

ARRANGEMENT AGREEMENT

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SCHEDULE “A” PLAN OF ARRANGEMENT

ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT is dated as of June 5, 2018, and is made:

BETWEEN:

MOUNTAIN LAKE MINERALS INC., a company existing under the laws of the Province of British Columbia,

("MLK")

AND:

1167343 B.C. Ltd., a company existing under the laws of the Province of British Columbia,

("Spinco")

WHEREAS:

- A. MLK is the registered and beneficial owner of all the issued and outstanding shares of Spinco;
- B. MLK and Spinco wish to complete a reorganization pursuant to a plan of arrangement (the "**Plan of Arrangement**") pursuant to Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), whereby, in accordance with the provisions of this Agreement and the Plan of Arrangement, the Properties (as hereinafter defined), the Option Agreement (as hereinafter defined) and the Working Capital (as hereinafter defined) will be transferred to Spinco in exchange for the issuance of common shares of Spinco, which common shares will be distributed to the shareholders of MLK.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the receipt and sufficiency whereof is hereby acknowledged by the Parties, the Parties to this Agreement agree as follows:

1. INTERPRETATION

1.1 Defined Terms

For the purpose of this Agreement the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) "**Acquisitions**" means:
 - (i) the acquisition by MLK of all of the issued and outstanding securities of 1151024 B.C. Ltd.; and
 - (ii) the acquisition by MLK of all of the issued and outstanding securities of 1157630 B.C. Ltd.
- (b) "**Agreement**" means this Arrangement Agreement and all amendments hereto entered into in accordance with Section 8.1, and includes all Schedules and/or attachments hereto; "hereto", "hereof", "hereby" and "hereunder" and similar expressions mean and

refer to this Agreement and not to any particular article, section other portion hereof and include any agreement or instrument supplementary or ancillary hereto; and "Article", "Section" or "Schedule", respectively, means and refers to the specified article, section or schedule of this Agreement;

- (c) "**Arrangement**" means the arrangement involving MLK, Spinco and the Shareholders to be completed pursuant to the provisions of Part 9, Division 5 of the BCBCA, as described in the Plan of Arrangement, subject to any amendments or variations thereto;
- (d) "**BCBCA**" means the *Business Corporations Act* (British Columbia), as may be amended from time to time, including the regulations promulgated thereunder;
- (e) "**Business Day**" means any day other than a Saturday or Sunday or statutory holiday in the Province of British Columbia, upon which banks generally are open for business in the City of Vancouver, British Columbia;
- (f) "**Change of Business Transactions**" means the Consolidation, Acquisitions and the Financing.
- (g) "**Consolidation**" means the consolidation of the Shares on a ten-old for one-new basis to be completed prior to the Acquisitions and the Financing.
- (h) "**Court**" means the Supreme Court of British Columbia;
- (i) "**Depository**" means Computershare Trust Company of Canada;
- (j) "**Dissent Rights**" means the rights of dissent and appraisal granted to registered Shareholders pursuant to the Interim Order and Article 4 of the Plan of Arrangement;
- (k) "**Dissenting Shareholders**" means Shareholders (excluding holders of options and warrants of MLK) if any, who exercise the Dissent Rights with respect to the Plan of Arrangement;
- (l) "**Effective Date**" means the date on which the Plan of Arrangement becomes effective, which shall be the date upon which all of the conditions to complete the Arrangement as set forth in this Agreement have been satisfied or waived;
- (m) "**Effective Time**" means the time when the transactions contemplated herein will be deemed to have been completed, which shall be 12:01 am on the Effective Date, or such other time on the Effective Date as may be agreed by MLK and Spinco;
- (n) "**Encumbrances**" means any mortgage, charge, easement, encroachment, lien, adverse claim, assignment by way of security, security interest, pledge, hypothecation, security agreement, financing statement, option, right of pre-emption; privilege, obligation to assign, license, sublicense, trust, royalty, carried, working, participation or net profits interest or other third-party interest or other encumbrance or any agreement, option, right or privilege capable of becoming any of the foregoing;
- (o) "**Final Order**" means the order of the Court approving the Plan of Arrangement, as such order may be amended at any time before the Effective Date or, if appealed, then unless such appeal is withdrawn or denied, as affirmed or as amended on appeal;

- (p) **“Financing”** means the non-brokered private placement to raise gross proceeds of a minimum of \$2,000,000 and a maximum of \$6,000,000 through the sale of Units, or subscription receipts exchangeable into Units, at a price of \$0.30 per Unit or subscription receipt, as the case may be, to be completed prior to or concurrently with the Acquisitions;
- (q) **“Glover Island Property”** means MLK’s right, title and interest, if any, in and to mining lease 190-A located in Newfoundland and Labrador, as described in the Public Disclosure Record;
- (r) **“Governmental Entity”**
 - (i) multinational, federal, provincial, state, regional, municipal, board or other government, governmental or public department, central bank or Tribunal;
 - (ii) any subdivision, agent, commission, board or authority of any of the foregoing; or
 - (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (s) **“Hong Kong Property”** means MLK’s remaining interest in the two remaining claims located in Ontario, known as the Hong Kong property, as described in the Public Disclosure Record;
- (t) **“Information Circular”** means the management information circular, including documents of MLK incorporated therein by reference and available on SEDAR, together with any amendments thereto, and the related materials sent to the Shareholders with respect, among other things, to the Meeting of Shareholders to be held for the purpose, among other things, of considering for approval the Plan of Arrangement and the Acquisitions;
- (u) **“Interim Order”** means an interim order of the Court providing for, among other things, the calling and holding of the Meeting, as the same may be amended;
- (v) **“Laws”** means any and all applicable (i) laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations, by-laws (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Entity and (iii) policies, guidelines, notices and protocols, to the extent that they have the force of law;
- (w) **“Little River Property”** means the 100% interest in the exploration license located in the Baie d’Espoir area of Newfoundland and Labrador, as described in the Public Disclosure Record.
- (x) **“Meeting”** means the annual and special meeting of the Shareholders to be held for the purpose of, among other things, approving the Arrangement and the Acquisitions;
- (y) **“MLK”** means Mountain Lake Minerals Inc.;
- (z) **“Option Agreement”** means the option agreement dated October 30, 2017 between New Dawn Resources Inc. and MLK pursuant to which MLK has been granted the exclusive

