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, Bathurst has not received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto, or that any license, permit or approval referred to above is about to be reviewed, made subject to limitations or conditions, revoked, withdrawn or terminated; and
 - (viii) Bathurst (including, if applicable, any predecessor companies thereof) has not received any notice of, or been prosecuted for an offence alleging, material non compliance with any Environmental Laws, and Bathurst (including, if applicable, any predecessor companies) has not settled any allegation of material non compliance short of prosecution;
- (gg) to the knowledge of Bathurst (after due inquiry), there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes, which have not been rectified, on any of the properties or assets owned or leased by Bathurst or in which it has an interest or over which it has control; except for any such spills,

releases, deposits or discharges which, in aggregate, would not have a Material Adverse Effect on Bathurst;

- (hh) in respect of the assets and properties of Bathurst that are operated by it, if any, Bathurst holds all valid licenses, permits and similar rights and privileges that are required and necessary under applicable law to operate the assets and properties of Bathurst as presently operated except where the failure to hold such licenses, permits and similar rights would not have a Material Adverse Effect on Bathurst;
- (ii) to the best of the knowledge, information and belief of Bathurst, after due inquiry, the activities and operations of Bathurst and all of its respective directors, officers, agents, employees, affiliates or Persons acting on behalf of any such Persons, are and have been conducted at all times in compliance with the anti-money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency to which they are subject (collectively, the "**Anti-Money Laundering Laws**") and no action, suit or proceeding by or before any Governmental Entity or any arbitrator involving Bathurst with respect to the Anti-Money Laundering Laws is, to the knowledge of Bathurst, pending or threatened;
- (jj) to the best of the knowledge of Bathurst, there does not currently exist any shareholders agreement, pooling agreement, voting trust or other similar type of arrangement in respect of outstanding securities of Bathurst;
- (kk) Bathurst has provided Gideon with copies of all material agreements, other than any agreements in the ordinary course of business, with any officer, director, employee, shareholder or any other Person not dealing at arm's length with Bathurst and Bathurst has no benefit plans, bonus plans or deferred compensation plans other than as disclosed in the Filing Statement;
- (ll) the execution and delivery of this Agreement and the completion of the transactions contemplated herein have been, or in respect of the transactions contemplated herein will have been prior to Closing, duly approved by the board of directors of Bathurst and this Agreement constitutes a valid and binding obligation of Bathurst enforceable against it in accordance with its terms, subject, however, to limitations imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance or injunction are granted at the discretion of a court of competent jurisdiction and no other corporate proceedings on its part are required to authorize this Agreement, other than the approval by special resolution of the shareholders of Bathurst of the Amalgamation and this Agreement;
- (mm) the board of directors of Bathurst has endorsed the Amalgamation and approved this Agreement, has determined that the Amalgamation and this Agreement are in the best interests of Bathurst and its shareholders, and have resolved to recommend approval of the Amalgamation by applicable shareholders;
- (nn) no consents, registrations, approvals, permits, waivers or authorizations are required to be obtained by Bathurst from, any governmental or regulatory authority in connection with the execution and delivery of this Agreement by Bathurst and the consummation of the transactions contemplated herein by Bathurst, the failure to make or obtain any or all of which is reasonably likely to have a Material Adverse Effect on the consolidated

financial condition of Bathurst, or could prevent, materially delay or materially burden the transactions contemplated herein;

- (oo) Bathurst is not a "reporting issuer" in any jurisdiction of Canada, and is not subject to any regulatory decision or order prohibiting or restricting trading in any of its securities;
- (pp) no cease trade order has been issued against Bathurst or the Bathurst Shares in any jurisdiction, and to the knowledge of Bathurst, no cease trade order is pending or threatened;
- (qq) Bathurst has no reasonable grounds for believing that a creditor of Bathurst will be prejudiced by the Amalgamation; and
- (rr) Bathurst made available to Sears, Barry & Associates Limited, prior to the issuance of the Technical Report, for the purpose of preparing the Technical Report, all information requested by Sears, Barry & Associates, which information did not contain any misrepresentation at the time such information was so provided. Bathurst has no knowledge of a material adverse change in any information provided by Sears, Barry & Associates since that date. Bathurst believes that the Technical Report reasonably presented the quantity and pre-tax present worth values of mineral reserves attributable to the properties evaluated therein as at the date stated therein based upon information available at the time the Technical Report was prepared and the assumptions as to commodity prices and costs contained therein.

4.2 **Representations and Warranties of Gideon.** Gideon represents and warrants as at the date of this Agreement to and in favour of Bathurst as follows, and acknowledges that Bathurst is relying upon such representations and warranties in connection with the completion of the transactions contemplated herein:

- (a) Gideon is a corporation duly incorporated under the laws of the Province of Ontario and is a valid and subsisting corporation under the OBCA and is in compliance, in all material respects, with the requirements of the OBCA and has all requisite power and authority to carry on its business and to carry out the provisions hereof;
- (b) Gideon has no subsidiaries, other than Gideon Sub;
- (c) Gideon is a "capital pool company" (as defined by the rules of the Exchange) and has no assets, other than cash and securities of Monterra S.A., or operations;
- (d) Gideon is a "reporting issuer" as that term is defined under Applicable Securities Laws in each of the provinces of Alberta, British Columbia and Ontario and is not in default of the requirements of the Applicable Securities Laws in such jurisdictions;
- (e) Gideon is in material compliance with all of its obligations as a reporting issuer in the jurisdictions where it is a reporting issuer, including those imposed pursuant to securities legislation, and the regulations and policies thereunder;
- (f) no cease trade order is currently issued against Gideon or the Gideon Shares in any jurisdiction, and, to the knowledge of Gideon, no cease trade order is pending or threatened;

