

ARRANGEMENT AGREEMENT

THIS **ARRANGEMENT** AGREEMENT made the 12th day of June, 2023.

BETWEEN:

YORK HARBOUR METALS INC., a corporation existing under the *Business Corporations Act* (British Columbia)

(the “**Company**”)

AND:

PHOENIX GOLD RESOURCES (HOLDINGS) LTD., a corporation existing under the *Business Corporations Act* (British Columbia)

(“**Spinco**”)

WHEREAS:

- A. The Company, through its wholly-owned subsidiary, Spinco, which through its wholly-owned subsidiary, Phoenix Gold USA, owns the Phoenix Gold Properties;
- B. The Company and Spinco wish to proceed with a corporate restructuring by way of a statutory arrangement under the BCBCA, pursuant to which the Company and Spinco will participate in a series of transactions whereby, among other things, the Company will distribute the all of the issued and outstanding Spinco Shares such that the holders of the Company Shares (other than Dissenting Shareholders) will become the holders of the Spinco Shares;
- C. The Company proposes to convene a meeting of the Company Shareholders to consider the Arrangement pursuant to Part 9, Division 5 of the BCBCA, on the terms and conditions set forth in the Plan of Arrangement; and
- D. Each of the parties to this Agreement has agreed to participate in and support the Arrangement.

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

ARTICLE 1 DEFINITIONS, INTERPRETATION AND EXHIBIT

1.1 Definitions.

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

- (a) “**Agreement**” means this arrangement agreement, including the exhibits attached hereto as the same may be supplemented or amended from time to time;

- (b) “**Arrangement Provisions**” means Part 9, Division 5 of the BCBCA;
- (c) “**Arrangement Resolution**” means the special resolution of the Company Shareholders to approve the Arrangement, as required by the Interim Order and the BCBCA in the form attached as Schedule “A” to the Plan of Arrangement;
- (d) “**Arrangement**” means the arrangement pursuant to the Arrangement Provisions as contemplated by the provisions of this Agreement and the Plan of Arrangement;
- (e) “**BCBCA**” means the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended;
- (f) “**Business Day**” means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;
- (g) “**Company**” means York Harbour Metals Inc., a corporation existing under the laws of the Province of British Columbia;
- (h) “**Company Board**” means the board of directors of the Company;
- (i) “**Company Class A Shares**” means the renamed and re-designated Company Shares as described in §3.1(b)(i) of the Plan of Arrangement;
- (j) “**Company Meeting**” means the annual general and special meeting of the Company Shareholders and any adjournments thereof to be held to, among other things, consider and, if deemed advisable, approve the Arrangement;
- (k) “**Company Shareholder**” means a holder of Company Shares;
- (l) “**Company Shares**” means the common shares without par value in the capital of the Company as the same are constituted on the date hereof;
- (m) “**Constating Documents**” means, in respect of the Company and Spinco, the Articles and related Notice of Articles under the BCBCA;
- (n) “**Court**” means the Supreme Court of British Columbia;
- (o) “**Dissent Procedures**” means the rules pertaining to the exercise of Dissent Rights as set forth in Division 2 of Part 8 of the BCBCA and Article 5 of the Plan of Arrangement;
- (p) “**Dissent Rights**” means the right of a registered Company Shareholder to dissent from the Arrangement Resolution in accordance with the provisions of the BCBCA, as modified by the Interim Order, and to be paid the fair value of the Company Shares in respect of which the holder dissents;
- (q) “**Dissenting Shareholder**” means a registered holder of Company Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Procedures and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;
- (r) “**Effective Date**” shall be the date of the closing of the Arrangement;
- (s) “**Effective Time**” means 12:01 a.m. (Vancouver time) on the Effective Date or such other time on the Effective Date as agreed to in writing by the Company and Spinco;