right to acquire a 100% interest in the mineral claims known as the Grand Falls property, as more particularly described in the Option Agreement;

- (aa) **“Options”** means options to purchase MLK Shares existing as at the Effective Time granted pursuant to MLK’s stock option plan.
- (bb) **“Party”** means MLK or Spinco, as the context requires, and **“Parties”** means both of them;
- (cc) **“Person”** shall be broadly interpreted and includes any natural person, partnership, limited partnership, joint venture, syndicate, sole proprietorship, body corporate with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative;
- (dd) **“Plan of Arrangement”** means the arrangement proposed to be effected under the BCBCA upon the terms set out in Schedule A hereto and as contemplated in this Agreement, and any amendment or variation thereto;
- (ee) **“Proceedings”** means claims, actions, suits, judgments, litigation, proceedings or investigations;
- (ff) **“Properties”** means collectively the Glover Island Property, the Little River Property and the Hong Kong Property;
- (gg) **“Public Disclosure Record”** means the information filed by a Party with the required securities commissions on SEDAR, the System for Electronic Document Analysis Retrieval at www.sedar.com of the Canadian securities administrators, with the Exchange and with the Registrar, as required in accordance with applicable securities Laws or the BCBCA;
- (hh) **“Registrar”** means the Registrar of Companies for British Columbia;
- (ii) **“Shareholders”** means holders of MLK Shares;
- (jj) **“Shares”** means the common shares without par value in the capital of MLK;
- (kk) **“Spinco”** means 1167343 B.C. Ltd., a wholly owned subsidiary of MLK;
- (ll) **“Spinco Shares”** means the common shares without par value in the capital of Spinco;
- (mm) **“Transferred Assets”** means collectively all of MLK’s right, title and interest in and to the Properties, all of MLK’s right, title and interests in and to the Option Agreement and the Working Capital.
- (nn) **“Units”** the units to be issued pursuant to the Financing, with each Unit consisting of one post-Consolidation Share and one half of one Warrant, each whole such Warrant entitling the holder to acquire one post-Consolidation Shares at a price of \$0.50 per Share for a period of 12 months following issuance;
- (oo) **“U.S. Securities Act”** means the United States Securities Act of 1933, as amended;
- (pp) **“Warrants”** means warrants to purchase Shares existing as at the Effective Time; and

(qq) **“Working Capital”** means the sum of \$1,000,000.

1.2 Schedules

The following Schedules are incorporated into and form an integral part of this Agreement:

Schedule A - Plan of Arrangement

1.3 Sections and Headings

The division of this Agreement into Articles, Sections and other divisions and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule, respectively, bearing that designation in this Agreement.

1.4 Number, Gender and Persons

In this Agreement, words importing the singular number only shall include the plural and vice versa, words importing gender shall include all genders and words importing persons shall refer to Persons as defined in this Agreement.

1.5 Knowledge

In this Agreement, the phrase “to the knowledge of” any Person, “to the best knowledge of” any Person, “known to” any Person, “of which it is aware” or any similar phrase means, unless otherwise indicated, (i) with respect to any Person who is an individual, the actual knowledge of such Person, and (ii) with respect to any Person who is not an individual, the actual knowledge of the senior officers and directors of such Person after reasonable enquiry, and to the extent that such reasonable enquiry was not conducted, includes the knowledge that a reasonable Person would have had if such reasonable enquiry had been conducted.

1.6 Date for any Action

In the event that any date on which any action is required to be taken hereunder by any of the parties hereto is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.7 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination shall not impair or affect the validity, legality or enforceability of the remaining provisions hereof, and each provision is hereby declared to be separate, severable and distinct.

1.8 Currency

Unless otherwise indicated, all dollar amounts referred to in this Agreement, including the symbol \$, refer to lawful money of Canada.

1.9 Construction

In this Agreement, unless otherwise indicated:

- (i) the words “include”, “including” or “in particular”, when following any general term or statement, shall not be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as permitting the general term or statement to refer to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement;
- (ii) a reference to a statute means that statute, as amended and in effect as of the date of this Agreement, and includes each and every regulation and rule made thereunder and in effect as of the date hereof; and
- (iii) where a word, term or phrase is defined, its derivatives or other grammatical forms have a corresponding meaning.

2. THE ARRANGEMENT

2.1 Arrangement

The Parties agree to carry out the Arrangement in accordance with and subject to the terms and conditions contained in this Agreement and in the Plan of Arrangement.