- (g) Gideon has the requisite power, capacity and authority to enter into this Agreement on the terms and conditions herein set forth;
- (h) the authorized capital of Gideon consists of an unlimited number of common shares, without nominal or par value, of which 12,500,000 Gideon Shares are issued and outstanding and all such shares are validly issued and outstanding as fully paid and non-assessable shares;
- (i) other than securities issued or to be issued pursuant to the Amalgamation and Private Placement and described in this Agreement, no Person has any agreement, option or right, understanding, warrant call, conversion right, commitment or right or privilege of any kind to acquire or capable of becoming an agreement for the allotment, purchase or acquisition of any of the unissued share capital of Gideon, and there are no outstanding securities or instruments which are convertible into or exchangeable for shares of Bathurst, other than the Gideon Options and Gideon Broker Warrants;
- (j) except for the Engagement Letter, Gideon has not incurred any legal liability for brokerage fees, finder's fees, agent's commissions or other similar forms of compensation in connection with the transactions contemplated by this Agreement;
- (k) there is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, or, to the knowledge of Gideon, pending or threatened against or relating to Gideon or affecting the assets of Gideon which if determined adversely to Gideon might have or might reasonably be expected to have a Material Adverse Effect on the properties, business, future prospects or the financial condition of Gideon and there is no circumstance, matter or thing known to Gideon which might give rise to any such proceeding or to any governmental investigation relative to Gideon and there is not outstanding against Gideon any judgment, decree, injunction, rule or order of any court, government department, commission, agency or arbitrator;
- (l) Gideon is a taxable Canadian corporation as defined in the Tax Act and is not liable, in any material respect, for any Canadian federal, provincial, municipal or local taxes, sales tax assessments, withholding taxes, employee or other remittances, or other imposts or penalties due and unpaid at the date hereof in respect of its income, capital, employees, business or property, or for the payment of any tax instalment due in respect of its current taxation year (but not including taxes accruing due) or any previous taxation years, and no such taxes, assessments, imposts, remittances or penalties are required to be reserved against. All such taxes, assessments, imposts, remittances and penalties have been properly calculated by Gideon, in all material respects. Gideon is not in default in filing any returns or reports covering any Canadian federal, provincial, municipal or local taxes, assessments or other imposts in respect of its income, business or property and Gideon has complied with all withholding, collection, remittance and other obligations under any applicable taxing statute;
- (m) the entering into and performance of this Agreement and the transactions contemplated herein by Gideon will not violate:
 - (i) the constating documents or by-laws of Gideon;

- (ii) any agreement to which Gideon is a party and will not give any Person any right to terminate or cancel any agreement or any right enjoyed by Gideon because of such agreement, and will not result in the creation or imposition of any lien, encumbrance or restriction of any nature whatsoever in favour of a third party upon or against Gideon or the assets of Gideon; or
 - (iii) any statute, regulation, by-law, order, judgment, or decree by which Gideon is bound, except for such violations which would not have a Material Adverse Effect on the financial condition, assets or affairs of Gideon;
- (n) there is no pending disagreement between Gideon and its auditors which could materially affect the financial condition of Gideon;
- (o) since June 30, 2013, there has not been any Material Adverse Change in the condition or operation of Gideon or in its assets, liabilities or financial condition;
- (p) the Gideon Financial Statements, are true and correct and present fairly, in all material respects, the financial position of Gideon as at such dates and the results of its operations and changes in financial position for the periods indicated in the said statements, and have been prepared in accordance with IFRS applied on a basis consistent with that of prior periods;
- (q) Gideon has no material liabilities, contingent or otherwise, except those set out in the Gideon Financial Statements, or, thereafter, incurred in the ordinary course of business, and except in the ordinary course of business, Gideon has not guaranteed or indemnified, or agreed to guarantee or indemnify, any debt, liability or other obligation of any Person;
- (r) other than amounts owing to reimburse individuals for business expenses pursuant to subsection 8.2(b) of Policy 2.4, Gideon is not indebted to:
 - (i) any director, officer or shareholder of Gideon; or
 - (ii) any corporation controlled, directly or indirectly, by any one or more of those Persons referred to in subsection 4.2(r)(i) hereof;
- (s) none of those Persons referred to in subsection 4.2(r) hereof is indebted to Gideon;
- (t) no Person has any written or oral agreement, option, understanding or commitment or any right or privilege capable of becoming an agreement for the purchase, exchange, transfer or other disposition from Gideon of any of its assets;
- (u) the information concerning Gideon to be set forth in the Filing Statement will contain no untrue statement of a Material Fact and will not omit to state a Material Fact that is required to be stated or that is necessary to make a statement therein not misleading in light of the circumstances in which it will be made, and such information in the Filing Statement will constitute full, true and plain disclosure of all Material Facts relating to Gideon therein;
- (v) the execution and delivery of this Agreement and the completion of the transactions contemplated herein have been, or in respect of the transactions contemplated herein will have been prior to Closing, duly approved by the board of directors of Gideon and this