- (t) “**Final Order**” means the final order of the Court approving the Arrangement;
- (u) “**Information Circular**” means the management information circular of the Company, including all schedules thereto, to be sent to the Company Shareholders in connection with the Company Meeting, together with any amendments or supplements thereto;
- (v) “**Interim Order**” means the interim order of the Court providing advice and directions in connection with the Company Meeting and the Arrangement;
- (w) “**New Company Shares**” means the new class of voting common shares without par value which the Company will create and issue as described in §3.1(b)(ii) of the Plan of Arrangement and for which the Company Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Company Shares;
- (x) “**party**” means either the Company or Spinco and “**parties**” means, collectively, Company and Spinco;
- (y) “**Person**” means and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, a trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof;
- (z) “**Phoenix Gold Properties**” means the Nevada mineral exploration properties leased, owned or under option by Spinco, through Phoenix Gold USA, which include the Plumas and Eldorado properties;
- (aa) “**Phoenix Gold USA**” means Phoenix Gold Resources (USA) Inc., a corporation existing under the laws of the State of Nevada, which is a wholly-owned subsidiary of Spinco, and which holds an option to, owns, or leases the Phoenix Gold Properties;
- (bb) “**Plan of Arrangement**” means the plan of arrangement attached to this Agreement as Exhibit I, as the same may be amended from time to time;
- (cc) “**Registrar**” means the Registrar of Companies under the BCBCA;
- (dd) “**Spinco**” means Phoenix Gold Resources (Holdings) Ltd., a corporation existing under the laws of the Province of British Columbia;
- (ee) “**Spinco Board**” means the board of directors of Spinco;
- (ff) “**Spinco Shares**” means the common shares without par value shares in the capital of Spinco;
- (gg) “**Tax Act**” means the *Income Tax Act* (Canada), R.S.C. 1985 (5th Supp.) c.1, as amended;
- (hh) “**Transfer Agent**” means Computershare Investor Services Inc.;
- (ii) “**TSXV**” means the TSX Venture Exchange Inc.; and
- (jj) “**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended.

1.2 Currency.

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

1.3 Interpretation Not Affected by Headings.

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

1.4 Number and Gender.

In this Agreement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing the use of either gender shall include both genders and neuter and words importing persons shall include firms and corporations.

1.5 Date for any Action.

In the event that any date on which any action is required to be taken hereunder by the Company or Spinco is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

1.6 Meaning.

Words and phrases used herein and defined in the BCBCA shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.7 Exhibits.

Attached hereto and deemed to be incorporated into and form part of this Agreement as Exhibit I is the Plan of Arrangement.

ARTICLE 2 ARRANGEMENT

2.1 Arrangement.

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

2.2 Effective Date of Arrangement.

The Arrangement shall become effective on the Effective Date as set out in the Plan of Arrangement.

2.3 Commitment to Effect.

Subject to termination of this Agreement pursuant to ARTICLE 6 hereof, the parties shall each use all commercially reasonable efforts and do all things reasonably required to cause the Plan of Arrangement to become effective by no later than December 31, 2023, or by such other date as the Company and Spinco

may determine, and in conjunction therewith to cause the conditions described in Section 5.1 to be complied with prior to the Effective Date. Without limiting the generality of the foregoing, the parties shall proceed forthwith to apply for the Interim Order and the Company shall call the Company Meeting and mail the Information Circular to the Company Shareholders.

2.4 Filing of Final Order.

Subject to the rights of termination contained in ARTICLE 6 hereof, upon the Company Shareholders approving the Arrangement Resolution in accordance with the provisions of the Interim Order and the BCBCA, the Company obtaining the Final Order and the other conditions contained in ARTICLE 5 hereof being complied with or waived, the Company on its behalf and on behalf of Spinco shall file with the Registrar:

- (a) the records and information required by the Registrar pursuant to the Arrangement Provisions; and
- (b) a copy of the Final Order.

2.5 U.S. Securities Law Matters.

The parties agree that the Arrangement will be carried out with the intention that assuming the Final Order is granted, the New Company Shares and Spinco Shares delivered or deemed to be delivered upon completion of the Arrangement to Company Shareholders will be issued by the Company and Spinco in reliance on the exemption from the registration requirements of the U.S. *Securities Act* provided by Section 3(a)(10) thereof.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties.