2.2 Interim Order

The notice of motion for the application for the Interim Order will request that the Interim Order provide:

- (a) that the Shareholders will be the only class of Persons to whom notice is to be provided in respect of the Arrangement and the Meeting and for the manner in which such notice is to be provided;
- (b) that the Meeting may be adjourned from time to time by management of MLK, without the need for additional approval of the Court;
- (c) that the record dates for Shareholders entitled to notice of and to vote at, the Meeting will not change in respect of adjournments of the Meeting;
- (d) that the requisite approvals for the Arrangement will be two-thirds of the votes cast on the appropriate special resolution by the Shareholders, voting together as a class, present in person or represented by proxy at the Meeting and entitled to vote thereat, and such other approval as may be required pursuant to the policies of the Exchange or pursuant to Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions*, if any;
- (e) that, in all other respects, the terms, restrictions and conditions of the notice of articles and articles of MLK, including quorum requirements and all other matters, will apply in respect of the Meeting; and
- (f) for the grant of the Dissent Rights.

3. REPRESENTATIONS AND WARRANTIES

3.1 Mutual Representation and Warranties

Each Party represents and warrants

- (a) It is a company duly incorporated and validly existing under the laws of the Province of British Columbia and is in good standing with respect to the filing of annual reports;
- (b) It has the corporate power and authority necessary to own or lease its property and assets and to carry on its business as now being conducted by it, to execute and deliver this Agreement and all other agreements, documents and instruments to be executed and delivered by it as contemplated herein and to perform its obligations hereunder and thereunder;
- (c) No proceedings have been instituted or are pending for the dissolution or liquidation of such Party or any of such Party's subsidiaries as at the Effective Date. Neither the Party nor its subsidiaries is insolvent or has committed an act of bankruptcy within the meaning of the *Bankruptcy Act* (Canada);
- (d) To the best of the knowledge of such Party after due inquiry, there are no actions, suits, proceedings or investigations commenced, contemplated or Governmental Entity nor, to the best of the knowledge of such Party, after due inquiry, are there any existing facts or conditions which may reasonably be expected, individually or in the aggregate, to be a proper basis for any actions, suits, proceedings or investigations, which in any case would prevent or hinder the consummation of the transactions contemplated by this Agreement, or the Plan of Arrangement, or which may reasonably be expected individually or in the aggregate to have a material adverse effect on the business, operations, properties, assets or affairs, financial or otherwise, of it and its subsidiaries, taken as a whole, either before or after the Effective Date;
- (e) The execution, delivery and performance of its obligations under this Agreement and of all other agreements, documents and instruments to be executed and delivered by the Party as contemplated and in order to complete the transactions contemplated in this Agreement, will not:
 - (i) conflict with or result in the breach or violation of any of the terms and provisions of its constating documents;
 - (ii) conflict with, result in a breach of, constitute a default under or accelerate or permit the acceleration of the performance required by any material agreement (oral or written), instrument, license, permit or authority to which it or its subsidiaries is a party or by which it is bound or to which any of its property is subject or would result in the creation of any material Encumbrance upon any of its assets under any such agreement, instrument, license, permit or authority, or give to others any material interest or right, including rights of purchase, termination, cancellation or acceleration under any such agreement, instrument, license, permit or authority, provided that it or its subsidiaries obtains the necessary consents to the assignment of any contracts resulting from the Arrangement; or
 - (iii) violate any provision of any Laws or regulation or any judicial or administrative order, award, judgment or decree applicable to it, or violate the terms of any material licence, permit, approval or consent held by it or its subsidiaries; and

- (f) The execution and delivery of this Agreement and all other agreements, documents and instruments to be executed and delivered as contemplated herein, the performance of its obligations hereunder and thereunder and the completion of the transactions contemplated hereby, have been duly authorized by all necessary corporate action on the part of such Party, other than approval of Shareholders and, this Agreement has been duly executed and delivered by such Party and constitutes a legal, valid and binding obligation of it, subject to receipt of applicable regulatory approvals, enforceable against it in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other Laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.

3.2 Representations and Warranties of MLK

MLK represents and warrants to Spinco as follows and acknowledges that Spinco is relying upon such representations and warranties in connection with the entering into of this Agreement and the completion of the transactions contemplated hereby:

- (a) Share Capital. MLK is authorised to issue an unlimited number of Shares of which 39,023,011 fully paid and non-assessable Shares are issued and outstanding as of the date of this Agreement.
- (b) Subsidiary. MLK has no subsidiaries other than Spinco.
- (c) Litigation. Except as disclosed in the Public Disclosure Record pertaining to MLK, to the best of MLK's knowledge there are no Proceedings (whether or not purportedly on behalf of MLK), pending against or affecting MLK or its assets at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, or by or before any arbitrator and MLK is not now aware of any existing grounds on which any such Proceeding might be commenced with any reasonable likelihood of success and, further, there is not currently outstanding against MLK, any judgment, decree, injunction, rule, order or award of any court, governmental department, commission, board, bureau, agency, instrumentality, domestic or foreign, or arbitrator;
- (d) No Options. No Person holds any securities convertible or exchangeable into any shares of MLK or has any agreement, warrant, option or any right capable of becoming an agreement, warrant or option for the purchase of any unissued shares of MLK, except pursuant to the Option Agreement, the Acquisitions, the Financing, 6,950,000 Warrants issued by MLK having exercise prices ranging from \$0.05 to \$0.15 per Share and an expiration dates ranging from August 16, 2019 to October 30, 2019 and 1,950,000 Options previously issued by MLK and having exercise prices ranging from \$0.025 to \$0.05 per Share and expiring on dates ranging from September 1, 2018 to October 1, 2018 or as otherwise disclosed in the Public Disclosure Record;
- (e) Title to Mineral Properties. Except as disclosed in the Public Disclosure Record, the Properties have been validly located and recorded in accordance with all applicable laws and the mineral claims, licenses, leases or titles thereunder are valid and subsisting, MLK has all necessary surface rights, access rights and other necessary rights and interests relating to the Properties granting MLK the right and ability to explore for minerals, ore and metals for development purposes as are appropriate in view of the rights and interest