Agreement constitutes a valid and binding obligation of Gideon enforceable against it in accordance with its terms, subject, however, to limitations imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance or injunction are granted at the discretion of a court of competent jurisdiction and no other corporate proceedings on its part are required to authorize this Agreement, other than the approval by the shareholders of Gideon of the matters contemplated in the Circular;

- (w) the board of directors of Gideon entitled to vote have endorsed the Amalgamation and approved this Agreement, have determined that the Amalgamation and this Agreement are in the best interests of Gideon and its shareholders, and have resolved to recommend approval of the Amalgamation by applicable shareholders;
- (x) no consent, approval, order or authorization of, or registration, declaration or filing with, any third party or Governmental Entity is required by or with respect to Gideon in connection with the execution and delivery of this Agreement by Gideon, the performance of its obligations hereunder or the consummation by Gideon of the transactions contemplated hereby other than: (a) the approval of the Amalgamation and the Amalgamation Agreement by the shareholders of Gideon Sub; (b) the approval of the Amalgamation by the Director; (c) the approval of the Amalgamation and Private Placement by the Exchange; (d) such registrations and other actions required under Applicable Securities Laws as are contemplated by this Agreement and registrations and applications required as a result of the formation of a new corporation on the Amalgamation; (e) any filings with the Director; and (f) any other consents, approvals, orders, authorizations, registrations, declarations or filings which, if not obtained or made, would not, individually or in the aggregate, have a Material Adverse Effect on Gideon or prevent or materially impair Gideon's ability to perform its obligations hereunder;
- (y) the documents filed under the Public Record complied in all material respects with Applicable Securities Laws in the jurisdictions they were filed at the time they were filed, and Gideon has not filed any confidential filings with any securities authorities which continue to be confidential;
- (z) there is no "material fact" or "material change" (as those terms are defined in Applicable Securities Laws) in the affairs of Gideon that has not been generally disclosed to the public;
- (aa) the Filing Statement will contain a list of all material contracts, agreements and commitments (whether written or oral) to which Gideon is a party, and all of such material contracts, agreements and commitments are in full force and effect and Gideon is and will not be at Closing, in default under any of such contracts, agreements or commitments, save and except for any breach or default which is not material or which has been waived in writing by the other party to such contract, agreement or commitment;
- (bb) there does not exist any state of facts which after notice or lapse of time, or both, will constitute a material default or breach on the part of Gideon under any of the provisions contained in any of the material contracts, commitments or agreements referred to in subsection 4.2(aa) hereof;

- (cc) the corporate records and minute books of Gideon contain, in all material respects, complete and accurate minutes of all material decisions made at any meeting of the directors and shareholders since its date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed;
- (dd) to the best of the knowledge of Gideon other than the Gideon Escrow Agreement, there does not currently exist any shareholders agreement, pooling agreement, voting trust or other similar type of arrangement in respect of outstanding securities of Gideon;
- (ee) Gideon has filed all forms, reports, documents and information required to be filed by it, whether pursuant to applicable securities legislation or otherwise, with the applicable securities commissions (the "**Disclosure Documents**"). As of the time the Disclosure Documents were filed with the applicable securities regulators and on SEDAR (System for Electronic Document Analysis and Retrieval) (or, if amended or superseded by a subsequent filing prior to the date of this Agreement, then on the date of such filing): (i) each of the Disclosure Documents complied in all material respects with the requirements of the Applicable Securities Laws in the jurisdictions they were filed; and (ii) none of the Disclosure Documents contained any untrue statement of a Material Fact or omitted to state a Material Fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;
- (ff) Gideon has no reasonable grounds for believing that a creditor of Gideon will be prejudiced by the Amalgamation;
- (gg) except as contemplated herein Gideon is not currently a party to any contract, agreement or understanding with any officer, director, employee, shareholder or any other Person not dealing at arm's length with Gideon; and
- (hh) Computershare Trust Company of Canada has been duly appointed as the registrar and transfer agent of Gideon.

ARTICLE V COVENANTS

5.1 **General Covenants of Gideon.** Gideon covenants and agrees that, until Closing or the date on which this Agreement is terminated, and unless otherwise contemplated herein, it shall:

- (a) take all requisite action to:
 - (i) approve this Agreement; and
 - (ii) approve such actions as the other parties hereto may determine to be necessary or desirable for the purposes hereof;
- (b) in consultation with Bathurst and its counsel, prepare and file the Filing Statement all in accordance with applicable laws;
- (c) use its reasonable commercial efforts to preserve intact as a going concern its business organization and goodwill, to keep available the services of its officers as a group and to maintain its business relationships;