Each of the parties hereby represents and warrants to the other party that:

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

ARTICLE 4 COVENANTS

4.1 Covenants.

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

4.2 Interim Order and Final Order.

The parties acknowledge that the Company will apply to and obtain from the Court, pursuant to the Arrangement Provisions, the Interim Order providing for, among other things, the calling and holding of the Company Meeting for the purpose of considering and, if deemed advisable, approving and adopting the Arrangement Resolution. The parties each covenant and agree that if the approval of the Arrangement by the Company Shareholders as set out in Section 5.1(b) hereof is obtained, the Company will thereafter (subject to the exercise of any discretionary authority granted to the Company's directors) take the necessary actions to submit the Arrangement to the Court for approval and apply for the Final Order and, subject to compliance with any of the other conditions provided for in Article 5 hereof and to the rights of termination contained in Article 6 hereof, file the material described in Section 2.4 with the Registrar.

4.3 Consolidation of Spinco Shares.

Immediately prior to the Effective Date, Spinco shall subdivide or consolidate the outstanding Spinco Shares into a number of Spinco Shares equal to 0.2 the number of outstanding Company Shares. All of the issued and outstanding Spinco Shares will be exchanged for Company Class A Shares pursuant to §3.1(d) of the Plan of Arrangement.

ARTICLE 5 CONDITIONS

5.1 Conditions Precedent.

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

- (a) the Interim Order shall have been granted in form and substance satisfactory to the Company;
- (b) the Arrangement Resolution, with or without amendment, shall have been approved and adopted at the Company Meeting in accordance with the Arrangement Provisions, the Constating Documents of the Company, the Interim Order and the requirements of any applicable regulatory authorities;
- (c) the Final Order shall have been obtained in form and substance satisfactory to each of the Company and Spinco;
- (d) the TSXV shall have conditionally approved the Arrangement, including the listing of the New Company Shares issuable under the Arrangement in substitution for the Company Class A Shares and the delisting of the Company Class A Shares, as of the Effective Date, subject to compliance with the requirements of the TSXV;

- (e) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in this Agreement and the Plan of Arrangement shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances each in form acceptable to the Company and Spinco;
- (f) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Plan of Arrangement;
- (g) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Arrangement and Plan of Arrangement, including any material change to the income tax laws of Canada, which would reasonably be expected to have a material adverse effect on any of the Company, the Company Shareholders or Spinco if the Arrangement is completed;
- (h) notices of dissent pursuant to ARTICLE 5 of the Plan of Arrangement shall not have been delivered by the Company Shareholders holding greater than 5% of the outstanding Company Shares; and
- (i) this Agreement shall not have been terminated under Article 6 hereof.

Except for the conditions set forth in Sections 5.1(a), (b), (c), (d) and (h), which may not be waived, any of the other conditions in this Section 5.1 may be waived by either the Company or Spinco at its discretion.

5.2 Pre-Closing.

Unless this Agreement is terminated earlier pursuant to the provisions hereof, the parties shall deliver the following documents:

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

5.3 Merger of Conditions.

The conditions set out in Section 5.1 hereof shall be conclusively deemed to have been satisfied, waived or released upon the occurrence of the Effective Date.

5.4 Merger of Representations, Warranties and Covenants.

The representations and warranties in Section 3.1 shall be conclusively deemed to be correct as of the Effective Date and the covenants in Section 4.1 hereof shall be conclusively deemed to have been complied with in all respects as of the Effective Date, and each shall accordingly merge in and not survive the effectiveness of the Arrangement.

ARTICLE 6 AMENDMENT AND TERMINATION

6.1 Amendment.

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

6.2 Termination.

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

6.3 Cessation of Right.

The right of the Company or Spinco or any other party to amend or terminate the Plan of Arrangement pursuant to Section 6.1 and Section 6.2 shall be extinguished upon the occurrence of the Effective Date.