therein of MLK, with only such exceptions as do not materially interfere with the use made by MLK of the rights or interests so held and the mineral claims comprising the Properties are currently in good standing in the name of MLK;

Except as disclosed in the Public Disclosure Record, the Properties are free and clear of any title defect, royalty, Encumbrance, to permit it or its subsidiaries to explore, develop, extract and process ore from its mineral projects and there are no conflicting mining claims that could constitute a material defect in MLK's right, interest or title to the Properties. Exception in relation to the Glover Island Property as disclosed in the Public Disclosure Record, there are no pending or threatened Proceedings affecting the Properties and MLK has not received notice from any Governmental Entity of any proposal or intention to withdraw, revoke, amend or terminate any of the mineral claims, leases, licenses or titles comprising the Properties or has any reason to believe that any such withdrawal, revocation, amendment or termination is pending or threatened or will occur in the future and all material obligations in respect of the Properties have been complied with at all times and no action, claim, demand, dispute or liability in respect of the same is outstanding or, to the knowledge of MLK, threatened;

- (f) Option Agreement. The Option Agreement is in full force and effect and, to the best of the knowledge and belief of MLK, is valid, binding and enforceable against each of the parties thereto in accordance with its terms subject however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought, and no material breach or default exists in respect thereof on the part of any party thereto and no event has occurred which, with the giving of notice or lapse of time or both, would constitute such a material breach or default.
- (g) Reporting Issuer. MLK is a reporting issuer in British Columbia, Alberta and Ontario and is not in default in any material respect of any of its filing obligations under applicable securities laws and the Shares are listed and posted for trading on the Exchange. No order ceasing, halting or suspending trading in the securities of MLK or prohibiting the distribution of such securities has been issued to and is outstanding against MLK and no investigations or proceedings for such purposes are, to the knowledge of MLK, pending or threatened; and
- (h) Circular. The information set forth in the Information Circular relating to MLK and the interests of MLK, their respective businesses and properties and the effect of the Arrangement thereon is true, correct and complete in all material respects and does not contain any untrue statement of any material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading in the light of the circumstances in which they are made.

None of the representations, warranties or statements of fact made in this Section 3.2 in relation to MLK contains or will contain at the Effective Date any untrue statement of a material fact or omit or will omit at the Effective Date to state any material fact necessary to make any such warranty or representation not misleading.

3.3 Representations and Warranties of Spinco

Spinco represents and warrants to MLK as follows and acknowledges that MLK is relying upon such representations and warranties in connection with the entering into of this Agreement and the completion of the transactions contemplated hereby:

- (a) Share Capital. Spinco is authorised to issue an unlimited number of Spinco Shares, of which one fully paid and non-assessable Spinco Share is issued and outstanding as of the date of this Agreement and held by MLK;
- (b) No Additional Issue. As of the date hereof, no person or entity has any agreement, option, understanding or commitment (including convertible securities, warrants or convertible obligations of any nature), for the purchase of any unissued shares in the capital of Spinco, or to require Spinco to purchase, redeem, or otherwise acquire any Spinco Shares; and
- (c) Business. Spinco is not engaged in any business nor is it a party to or bound by any contract, agreement, arrangement, instrument, license, permit or authority, other than this Agreement and any transaction or agreement necessary or incidental to the fulfilment of its obligations under Agreement, nor does it have any liabilities, contingent or otherwise, except as provided in or permitted by this Agreement.

None of the representations, warranties or statements of fact made in this Section 3.3 in relation to Spinco contains or will contain at the Effective Date any untrue statement of a material fact or omit or will omit at the Effective Date to state any material fact necessary to make any such warranty or representation not misleading.

4. COVENANTS

4.1 Mutual Covenants

Each Party 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 be reasonably required to facilitate the carrying out of the intent and purpose of this Agreement.

4.2 Covenants of MLK

MLK hereby covenants and agrees with Spinco as follows:

- (a) Until the Effective Date, MLK will carry on its business in the ordinary course and will not enter into any transaction or incur any obligation or liability out of the ordinary course of its business, except as otherwise contemplated in this Agreement.
- (b) Except as otherwise contemplated in this Agreement or in relation to the Acquisitions, until the Effective Date, MLK will not merge with, amalgamate, consolidate or enter into any other corporate reorganization with, any other corporation or person or perform any act or enter into any transaction or negotiation which reasonably could be expected to, directly or indirectly, interfere or be inconsistent with the completion of the Arrangement.
- (c) MLK will, in a timely and expeditious manner, file the Information Circular in all jurisdictions where the Information Circular is required to be filed by MLK and mail the Information Circular to Shareholders in accordance with the terms of the Interim Order and applicable Laws.