- (d) give its consent (and provide such other reasonable assurances as may be required) and use its commercially reasonable efforts to obtain (including the provision of such reasonable assurances as may be required), consents of all other Persons to the transactions contemplated by this Agreement, as may be required pursuant to any statute, law or ordinance or by any governmental or other regulatory authority having jurisdiction;
- (e) upon Gideon receiving notification or other information from any regulatory authority or body concerning the transactions contemplated hereunder, such information shall be promptly disclosed in writing to the counsel for Bathurst;
- (f) in consultation with Bathurst and its counsel, forthwith use its commercially reasonable efforts to obtain all necessary regulatory approvals to make application to the Exchange for listing the Exchange Shares on the Exchange following the Closing and assist in making all submissions, preparing all press releases and circulars and making all notifications required with respect to this transaction and the issuance of shares as contemplated hereunder;
- (g) take all steps necessary to make proper disclosure within such time as required by any regulatory authority and any other applicable statutes and laws concerning this Agreement and the transactions contemplated herein;
- (h) use its reasonable commercial efforts to maintain its status as a reporting issuer in Alberta, British Columbia and Ontario;
- (i) use all reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article VI to the extent the same is within its control and take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the amalgamation, including using its reasonable commercial efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (ii) obtain all necessary consents, approvals and authorizations as are required to be obtained by it under any applicable laws;
 - (iii) effect all necessary registrations and filings and submissions of information requested by governmental entities required to be effected by it in connection with this Amalgamation and participate and appear in any proceedings of either party before governmental entities in connection with this Amalgamation;
 - (iv) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affect the ability of the parties to consummate the transactions contemplated hereby;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement;
 - (vi) cooperate with the other parties to this Agreement in connection with the performance by Gideon of its obligations hereunder; and

- (vii) not take any action, refrain from taking any action or permit any action to be taken or not taken that is inconsistent with this Agreement or that would reasonably be expected to significantly impede the consummation of the Amalgamation;
- (j) not incur any material liabilities of any kind whatsoever, whether or not accrued and whether or not determined or determinable, in respect of which Gideon may become liable on or after the Closing Date, except as set out in Gideon's Financial Statements and except for those public company and transactional costs incurred prior to Closing;
- (k) to file, duly and timely, all tax returns required to be filed by it and to pay promptly all taxes, assessments and governmental charges which are claimed by any governmental authority to be due and owing and not to enter into any agreement, waiver or other arrangement providing for an extension of time with respect to the filing of any tax return or the payment or assessment of any tax, governmental charge or deficiency; and
- (l) neither declare nor pay any dividends or other distributions or returns of capital on Gideon Shares from the date of this Agreement until the Closing Date without the prior consent of Bathurst.

5.2 **General Covenants of Bathurst.** Bathurst covenants and agrees that, until Closing or the date on which this Agreement is terminated, and unless otherwise contemplated herein, it shall:

- (a) take all requisite action to:
 - (i) approve this Agreement; and
 - (ii) approve such actions as Gideon may determine to be necessary or desirable for the purposes hereof;
- (b) in consultation with Gideon and its counsel, prepare and file the Filing Statement all accordance with applicable laws;
- (c) use its reasonable commercial efforts to preserve intact as a going concern its business organization and goodwill, to keep available the services of its officers and employees as a group and to maintain its business relationships;
- (d) give its consent (and provide such other reasonable assurances as may be required) and use its best efforts to obtain (including the provision of such reasonable assurances as may be required), consents of all other Persons to the transactions contemplated by this Agreement, as may be required pursuant to any statute, law or ordinance or by any governmental or other regulatory authority having jurisdiction;
- (e) upon Bathurst receiving notification or other information from any regulatory authority or body concerning the transactions contemplated hereunder, such information shall be promptly disclosed in writing to the solicitors for Gideon;
- (f) in consultation with Gideon and its counsel, forthwith use its commercially reasonable efforts to assist Gideon in meeting its obligations pursuant to Section 5.1(f) hereof;

- (g) take all steps necessary to make proper disclosure within such time as required by any regulatory authority and any other applicable statutes and laws concerning this Agreement and the transactions contemplated herein;
- (h) use all reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder set forth in Article VI to the extent the same is within its control and take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the amalgamation, including using its reasonable commercial efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (ii) obtain all necessary consents, approvals and authorizations as are required to be obtained by it under any applicable laws;
 - (iii) effect all necessary registrations and filings and submissions of information requested by governmental entities required to be effected by it in connection with the amalgamation and participate and appear in any proceedings of either party before governmental entities in connection with the Amalgamation;
 - (iv) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affect the ability of the parties to consummate the transactions contemplated hereby;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement;
 - (vi) cooperate with the other parties to this Agreement in connection with the performance by Bathurst of its obligations hereunder; and
 - (vii) not take any action, refrain from taking any action or permit any action to be taken or not taken that is inconsistent with this Agreement or that would reasonably be expected to significantly impede the consummation of the amalgamation;
- (i) not incur any material liabilities of any kind whatsoever, whether or not accrued and whether or not determined or determinable, in respect of which Bathurst may become liable on or after the Closing Date, except as set out in Bathurst's Financial Statements or the Filing Statement and except for those costs in the ordinary course of business and transactional costs incurred prior to Closing;
- (j) to file, duly and timely, all tax returns required to be filed by it and to pay promptly all taxes, assessments and governmental charges which are claimed by any governmental authority to be due and owing and not to enter into any agreement, waiver or other arrangement providing for an extension of time with respect to the filing of any tax return or the payment or assessment of any tax, governmental charge or deficiency; and
- (k) neither declare nor pay any dividends or other distributions or returns of capital on Bathurst Shares from the date of this Agreement until the Closing Date without the prior written consent of Gideon.