ARTICLE 7 GENERAL

7.1 Notices.

All notices which may or are required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be delivered or sent by facsimile or email, addressed as follows:

in the case of the Company or Spinco:

1518 – 800 West Pender Street
Vancouver, BC V6C 2V6

Attention: Andrew Lee
Email: ys.andrew.lee@gmail.com

in each case with a copy to:

Boughton Law Corporation
700 – 595 Burrard Street
Vancouver, BC V7X 1S8

Attention: Sean O’Neill
Email: soneill@boughtonlaw.com

7.2 Assignment.

Neither of the parties may assign its rights or obligations under this Agreement or the Arrangement without the prior written consent of the other.

7.3 Binding Effect.

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

7.4 Waiver.

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

7.5 Governing Law.

This Agreement shall be governed by and be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

7.6 Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

7.7 Expenses.

All expenses incurred by a party in connection with this Agreement, the Arrangement and the transactions contemplated hereby and thereby shall be borne by the party that incurred the expense or as otherwise mutually agreed by the parties.

7.8 Entire Agreement.

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

7.9 Time of Essence.

Time is of the essence of this Agreement.

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

YORK HARBOUR METALS INC.

Per: /s/ "Andrew Lee"
 Authorized Signatory

PHOENIX GOLD RESOURCES (HOLDINGS) LTD.

Per: /s/ "Sean Choi"
 Authorized Signatory

EXHIBIT I TO THE ARRANGEMENT AGREEMENT

DATED AS OF JUNE 12, 2023
BETWEEN YORK HARBOUR METALS INC. AND
PHOENIX GOLD RESOURCES (HOLDINGS) LTD.

PLAN OF ARRANGEMENT UNDER PART 9, DIVISION 5 OF
THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions.

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

- (a) “**Arrangement Agreement**” means the arrangement agreement dated as of June 12, 2023 between the Company and Spinco, as may be supplemented or amended from time to time;
- (b) “**Arrangement Provisions**” means Part 9, Division 5 of the BCBCA;
- (c) “**Arrangement Resolution**” means the special resolution of the Company Shareholders to approve the Arrangement, as required by the Interim Order and the BCBCA, in the form attached as Schedule “A” hereto;
- (d) “**Arrangement**” means the arrangement pursuant to the Arrangement Provisions as contemplated by the provisions of the Arrangement Agreement and this Plan of Arrangement;
- (e) “**BCBCA**” means the Business Corporations Act, S.B.C. 2002, c. 57, as amended;
- (f) “**Business Day**” means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;
- (g) “**Company**” means York Harbour Metals Inc., a corporation existing under the laws of the Province of British Columbia;
- (h) “**Company Board**” means the board of directors of the Company;
- (i) “**Company Class A Shares**” means the renamed and re-designated Company Shares as described in §3.13.1(b)(i) of this Plan of Arrangement;
- (j) “**Company Meeting**” means the annual and special meeting of the Company Shareholders and any adjournments thereof to be held to, among other things, consider and, if deemed advisable, approve the Arrangement;
- (k) “**Company Shareholder**” means a holder of Company Shares;
- (l) “**Company Shares**” means the common shares without par value in the capital of the Company as the same are constituted on the date hereof;