- (d) MLK shall ensure that the Information Circular complies in all material respects with all applicable Laws, and, without limitation, that the Information Circular will not contain any untrue statement of a material fact or omit to state a material fact required to be stated in the Information Circular or necessary to make the statements contained in the Information Circular not misleading in light of the circumstances in which they are made and shall provide Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the Arrangement.
- (e) MLK will perform the obligations required to be performed by it hereunder and will do all such other acts and things as may be necessary or desirable in order to carry out and give effect to the transactions under the Arrangement as described in the Information Circular and, without limiting the generality of the foregoing, MLK shall use its reasonable best efforts to seek:
 - (i) the approval of the Shareholders required for the implementation of the Arrangement,
 - (ii) the approval for the listing of the New Common Shares on the Exchange,
 - (iii) the Final Order as provided for in section 3.3, and
 - (iv) such other consents, orders, rulings, approvals and assurances as counsel may advise are necessary or desirable for the implementation of the Arrangement, including those referred to in section 5.1.
- (f) MLK will convene and conduct the Meeting in accordance with the Interim Order, MLK's constating documents and applicable Laws as soon as practicable
- (g) MLK will use its commercially reasonable efforts to solicit proxies to be voted at the Meeting in favour of the Arrangement and all other resolutions referred to in the Circular.
- (h) MLK will use its reasonable best efforts to cause each of the conditions precedent set out in section 5.1 to be complied with on or before the Effective Date.

4.3 Covenants of Spinco

Spinco hereby covenants and agrees with MLK as follows:

- (a) Until the Effective Date, Spinco will not merge into or with, or amalgamate or consolidate with, or enter into any other corporate reorganization with, any other corporation or person, and will not perform any act or enter into any transaction or negotiation which interferes or is inconsistent with the Arrangement or other transactions contemplated by this Agreement.
- (b) Spinco will perform the obligations required to be performed by it, and will enter into all agreements required to be entered into by it, under this Agreement and the Plan of Arrangement, and will do all such other acts and things as may be necessary or desirable in order to carry out and give effect to the Arrangement and related transactions as described in the Information Circular and, without limiting the generality of the foregoing, Spinco will:

- (i) seek and cooperate with MLK in seeking the Final Order as provided for in section 4.4; and
- (ii) seek and cooperate with MLK in seeking such other consents, orders, rulings, approvals and assurances as counsel may advise are necessary or desirable for the implementation of the Arrangement, including those referred to in section 5.1.

4.4 Final Order

If the approval of the Arrangement by Shareholders as set forth in the Interim Order is obtained by MLK, as soon as practicable thereafter each Party will take the necessary steps to submit the Arrangement to the Court and apply for the Final Order in such fashion as the Court may direct. As soon as practicable thereafter, and subject to compliance with any other conditions provided for in Article 5 hereof, MLK and Spinco will file with the Registrar a certified copy of the Final Order to give effect to the Arrangement.

4.5 Non-Survival of Representations, Warranties and Covenants

The respective representations, warranties and covenants of MLK and Spinco contained herein will expire and be terminated and extinguished at and from the Effective Date, other than the covenants in sections 4.2(d) and 4.3(b) and no Party will have any liability or further obligation to any Party hereunder in respect of the respective representations, warranties and covenants thereafter, other than the covenants in sections 4.2(d) and 4.3(b).

5. CONDITIONS PRECEDENT

5.1 Mutual Conditions

The respective obligations of each Party hereto to complete the transactions contemplated by this Agreement will be subject to the satisfaction, on or before the Effective Date, of the following conditions, none of which may be waived by any Party hereto in whole or in part:

- (a) The Arrangement, with or without amendment, will have been approved at the Meeting in accordance with the Interim Order.
- (b) The Interim Order and the Final Order will have been obtained in form and substance satisfactory to MLK and Spinco, acting reasonably.
- (c) The Exchange will have approved, as of the Effective Date, the listing and posting for trading of the New Common Shares issuable on the Arrangement in substitution of the Shares.
- (d) No action will have been instituted and be continuing on the Effective Date for an injunction to restrain, a declaratory judgment in respect of or damages on account of or relating to the Arrangement and no cease trading or similar order with respect to any securities of MLK or Spinco will have been issued and remain outstanding.
- (e) All material regulatory requirements will have been complied with and all other material consents, agreements, orders and approvals, including regulatory and judicial approvals and orders, necessary for the completion of the transactions provided for in this Agreement or contemplated by the Information Circular will have been obtained or received from the persons, authorities or bodies having jurisdiction in the circumstances.

- (f) None of the consents, orders, regulations or approvals contemplated herein will contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by MLK or Spinco acting reasonably.
- (g) The Change of Business Transactions will have been completed.
- (h) MLK shall have obtained written consent for the assignment of the Option Agreement to Spinco on the Effective Date.
- (i) This Agreement shall not have been terminated pursuant to the provisions hereof.

5.2 Conditions to Obligations of Each Party

The obligation of each of MLK and Spinco to complete the transactions contemplated by this Agreement is further subject to the condition, which may be waived by any such Party without prejudice to its right to rely on any other condition in favour of such Party, that each and every one of the covenants of the other Party hereto to be performed on or before the Effective Date pursuant to the terms of this Agreement will have been duly performed by such party and that, except as affected by the transactions contemplated by this Agreement, the representations and warranties of the other Party hereto will be true and correct in all material respects as at the Effective Date, with the same effect as if such representations and warranties had been made at and as of such time.