ARTICLE VI
CONDITIONS TO CLOSING

6.1 **Conditions Precedent to Obligations of Bathurst.** The obligations of Bathurst to complete the transactions contemplated hereunder shall be subject to the satisfaction of, or compliance with, at or before the Closing Date, each of the following conditions precedent (each of which is hereby acknowledged to be for the exclusive benefit of Bathurst and may be waived by Bathurst in whole or in part on or before the Closing Date):

- (a) Bathurst shall on or before the Closing Date have received from Gideon all documents and instruments as Bathurst may reasonably request for the purpose of effecting the Amalgamation in accordance with the terms of this Agreement;
- (b) all of the representations and warranties of Gideon made in or pursuant to this Agreement shall be true and correct in all material respects as at the Closing Date and with the same effect as if made at and as of the Closing Date (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted hereby that are not materially adverse and arise in the ordinary course of business) and Bathurst shall have received certificates dated as at the Closing Date in form satisfactory to Bathurst and their solicitors, acting reasonably, signed by a senior officer or director of Gideon on behalf of Gideon, certifying the truth and correctness in all material respects of the representations and warranties of Gideon set out in this Agreement;
- (c) Gideon will have performed and complied with all terms, covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date;
- (d) at the Closing Date, there shall have been no change in the condition (financial or otherwise), properties, assets, liabilities, earnings, or business operations or prospects of Gideon from that shown on or reflected in Gideon's Financial Statements which would constitute a Material Adverse Effect;
- (e) Gideon shall deliver to Bathurst at Closing a favourable opinion of its solicitors (it being understood that such counsel may rely, to the extent appropriate in the circumstances, as to matters of fact on a certificate(s) of a senior officer of Gideon and on a certificate(s) of the registrar and transfer agent of Gideon, and on opinions from local solicitors) in form satisfactory to the solicitors for Bathurst acting reasonably;
- (f) all consents, approvals, orders and authorizations of any Persons or governmental authorities in Canada or elsewhere (or registrations, declarations, filings or records with any such authorities), including, without limitation, all such registrations, recordings and filings with such securities regulatory and other public authorities as may be required to be obtained by Gideon in connection with the execution of this Agreement, the Closing or the performance of any of the terms and conditions hereof, or from the shareholders of Bathurst, if necessary, shall have been obtained on or before the Closing Date;
- (g) Gideon shall be a reporting issuer in good standing in the provinces of Alberta, British Columbia and Ontario and neither Gideon nor any of its securities shall be the subject of any cease trade order or regulatory enquiry or investigation in any jurisdiction;

- (h) Gideon shall receive the resignations of such directors and officers of Gideon as is necessary to be consistent with the proposed officers and directors of Gideon upon Closing as disclosed in the Filing Statement;
- (i) upon Closing, all regulatory requirements shall have been or are capable of being satisfied, including (i) conditional approval of the Exchange for the Amalgamation and the Private Placement, and (ii) satisfaction of the initial listing requirements of the Exchange and the requirements relating to the completion of a “Qualifying Transaction” within the meaning of Policy 2.4;
- (j) Gideon shall deliver, or cause to be delivered to Bathurst on or before the Closing Date such other certificates, agreements or other documents as may reasonably be required by Bathurst or its solicitors, acting reasonably, to give full effect to this Agreement including, but not limited to, a mutual release executed by departing officers and directors of Gideon;
- (k) at or prior to Closing, Gideon shall have filed all tax returns required to be filed by it prior to the date hereof in all applicable jurisdictions and shall have paid, collected and remitted all taxes, customs duties, tax installments, levies, assessments, reassessments, penalties, interest and fines due and payable, collectible or remittable by it at such time. All such tax returns shall properly reflect, and shall not in any respect understate the income, taxable income or the liability for taxes of Bathurst in the relevant period and the liability of Gideon for the collection, payment and remittance of tax under applicable Tax Laws;
- (l) upon Closing, Gideon shall have withheld and remitted all amounts required to be withheld and remitted by it in respect of any taxes, governmental charges or assessments in respect of any taxable year or portion thereof up to and including June 30, 2013; and
- (m) rights of dissent to the Amalgamation pursuant to subsection 185(1) of the OBCA shall not have been exercised, nor shall proceedings have been initiated to exercise such rights by Bathurst Shareholders that exceed 25% of the Bathurst Shares or such other amounts which in the opinion of the board of directors of Bathurst, acting reasonably, may have a Material Adverse Effect upon the business, property or financial condition of Gideon or Bathurst;
- (n) Gideon shall have received the requisite approvals by its shareholders to (i) change the name of Gideon upon closing of the Amalgamation to Morgan Resources Corp., and (ii) to replace the incumbent directors of Gideon with the nominees of Bathurst; and
- (o) neither Gideon nor any of its securities shall be the subject of any cease trade order or regulatory enquiry or investigation in any jurisdiction.