- (m) “**Court**” means the Supreme Court of British Columbia;
- (n) “**Dissent Procedures**” means the rules pertaining to the exercise of Dissent Rights as set forth in Division 2 of Part 8 of the BCBCA and Article 5 of this Plan of Arrangement;
- (o) “**Dissent Rights**” means the rights of dissent granted in favour of registered holders of Company Shares in accordance with Article 5 of this Plan of Arrangement;
- (p) “**Dissenting Share**” has the meaning given in §3.1(a) of this Plan of Arrangement;
- (q) “**Dissenting Shareholder**” means a registered holder of Company Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Procedures and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;
- (r) “**Effective Date**” shall be the date of the closing of the Arrangement;
- (s) “**Effective Time**” means 12:01 a.m. (Vancouver time) on the Effective Date or such other time on the Effective Date as agreed to in writing by the Company and Spinco;
- (t) “**Final Order**” means the final order of the Court approving the Arrangement;
- (u) “**Information Circular**” means the management information circular of the Company, including all schedules thereto, to be sent to the Company Shareholders in connection with the Company Meeting, together with any amendments or supplements thereto;
- (v) “**Interim Order**” means the interim order of the Court providing advice and directions in connection with the Company Meeting and the Arrangement;
- (w) “**Letter of Transmittal**” means the letter of transmittal in respect of the Arrangement to be sent to Company Shareholders together with the Information Circular;
- (x) “**New Company Shares**” means a new class of voting common shares without par value which the Company will create and issue as described in §3.1(b)(ii) of this Plan of Arrangement and for which the Company Class A Shares are, in part, to be exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, will be identical in every relevant respect to the Company Shares;
- (y) “**Plan of Arrangement**” means this plan of arrangement, as the same may be amended from time to time;
- (z) “**Share Distribution Record Date**” means the close of business on the Business Day immediately preceding the Effective Date for the purpose of determining the Company Shareholders entitled to receive New Company Shares and Spinco Shares pursuant to this Plan of Arrangement or such other date as the Company Board may select;
- (aa) “**Spinco**” means Phoenix Gold Resources (Holdings) Ltd., a corporation existing under the laws of the Province of British Columbia and a wholly-owned subsidiary of the Company;
- (bb) “**Spinco Board**” means the board of directors of Spinco;
- (cc) “**Spinco Shares**” means the common shares without par value in the capital of Spinco;

- (dd) “**Tax Act**” means the *Income Tax Act* (Canada), R.S.C. 1985 (5th Supp.) c.1, as amended;
- (ee) “**TSXV**” means the TSX Venture Exchange Inc.; and
- (ff) “**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended.

1.2 Interpretation Not Affected by Headings.

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

1.3 Number and Gender.

Unless the context otherwise requires, words importing the singular number only shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and words importing persons shall include firms and corporations.

1.4 Meaning.

Words and phrases used herein and defined in the BCBCA shall have the same meaning herein as in the BCBCA, unless the context otherwise requires.

1.5 Date for any Action.

If any date on which any action is required to be taken under this Plan of Arrangement is not a Business Day, such action shall be required to be taken on the next succeeding Business Day.

1.6 Governing Law.

This Plan of Arrangement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

ARTICLE 2 ARRANGEMENT AGREEMENT

2.1 Arrangement Agreement.

This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement.

2.2 Arrangement Effectiveness.

The Arrangement and this Plan of Arrangement shall become final and conclusively binding on the Company, and the Company Shareholders (including Dissenting Shareholders) at the Effective Time without any further act or formality as required on the part of any person, except as expressly provided herein.

ARTICLE 3 THE ARRANGEMENT

3.1 The Arrangement.

Commencing at the Effective Time, the following shall occur and be deemed to occur in the following chronological order without further act or formality notwithstanding anything contained in the provisions attaching to any of the securities of the Company or Spinco, but subject to the provisions of ARTICLE 5:

- (a) each Company Share outstanding in respect of which a Dissenting Shareholder has validly exercised his, her or its Dissent Rights (each, a “**Dissenting Share**”) shall be directly transferred and assigned by such Dissenting Shareholder to the Company, without any further act or formality and free and clear of any liens, charges and encumbrances of any nature whatsoever, and will be cancelled and cease to be outstanding and such Dissenting Shareholders will cease to have any rights as Company Shareholders other than the right to be paid the fair value for their Company Shares by the Company;
- (b) the authorized share structure of the Company shall be altered by:
 - (i) renaming and re-designating all of the issued and unissued Company Shares as “Class A common shares without par value” with terms and special rights and restrictions identical to those of the Company Shares immediately prior to the Effective Time, being the “Company Class A Shares”; and
 - (ii) creating a new class consisting of an unlimited number of “common shares without par value” with terms and special rights and restrictions identical to those of the Company Shares immediately prior to the Effective Time, being the “New Company Shares”;
- (c) the Company's Notice of Articles shall be amended to reflect the alterations in §3.1(b);
- (d) each issued and outstanding Company Class A Share outstanding on the Share Distribution Record Date shall be exchanged for: (i) one New Company Share; and (ii) 0.2 of a Spinco Share, the holders of the Company Class A Shares will be removed from the central securities register of Company as the holders of such and will be added to the central securities register of Company as the holders of the number of New Company Shares that they have received on the exchange set forth in this §3.1(d), and the Spinco Shares transferred to the then holders of the Company Class A Shares will be registered in the name of the former holders of the Company Class A Shares and Company will provide Spinco and its Transfer Agent notice to make the appropriate entries in the central securities register of Spinco; and
- (e) the Company Class A Shares, none of which will be issued or outstanding once the exchange in §3.1(d) is completed, will be cancelled and the appropriate entries made in the central securities register of Company and the authorized share structure of Company will be amended by eliminating the Company Class A Shares, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the New Company Shares will be equal to that of the Company Shares immediately prior to the Effective Time less the fair market value of the Spinco Shares distributed pursuant to §3.1(d).