5.3 Merger of Conditions

The conditions set out in sections 5.1 will be conclusively deemed to have been satisfied, waived or released upon the delivery to the Registrar of a certified copy of the Final Order to give effect to the Arrangement.

6. TERMINATION

6.1 General

This Agreement may, at any time before or after the holding of the Meeting but no later than the Effective Date, be terminated without further notice to, or action on the part of, the Shareholders.

Without limiting the generality of the foregoing, MLK may terminate this Agreement:

- (a) In the event that Dissent Rights have been exercised prior to the Effective Date by Shareholders representing in the aggregate more than 1% of the total number of Shares outstanding at such time, who have not abandoned their Dissent Rights.
- (b) In the event the Change of Business Transactions are terminated.
- (c) If prior to the Effective Date there is a material change in the business, operations, properties, assets, liabilities or condition, financial or otherwise, of MLK and its subsidiaries, taken as a whole, or in Spinco, or any change in general economic conditions, interest rates or any outbreak or material escalation in, or the cessation of, hostilities or any other calamity or crisis, or there should develop, occur or come into effect any occurrence which has a material effect on the financial markets of Canada and the board of directors of MLK determines in its sole judgment that it would be inadvisable in such circumstances for MLK to proceed with the Arrangement.

6.2 Effect of Termination

Upon the termination of this Agreement pursuant to section 6.1 hereof, no Party will have any liability or further obligation to any other party hereunder.

7. AMENDMENTS

7.1 Amendments

This Agreement may, at any time and from time to time before and after the holding of the Meeting, but no later than the Effective Date, be amended in a manner not materially prejudicial to the Shareholders by written agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of the Shareholders for any reason whatsoever. Without limiting the generality of the foregoing, any such amendment may:

- (a) change the time for the performance of any of the obligations or acts of the Parties hereto;
- (b) waive any inaccuracies or modify any representation and warranty contained herein or in any document to be delivered pursuant hereto; or
- (c) waive compliance with or modify any of the covenants or conditions herein contained or waive or modify the performance of any of the obligations of the Parties hereto.

8. NOTICES

8.1 Notice in Writing

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party to the other Party shall be in writing and may be given by delivering same or sending same by facsimile transmission, email or by hand delivery addressed to the Party to whom the notice is to be given at its address for service herein. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day and, if not, the next succeeding Business Day) and if sent by email or facsimile transmission shall be deemed to have been given and received at the time of receipt (if a Business Day and, if not, the next succeeding Business Day) unless actually received after 5:00 p.m. at the point of delivery in which case it shall be deemed to have been given and received on the next Business Day.

8.2 Addresses for Service

The address for service of each of the Parties hereto shall be as follows:

- (a) if to MLK:

Mountain Lake Minerals Inc.
1853 Sunken Lake Road,
Wolfville, Nova Scotia, B4P 2R2

Attention: Paul Smith
Email: redacted: Personal Email

with a copy to

Armstrong Simpson
Suite 2080, 777 Hornby Street
Vancouver, British Columbia
V6Z 1S4
Fax: (604) 662-3231

Attention: Shauna L. Hartman

- (b) if to Spinco:
- (c) 1167343 B.C. Ltd.
Suite 2080, 777 Hornby Street
Vancouver, British Columbia
V6Z 1S4

Attention: Paul Smith
Email: redacted: personal email

with a copy to

Armstrong Simpson
Suite 2080, 777 Hornby Street
Vancouver, British Columbia
V6Z 1S4
Fax: (604) 662-3231

Attention: Shauna L. Hartman

9. GENERAL

9.1 Costs and Expenses

Each Party will be responsible for and bear all of its own fees, costs and expenses incurred at any time in connection with entering into this Arrangement and consummating the transactions contemplated herein and in the Plan of Arrangement.

9.2 Binding Effect

This Agreement and the Arrangement will be binding upon and will enure to the benefit of the Parties hereto and their respective successors and permitted assigns and, in the case of the Arrangement, will enure to the benefit of the Shareholders.

9.3 Entire Agreement

This Agreement constitutes the entire understanding, contract and agreement between the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral, between the Parties or their representatives. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as herein provided, and except implied covenants of good faith and fair dealing.

9.4 Further Assurances

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

9.5 Time of the Essence

Time shall be of the essence of this Agreement. Dates shall be determined in accordance with the *Interpretation Act* (British Columbia).

9.6 Waivers of this Agreement

No waiver, express or implied, of any provision of this Agreement shall be binding on either Party unless consented to in writing by such Party and then only in the specific instance and for the specific purpose given. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver, unless otherwise expressly provided.

9.7 Applicable Law

This Agreement shall be construed, interpreted and enforced in accordance with, and the respective obligations of the Parties shall be governed by, the laws of the Province of British Columbia and each Party hereby irrevocably and unconditionally submits to the exclusive jurisdiction of the courts of the Province of British Columbia with respect to any disputes arising hereunder.

9.8 Enforceability

In the event any one or more of the provisions of this Agreement is invalid or otherwise unenforceable, the enforceability of the remaining provisions shall be unaffected.

9.9 Assignment

This Agreement may not be assigned by either Party hereto without the prior written consent of the other Party.