6.2 Conditions Precedent to Obligations of Gideon. The obligation of Gideon to complete the transactions contemplated hereunder shall be subject to the satisfaction of or compliance with, at or before the Closing Date, each of the following conditions precedent (each of which is hereby acknowledged to be for the exclusive benefit of Gideon and may be waived by Gideon in writing, in whole or in part, on or before the Closing Date):

- (a) Gideon shall on or before the Closing Date have received from Bathurst all other documents and instruments as Gideon may reasonably request for the purpose of effecting the Amalgamation in accordance with the terms of this Agreement;
- (b) upon Closing, Bathurst shall have withheld and remitted all amounts required to be withheld and remitted by it in respect of any taxes, governmental charges or assessments in respect of any taxable year or portion thereof up to and including August 31, 2013;
- (c) all of the representations, warranties and covenants of Bathurst made in or pursuant to this Agreement shall be true and correct in all material respects as at the Closing Date and with the same effect as if made at and as of the Closing Date (except as such representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted hereby that are not materially adverse and arise in the ordinary course of business) and Gideon shall have received a certificate of Bathurst dated as at the Closing Date in form satisfactory to Gideon and its solicitors, acting reasonably, certifying the truth and correctness in all material respects of the representations, warranties and covenants of Bathurst set out in this Agreement;
- (d) Bathurst will have performed and complied with all terms, covenants and conditions required by this Agreement to be performed or complied with by it on or before the Closing Date;
- (e) at the Closing Date, there shall have been no change in the condition (financial or otherwise), properties, assets, liabilities, earnings, or business operations or prospects of the Bathurst from that shown on or reflected in Bathurst's Financial Statements which would constitute a Material Adverse Effect;
- (f) Bathurst shall deliver to Gideon at Closing a favourable opinion (including opinions on title to Bathurst's Assets) of its solicitors (it being understood that such counsel may rely, to the extent appropriate in the circumstances, as to matters of fact on a certificate(s) of a senior officer of Bathurst and on opinions from local solicitors) in form satisfactory to the solicitors for Gideon acting reasonably;
- (g) all consents, approvals, orders and authorizations of any Persons or governmental authorities in Canada or elsewhere (or registrations, declarations, filings or records with any such authorities), including, without limitation, all such registrations, recordings and filings with such securities regulatory and other public authorities as may be required to be obtained by Bathurst in connection with the execution of this Agreement, the Closing or the performance of any of the terms and conditions hereof, shall have been obtained on or before the Closing Date;
- (h) upon Closing, all regulatory requirements shall have been or are capable of being satisfied, including (i) conditional approval of the Exchange for the Amalgamation and the Private Placement, and (ii) satisfaction of the initial listing requirements of the Exchange and the requirements relating to completion of a "Qualifying Transaction" within the meaning of Policy 2.4;
- (i) Bathurst shall deliver, or cause to be delivered to Gideon on or before the Closing Date such other certificates, agreements or other documents as may reasonably be required by Gideon or its solicitors, acting reasonably, to give full effect to this Agreement including but not limited to (i) a mutual release executed by Gideon in favour of the departing

officers and directors of Gideon and (ii) an indemnity executed by Gideon in favour of departing officers and directors of Gideon; and

- (j) neither Bathurst nor any of its securities shall be the subject of any cease trade order or regulatory enquiry or investigation in any jurisdiction.

ARTICLE VII AMENDMENT AND TERMINATION OF AGREEMENT

7.1 **Amendment.** This Agreement may, at any time and from time to time, be amended by written agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of their respective shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the parties hereto;
- (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 hereto; or
- (d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment shall change the provisions hereof regarding the consideration to be received by securityholders of Gideon and securityholders of Bathurst without approval by such securityholders of Gideon and Bathurst given in the same manner as required for the approval of the Amalgamation.

7.2 **Rights of Termination.** If any of the conditions contained in Article VI shall not be fulfilled or performed by February 28, 2014 (the "**Termination Date**") and such condition is contained in:

- (a) Section 6.1 hereof, Bathurst may terminate this Agreement by notice to Gideon; or
- (b) Section 6.2 hereof, Gideon may terminate this Agreement by notice to Bathurst.

If this Agreement is terminated as aforesaid, the party terminating this Agreement shall be released from all obligations under this Agreement, all rights of specific performance against such party shall terminate and, unless such party can show that the condition the non-performance of which has caused such party to terminate this Agreement was reasonably capable of being performed by the other party, then the other party shall also be released from all obligations hereunder; and further provided that any of such conditions may be waived in full or in part by either of the parties without prejudice to its rights of termination in the event of the non-fulfillment or non-performance of any other condition.

7.3 **Notice of Unfulfilled Conditions.** If Gideon or Bathurst shall determine at any time prior to the Effective Date that it intends to refuse to consummate the Amalgamation or any of the other transactions contemplated hereby because of any unfulfilled or unperformed condition contained in this Agreement on the part of the other of them to be fulfilled or performed, Gideon or Bathurst, as the case may be, shall so notify the other of them forthwith upon making such determination in order that such other of them shall have the right and opportunity to take such steps, at its own expense, as may be necessary for the purpose of fulfilling or performing such condition within a reasonable period of time, but in no event later than the Termination Date.

7.4 **Mutual Termination.** This Agreement may, at any time, but no later than the last Business Day immediately preceding the Effective Date, be terminated by mutual agreement of the directors of Gideon and Bathurst without further action on the part of the shareholders of Gideon or Bathurst, and, if the Amalgamation does not become effective on or before the Termination Date, either Gideon or Bathurst may unilaterally terminate this Agreement, which termination will be effective upon a resolution to that effect being passed by its directors and notice thereof being given to the other of them.