3.2 No Fractional Shares.

Notwithstanding any other provision of this Arrangement, no fractional Spinco Shares shall be distributed to the Company Shareholders, and as a result, all fractional amounts arising under this Plan of Arrangement shall be rounded down to the next whole number without any compensation therefor. Any Spinco Shares not distributed as a result of so rounding down shall be cancelled by Spinco.

3.3 Share Distribution Record Date.

In §3.1(d) the reference to a holder of a Company Class A Share shall mean a person who is a Company Shareholder on the Share Distribution Record Date, subject to the provisions of ARTICLE 5.

3.4 Deemed Time for Redemption.

In addition to the chronological order in which the transactions and events set out in §3.1 shall occur and shall be deemed to occur, the time on the Effective Date for the exchange of Company Class A Shares for New Company Shares and Spinco Shares set out in §3.1(d) shall occur and shall be deemed to occur immediately after the time of listing of the New Company Shares on the TSXV on the Effective Date.

3.5 Deemed Fully Paid and Non-Assessable Shares.

All New Company Shares, Company Class A Shares and Spinco Shares issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the BCBCA.

3.6 Supplementary Actions.

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

3.7 Withholding.

Each of the Company and Spinco shall be entitled to deduct and withhold from any cash payment or any issue, transfer or distribution of New Company Shares or Spinco Shares made pursuant to this Plan of Arrangement such amounts as may be required to be deducted and withheld pursuant to the Tax Act or any other applicable law, and any amount so deducted and withheld will be deemed for all purposes of this Plan of Arrangement to be paid, issued, transferred or distributed to the person entitled thereto under the Plan of Arrangement. Without limiting the generality of the foregoing, any New Company Shares or Spinco Shares so deducted and withheld may be sold on behalf of the person entitled to receive them for the purpose of generating cash proceeds, net of brokerage fees and other reasonable expenses, sufficient to satisfy all remittance obligations relating to the required deduction and withholding, and any cash remaining after such remittance shall be paid to the person forthwith.

3.8 No Liens.

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any liens, restrictions, adverse claims or other claims of third parties of any kind.

ARTICLE 4 CERTIFICATES

4.1 Company Class A Shares.

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

4.2 Spinco Share Certificates.

As soon as practicable following the Effective Date, the Company or Spinco shall deliver or cause to be delivered to the Transfer Agent certificates representing the Spinco Shares required to be distributed to registered holders of Company Shares as at immediately prior to the Effective Time in accordance with the provisions of §3.1(d) of this Plan of Arrangement, which certificates shall be held by the Transfer Agent as agent and nominee for such holders for distribution thereto.

4.3 New Company Share Certificates.

As soon as practicable following the Effective Date, the Company shall deliver or cause to be delivered to the Transfer Agent certificates representing the New Company Shares required to be issued to registered holders of Company Shares as at immediately prior to the Effective Time in accordance with the provisions of §3.1(d) of this Plan of Arrangement, which certificates shall be held by the Transfer Agent as agent and nominee for such holders for distribution thereto in accordance with the provisions of §6.1 hereof.

4.4 Interim Period.

Any Company Shares traded after the Share Distribution Record Date will represent New Company Shares as of the Effective Date and shall not carry any rights to receive Spinco Shares.