9.10 Execution in Counterparts

This Agreement may be executed in counterparts and by facsimile counterparts, each of which, once executed, shall constitute an original and all of which taken together shall constitute one and the same instrument.

In witness whereof, authorized representatives of each of the Parties have each signed this Agreement as of the date and year first above written.

MOUNTAIN LAKE MINERALS INC.

1167343 B.C. LTD.

By: “Signed”
Paul Smith
President

By: “Signed”
Paul Smith
Director

SCHEDULE A

PLAN OF ARRANGEMENT

1. INTERPRETATION

1.1 Defined Terms

For the purpose of this Plan of Arrangement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) "**Agreement**" means the arrangement agreement dated as of June 5, 2018 among MLK and Spinco, together with the schedules to such agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with their terms;
- (b) "**Arrangement**" means the arrangement under the provisions of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations made in accordance with the Arrangement Agreement, this Plan of Arrangement or at the direction of the Court;
- (c) "**Arrangement Application**" means the arrangement application to be filed with the Registrar by MLK that includes all records required to be filed with the Registrar to give effect to each provision of the Arrangement including an entered copy of the Final Order;
- (d) "**BCBCA**" means the *Business Corporations Act* (British Columbia), as may be amended from time to time, including the regulations promulgated thereunder;
- (e) "**Business Day**" means any day other than a Saturday or Sunday or statutory holiday in the Province of British Columbia, upon which banks generally are open for business in the City of Vancouver, British Columbia;
- (f) "**Court**" means the Supreme Court of British Columbia;
- (g) "**Depository**" means Computershare Investor Services Inc., the depository to be appointed by MLK and Spinco for the purpose of, among other things, exchanging certificates representing Shares in connection with the Arrangement, at such offices as will be set out in the Transmittal Letter;
- (h) "**Dissent Rights**" has the meaning ascribed to it in Section 4.1(a) of this Plan of Arrangement;
- (i) "**Dissenting Shareholder**" means a registered holder of Shares who has properly exercised its Dissent Rights and who is ultimately entitled to be paid fair value for their Shares;
- (j) "**Effective Date**" means the effective date on which the Final Order, the Arrangement Application and all other required documents are accepted for filing by the Registrar;

- (k) “**Effective Time**” means the time when the transactions contemplated herein will be deemed to have been completed, which shall be 12:01 am on the Effective Date, or such other time as may be agreed to by the parties;
- (l) “**Final Order**” means the final order of the Court in form acceptable to MLK and Spinco, each acting reasonably, approving the Arrangement as such order may be amended by the Court with the consent of MLK and Spinco at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal;
- (m) “**Interim Order**” means the interim order of the Court providing for, among other things, the calling and holding of the Meeting, as the same may be amended;
- (n) “**Meeting**” means the annual and special meeting of the Shareholders, including any adjournment or postponement thereof, to be held in accordance with the Interim Order for the purpose of, among other things, approving the Plan of Arrangement;
- (o) “**MLK**” means Mountain Lake Minerals Inc., a company existing under the laws of British Columbia;
- (p) “**New Common Shares**” has the meaning ascribed to that term in Section 2.3(b)(ii) of this Plan of Arrangement;
- (q) “**Options**” means options to purchase MLK Shares existing as at the Effective Time granted pursuant to MLK’s stock option plan.
- (r) “**Person**” shall be broadly interpreted and includes any natural person, partnership, limited partnership, joint venture, syndicate, sole proprietorship, body corporate with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative;
- (s) “**Plan of Arrangement**” means this plan of arrangement and any amendments or variations hereto made in accordance with the Arrangement Agreement or this plan of arrangement or made at the direction of the Court;
- (t) “**Pre-Arrangement Shares**” means the renamed, redesignated and amended Shares as described in Section 2.3(b) (i) of this Plan of Arrangement;
- (u) “**Registrar**” means the Registrar of Companies for British Columbia;
- (v) “**Reorganization Shares**” has the meaning ascribed to that term in Section 2.3(b)(ii) of this Plan of Arrangement;
- (w) “**Shareholders**” means the holders of Shares;
- (x) “**Shares**” means the common shares without par value in the capital of MLK as the same are constituted on the date hereof;
- (y) “**Spinco**” means 1167343 B.C. LTD., a wholly owned subsidiary of MLK;

- (z) “**Spinco Options**” has the meaning ascribed to that term in Section 2.3(i)(i) of this Plan of Arrangement;
- (aa) “**Spinco Shares**” means common shares in the capital of Spinco;
- (bb) “**Spinco Warrants**” has the meaning ascribed to that term in Section 2.3(i)(ii) of this Plan of Arrangement;
- (cc) “**Tax Act**” means the *Income Tax Act* (Canada);
- (dd) “**Transferred Assets**” means collectively all of MLK’s right, title and interest in and to the Properties (as defined in the Agreement), all of MLK’s right, title and interests in and to the Option Agreement (as defined in the Agreement) and the Working Capital.
- (ee) “**Warrants**” means warrants to purchase Shares existing as at the Effective Time; and
- (ff) “**Working Capital**” means the sum of \$1,000,000.

1.2 Sections and Headings

The division of this Plan of Arrangement into Articles, Sections and other divisions and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Plan of Arrangement. The terms “this Plan of Arrangement”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto. Unless a contrary intention appears, references in this Plan of Arrangement to an Article or Section by number or letter or both refer to the Article or Section respectively bearing that designation in this Plan of Arrangement.