ARTICLE VIII GENERAL

8.1 **Stand Still Agreement.** As long as this Agreement is in effect and except as contemplated herein, neither Gideon nor Bathurst (including their respective directors, officers and agents) will solicit any discussions, expressions of interest, proposals or accept any offers from any Person relating to a possible merger, amalgamation, arrangement or relating to the sale of substantially all of the shares or assets, or any controlling equity interest of Gideon or Bathurst (other than as contemplated under this Agreement), as applicable, provided however that the board of directors of Gideon and Bathurst, as applicable, may take action or refrain from taking action as is appropriate to satisfy applicable fiduciary duties and further provided that Gideon and Bathurst (including their directors, officers and agents) may solicit and accept offers if the articles of amalgamation are not filed with the Director on or before the Termination Date.

8.2 **Disclosure of Alternative Transaction.** In the event either Bathurst or Gideon shall receive an unsolicited proposal, offer or expression of interest in connection with any of those matters referred to in Section 8.1 on or before the Termination Date, the recipient of such proposal, offer or expression of interest shall notify the other party and shall provide details of such proposal, offer or expression of interest to the other party.

8.3 **Confidentiality & Public Notices.** Except where compliance with this Section 8.3 would result in a breach of applicable law, notices, releases, statements and communications to Third Parties, including employees of the parties and the press, relating to transactions contemplated by this Agreement will be made only in such manner as shall be authorized and approved by Bathurst, who when required, shall use its best efforts to provide such authorization and approval to Gideon in a timely manner as shall permit compliance by Gideon with all continuous disclosure to any regulatory authority or obligations under any applicable securities regulations. Gideon and Bathurst shall maintain the confidentiality of any information received from each other in connection with the transactions contemplated by this Agreement. In the event that the issuance of the Exchange Shares provided for in this Agreement is not consummated, each party shall return any confidential schedules, documents or other written information to the party who provided same in connection with this Agreement. Bathurst agrees that it will not, directly or indirectly, make reciprocal use for its own purposes of any information or confidential data relating to Gideon or Gideon's Business discovered or acquired by it, its representatives or accountants as a result of Gideon making available to it, its representatives and accountants, any information, books, accounts, records or other data and information relating to Gideon or Gideon's Business and Bathurst agrees that it will not disclose, divulge or communicate orally, in writing or otherwise (directly or indirectly), any such information or confidential data so discovered or acquired by any other Person. Gideon agrees that it will not, directly or indirectly, make reciprocal use for its own purposes of any information or confidential data relating to Bathurst discovered or acquired by it, its representatives or accountants as a result of Bathurst making available to it any information, books, accounts, records or other data and information relating to Bathurst and Gideon agrees that it will not disclose, divulge or communicate orally, in writing or otherwise, any such information or confidential data so discovered or acquired to any other Person.

8.4 **Notices.** All notices or other communications required to be given in connection with this Agreement shall be given in writing and shall be given by personal delivery, by registered mail or by transmittal by electronic communication addressed to the recipient as follows:

To Gideon:

Gideon Capital Corp.
36 Lombard Street, Suite 700
Toronto, Ontario
M5C 2X3

Attention: Bill G. Calsbeck, Chief Executive Officer
Email: bill.calsbeck@ubequitycapital.com

with a copy to:

McMillan LLP
Brookfield Place
181 Bay Street, Suite 4400
Toronto, Ontario
M5J 2T3

Attention: Robbie Grossman
Email: robbie.grossman@mcmillan.ca

To Bathurst:

Bathurst Resources Corp.
201-55 York Street
Toronto, Ontario
M5J 1R7

Attention: Carl Di Placido, President
Email: cdiplacido@xplor.net

with a copy to:

Kaiser Akbar
Barrister & Solicitor
201-55 York Street
Toronto, Ontario
M5J 1R7

Attention: Kaiser Akbar
Email: kaiser@akbar-law.com

or to such other address or individual as may be designated by notice given by either party to the other. Any such communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the fifth Business Day following the deposit thereof in the mail and, if given by email, shall be deemed given and received on the date of such

transmission if received during the normal business hours of the recipient and on the next Business Day if it is received after the end of such normal business hours on the date of its transmission. If the party giving any such communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such communication shall not be mailed but shall be given by personal delivery or email.

8.5 **Expenses.** Except as otherwise provided herein, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expenses.

8.6 **Time of the Essence.** Time shall be of the essence hereof.

8.7 **Further Assurances.** The parties hereto shall with reasonable diligence do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each party shall execute and deliver such further documents, instruments, papers and information as may be reasonably requested by another party hereto in order to carry out the purpose and intent of this Agreement.

8.8 **Law and Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The parties hereby attorn to the jurisdiction of the Courts of Ontario in any dispute that may arise hereunder.

8.9 **Counterparts.** For the convenience of the parties, this Agreement may be executed in several counterparts, each of which when so executed shall be, and be deemed to be, an original instrument and such counterparts together shall constitute one and the same instrument (and notwithstanding their date of execution shall be deemed to bear date as of the date of this Agreement). A signed facsimile, portable document format (PDF) or telecopied copy of this Agreement shall be effective and valid proof of execution and delivery.

8.10 **Entire Agreement.** This Agreement, including the Schedule attached hereto, together with the agreements and other documents to be delivered pursuant hereto, constitute the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof except as specifically set forth herein and therein. This Agreement may not be amended or modified in any respect except by written instrument signed by all parties.