ARTICLE 5 RIGHTS OF DISSENT

5.1 Dissent Right.

Registered holders of Company Shares may exercise Dissent Rights with respect to their Company Shares in connection with the Arrangement pursuant to the Interim Order and in the manner set forth in the Dissent Procedures, as they may be amended by the Interim Order, Final Order or any other order of the Court, and provided that such dissenting Shareholder delivers a written notice of dissent to Company at least two Business Days before the day of the Company Meeting or any adjournment or postponement thereof.

5.2 Dealing with Dissenting Shares.

Company Shareholders who duly exercise Dissent Rights with respect to their Dissenting Shares and who:

- (a) are ultimately entitled to be paid fair value for their Dissenting Shares by the Company shall be deemed to have transferred their Dissenting Shares to Company for cancellation as of the Effective Time pursuant to §3.1(a); or
- (b) for any reason are ultimately not entitled to be paid for their Dissenting Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting

Company Shareholder and shall receive New Company Shares and Spinco Shares on the same basis as every other non- dissenting Company Shareholder;

but in no case shall Company be required to recognize such persons as holding Company Shares on or after the Effective Date.

5.3 Reservation of Spinco Shares.

If a Company Shareholder exercises Dissent Rights, the Company shall, on the Effective Date, set aside and not distribute that portion of the Spinco Shares which is attributable to the Company Shares for which Dissent Rights have been exercised. If the dissenting Company Shareholder is ultimately not entitled to be paid for their Dissenting Shares, the Company shall distribute to such Company Shareholder his or her pro rata portion of the Spinco Shares. If a Company Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, then the Company shall retain the portion of the Spinco Shares attributable to such Company Shareholder and such shares will be dealt with as determined by the Company Board in its discretion.

ARTICLE 6 DELIVERY OF SHARES

6.1 Delivery of Shares.

- (a) Upon surrender to the Depository for cancellation of a certificate that immediately before the Effective Time represented one or more outstanding Company Shares, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depository may reasonably require, the holder of such surrendered certificate will be entitled to receive in exchange therefor, and the Depository shall deliver to such holder following the Effective Time, a certificate representing the New Company Shares and a certificate representing the Spinco Shares that such holder is entitled to receive in accordance with §3.1 hereof.
- (b) After the Effective Time and until surrendered for cancellation as contemplated by §6.1(a) hereof, each certificate that immediately prior to the Effective time represented one or more Company Shares shall be deemed at all times to represent only the right to receive in exchange therefor a certificate representing the New Company Shares and a certificate representing the Spinco Shares that such holder is entitled to receive in accordance with §3.1 hereof.

6.2 Lost Certificates.

If any certificate that immediately prior to the Effective Time represented one or more outstanding Company Shares that were exchanged for New Company Shares and Spinco Shares in accordance with §3.1 hereof, shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depository shall deliver in exchange for such lost, stolen or destroyed certificate, the New Company Shares and Spinco Shares that such holder is entitled to receive in accordance with §3.1 hereof. When authorizing such delivery of New Company Shares and Spinco Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such securities are to be delivered shall, as a condition precedent to the delivery of such New Company Shares and Spinco Shares give a bond satisfactory to Company, Spinco and the Depository in such amount as Company, Spinco and the Depository may direct, or otherwise indemnify Company, Spinco and the Depository in a manner satisfactory to Company, Spinco and the Depository, against any claim that may be made against Company, Spinco or the Depository with respect

to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles of Company.

6.3 Distributions with Respect to Unsurrendered Certificates.

No dividend or other distribution declared or made after the Effective Time with respect to New Company Shares or Spinco Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Company Shares unless and until the holder of such certificate shall have complied with the provisions of §6.1 or §6.2 hereof. Subject to applicable law and to §3.7 hereof, at the time of such compliance, there shall, in addition to the delivery of the New Company Shares and Spinco Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such New Company Shares and/or Spinco Shares, as applicable.

6.4 Limitation and Proscription.

To the extent that a former Company Shareholder shall not have complied with the provisions of §6.1 or §6.2 hereof, as applicable, on or before the date that is six (6) years after the Effective Date (the “**Final Proscription Date**”), then the New Company Shares and Spinco Shares that such former Company Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the New Company Shares and Spinco Shares to which such Company Shareholder was entitled, shall be delivered to Spinco (in the case of the Spinco Shares) or Company (in the case of the New Company Shares) by the Depositary and certificates representing such New Company Shares and Spinco Shares shall be cancelled by Company and Spinco, as applicable, and the interest of the former Company Shareholder in such New Company Shares and Spinco Shares or to which it was entitled shall be terminated as of such Final Proscription Date.

6.5 Paramountcy.

From and after the Effective Time: (i) this Plan of Arrangement shall take precedence and priority over any and all Company Shares, Company Options or Company Warrants issued prior to the Effective Time; and (ii) the rights and obligations of the registered holders of Company Shares, Company Options, Company Warrants, Spinco, the Depositary and any transfer agent or other depositary therefor, shall be solely as provided for in this Plan of Arrangement.

ARTICLE 7 AMENDMENTS & WITHDRAWAL

7.1 Amendments.

The Company, in its sole discretion, reserves the right to amend, modify and/or supplement this Plan of Arrangement from time to time at any time prior to the Effective Time provided that any such amendment, modification or supplement must be contained in a written document that is filed with the Court and, if made following the Company Meeting, approved by the Court.

7.2 Amendments Made Prior to or at the Company Meeting.

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company at any time prior to or at the Company Meeting with or without any prior notice or

communication, and if so proposed and accepted by the Company Shareholders voting at the Company Meeting, shall become part of this Plan of Arrangement for all purposes.

7.3 Amendments Made After the Company Meeting.

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company after the Company Meeting but prior to the Effective Time and any such amendment, modification or supplement which is approved by the Court following the Company Meeting shall be effective and shall become part of the Plan of Arrangement for all purposes. Notwithstanding the foregoing, any amendment, modification or supplement to this Plan of Arrangement may be made following the granting of the Final Order unilaterally by the Company, provided that it concerns a matter which, in the reasonable opinion of the Company, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any holder of New Company Shares or Spinco Shares.

7.4 Withdrawal.

Notwithstanding any prior approvals by the Court or by Company Shareholders, the Company Board may decide not to proceed with the Arrangement and to revoke the Arrangement Resolution at any time prior to the Effective Time, without further approval of the Court or the Company Shareholders.

**SCHEDULE “A”
ARRANGEMENT RESOLUTION**

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE COMPANY SHAREHOLDERS THAT:

1. The arrangement (the “**Arrangement**”) under section 288 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) involving York Harbour Metals Inc., a corporation existing under the laws of the Province of British Columbia (“**Company**”), its securityholders and Phoenix Gold Resources (Holdings) Ltd., a corporation existing under the laws of the Province of British Columbia (“**Spinco**”), all as more particularly described and set forth in the management information circular (the “**Information Circular**”) of Company dated June 21, 2023 accompanying the notice of meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.
2. The plan of arrangement (the “**Plan of Arrangement**”), implementing the Arrangement, the full text of which is appended to the Information Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.
3. The arrangement agreement (the “**Arrangement Agreement**”) between Company and Spinco dated June 12, 2023 and all the transactions contemplated therein, the actions of the directors of Company in approving the Arrangement and the actions of the directors and officers of Company in executing and delivering the Arrangement Agreement and any amendments thereto are hereby confirmed, ratified, authorized and approved.
4. Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by the shareholders of Company or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Company are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Company:
 - (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or
 - (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement at any time prior to the Effective Time (as defined in the Arrangement Agreement).
5. Any one director or officer of Company is hereby authorized and directed, for and on behalf and in the name of the Company, to execute and deliver, whether under the corporate seal of the Company or otherwise, all such deeds, instruments, assurances, agreements, forms, waivers, notices, certificates, confirmations and other documents and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:
 - (c) all actions required to be taken by or on behalf of Company, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and
 - (d) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Company;

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