8.11 **Severability.** The invalidity or unenforceability of any provision of this Agreement or any covenant herein contained shall not affect the validity or enforceability of any other provision or covenant hereof or herein and this Agreement shall be construed as if such invalid or unenforceable provision or covenant were omitted.

8.12 **Enurement.** This Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the successors and permitted assigns of the parties hereto.

8.13 **Waivers.** The parties hereto may, by written agreement:

- (i) extend the time for the performance of any of the obligations or other acts of the parties hereto;

- (ii) waive any inaccuracies in the warranties, representations, covenants or other undertakings contained in this Agreement or in any document or certificate delivered pursuant to this agreement; or
- (iii) waive compliance with or modify any of the warranties, representations, covenants or other undertakings or obligations contained in this Agreement and waive or modify performance by any of the parties thereto.

8.14 **Form of Documents.** All documents to be executed and delivered by Gideon to Bathurst on the Closing Date shall be in form and substance satisfactory to Bathurst acting reasonably. All documents to be executed and delivered by Bathurst to Gideon on the Closing Date shall be in a form and substance satisfactory to Gideon, acting reasonably.

8.15 **Construction Clause.** This Agreement has been negotiated and approved by counsel on behalf of all hereto and, notwithstanding any rule or maxim of construction to the contrary, any ambiguity or uncertainty to be construed against any party hereto by reason of the authorship of any of the provisions hereof.

~Signature Page Follows~

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

GIDEON CAPITAL CORP.

By: signed "*Bill G. Calsbeck*"

Name: Bill G. Calsbeck

Title: Chief Executive Officer

2396933 ONTARIO INC.

By: signed "*Bill G. Calsbeck*"

Name: Bill G. Calsbeck

Title: President

BATHURST RESOURCES CORP.

By: signed "*Carl Di Placido*"

Name: Carl Di Placido

Title: President

Schedule "A"
Articles of Amalgamation

(see attached)

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	A	T	H	U	R	S	T			R	E	S	O	U	R	C	E	S			C	O	R	P	.										

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

55 York Street, Suite 201

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

Toronto

ONTARIO

M	5	J	1	R	7
---	---	---	---	---	---

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
 Nombre d'administrateurs : Nombre fixe OU minimum et maximum

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

First name, middle names and surname Prénom, autres prénoms et nom de famille	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	Resident Canadian State 'Yes' or 'No' Résident canadien Oui/Non
Raniero Corsini	[REDACTED]	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 Dénomination sociale des sociétés qui fusionnent	Ontario Corporation Number Numéro de la société en Ontario	Date of Adoption/Approval Date d'adoption ou d'approbation		
		Year année	Month mois	Day jour
Bathurst Resources Corp.	2368077			
2396933 Ontario Inc.	2396933			

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.

The Corporation is not restricted by these articles of amalgamation from carrying on any business or businesses or from exercising any power or powers.

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 :

The Corporation is authorized to issue an unlimited number of common shares (hereinafter called the "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 :

Common Shares

The Common Shares have attached thereto the following rights, privileges, restrictions and conditions:

- (a) The holders of the Common Shares shall in each fiscal year of the Corporation in the discretion of the directors of the Corporation be entitled, out of the moneys of the Corporation properly applicable to the payment of dividends, to dividends at such rate as may be declared by the directors of the Corporation from time to time.
- (b) In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, the holders of the Common Shares shall be entitled to receive the remaining property of the Corporation.
- (c) The holders of the Common Shares shall be entitled to one (1) vote for each Common Share held at all meetings of shareholders.
- (d) Subject to the provisions of the Business Corporations Act (Ontario), and the terms hereof, any of the foregoing paragraphs may be altered, amended or repealed or the application thereof suspended in any particular case or changes may be made in the rights, privileges, restrictions and conditions attaching to the said Common Shares by articles of amendment, but no such alteration, amendment, repeal, suspension or change shall be adopted until approved by special resolution submitted to a special meeting of the holders of the Common Shares of the Corporation duly called for the purpose of considering the resolution and passed, with or without amendment, at the meeting by at least two thirds of the votes cast, or consented to in writing by each holder of Common Shares of the Corporation entitled to vote at such a meeting or his attorney authorized in writing.

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 :

Shares from the share capital of the Corporation shall not be transferred unless the restrictions on the transfer of securities of the Corporation contained in Section 10 of these Articles are complied with.

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

Securities of the Corporation, other than non-convertible debt securities, shall not be transferred unless (a) (i) the consent of the directors of the Corporation is obtained, to be evidenced by a resolution passed by the directors, or (ii) the consent of shareholders holding more than 50% of the shares entitled to vote at such time is obtained, to be evidenced by a resolution passed by all of the shareholders, or by an instrument or instruments in writing signed by shareholders holding more than 50% of the shares entitled to vote at such time; or (b) in the case of securities, other than shares from the share capital of the Corporation, which are subject to restrictions on transfer contained in a security holders' agreement, such restrictions on transfer are complied with.

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.**

Bathurst Resources Corp.

Names of Corporations / Dénomination sociale des sociétés

By / Par

Carl Di Placido

President

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

2396933 Ontario Inc.

Names of Corporations / Dénomination sociale des sociétés

By / Par

Bill G. Calsbeck

President

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
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Names of Corporations / Dénomination sociale des sociétés

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