1.3 Number, Gender and Persons

In this Plan of Arrangement, unless the context otherwise required, words importing the singular number only shall include the plural and vice versa, words importing gender shall include all genders and words importing persons shall refer to Persons as defined in this Plan of Arrangement.

1.4 Severability

If any provision of this Plan of Arrangement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination shall not impair or affect the validity, legality or enforceability of the remaining provisions hereof, and each provision is hereby declared to be separate, severable and distinct.

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 Statute References

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

1.7 Time

Time shall be of the essence in every matter or action contemplated hereunder.

1.8 Currency

All references to currency herein are to lawful money of Canada unless otherwise specified herein.

1.9 Governing Law

This Plan of Arrangement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of British Columbia and the laws of Canada applicable therein.

2. ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, is subject to the provisions of and forms a part of the Arrangement Agreement.

2.2 Binding Effect

As of from the Effective Time, this Plan of Arrangement will be binding upon (i) MLK, (ii) Spinco, and (iii) all holders of Shares and Warrants.

2.3 Plan of Arrangement

Subject to the provisions of Article 4, commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur sequentially in the following order without any further act or formality:

- (a) Dissenting Shareholders. Shares held by Dissenting Shareholders will be deemed to be transferred, without any further act or formality on the part of the holder, and free and clear of all liens, claims and encumbrances, to MLK, and MLK shall be obligated to pay the amount determined and payable in accordance with Article 4.
- (b) Reorganization of Capital. The authorized share capital of MLK and its notice of articles and articles will be altered by:
 - (i) renaming and redesignating all of the issued and unissued Shares as class B common shares (the “**Pre-Arrangement Shares**”) and amending them to have, attached thereto the right to two votes at all meetings of the Shareholders, but which will otherwise rank pari passu with the Class A Shares described below;
 - (ii) creating an unlimited number of common shares without par value (the “**New Common Shares**”) and an unlimited number of shares without par value to be designated as the reorganization shares (the “**Reorganization Shares**”).
- (c) Exchange of Shares. MLK shall undertake a reorganization of capital within the meaning of Section 86 of the Tax Act as follows, and in the following order:

- (i) Each issued and outstanding Pre-Arrangement Share will be deemed to be exchanged for one New Common Share and one Reorganization Share;
 - (ii) The issue price for each Reorganization Shares will be an amount equal to the fair market value, as determined by the board of directors of MLK, of one Reorganization Shares immediately following the exchange provided for in this subsection;
 - (iii) MLK will add to the stated capital maintained by it for the Reorganization Shares the issue price thereof;
 - (iv) The issue price for each New Common Share will be an amount equal to the excess, if any, of (A) the paid-up capital (as that term is used for purposes of the Tax Act) of the Shares (other than Shares held by the Dissenting Shareholders) immediately prior to the Effective Time, less (B) the amount determined in subsection (ii) above;
 - (v) The amounts to be added to the stated capital accounts maintained by MLK for the New Common Shares and the Reorganization Shares shall, notwithstanding paragraphs 2.3(c) (ii) and (iv) above, not exceed the paid-up capital of the Shares at the time of the exchange; and
 - (vi) Each Shareholder will cease to be the holder of the Shares so exchanged and will become the holder of New Common Shares and Reorganization Shares issued to such Shareholder. The name of such Shareholder will be removed from the register of holders of Shares with respect to the Shares so exchanged and will be added to the registers of the holders of New Common Shares and Reorganization Shares as the holder of the number of New Common Shares and Reorganization Shares, respectively, so issued to such Shareholder.
- (d) Certificates. No share certificates representing the Reorganization Shares to be issued pursuant subsection 2.3(c)(i) will be issued. The New Common Shares to be issued pursuant to subsection 2.3(c)(i) will be evidenced by the existing share certificates representing the Shares which will be deemed for all purposes thereafter to be certificates representing the New Common Shares to which the holder is entitled pursuant to the Arrangement, and no certificates representing such New Common Shares will be issued to the Shareholders.
- (e) Cancellation of Shares. The Shares exchanged for the New Common Shares and Reorganization Shares pursuant subsection 2.3(c)(i) will be cancelled and the authorized capital of MLK and its notice of articles shall be amended by deleting the Shares (as re-designated as Pre-Arrangement Shares) as a class of share of MLK.
- (f) Transfer of Reorganization Shares. Each Shareholder will sell and transfer all of its Reorganization Shares to Spinco for consideration consisting solely of Spinco Shares issued by Spinco, on the basis of one Spinco Share for each Reorganization Shares held. In connection with such sale and transfer:
- (i) The issue price for each Spinco Share will be an amount equal to the fair market value of the Reorganization Share for which it was issued as consideration; and

- (ii) Each holder of Reorganization Shares so sold will cease to be the holder of the Reorganization Shares so sold and transferred and will become the holder of Spinco Shares issued to such holder. The name of such holder will be removed from the register of holders of Reorganization Shares with respect to the Reorganization Shares so sold and transferred and will be added to the register of holders of Spinco Shares as the holder of the number of Spinco Shares so issued to such holder, and Spinco will be and will be deemed to be the transferee of Reorganization Shares so transferred and the name of Spinco will be entered in the register of holders of Reorganization Shares as the holder of the number of Reorganization Shares so sold and transferred to Spinco;
- (g) Redemption of Reorganization Shares. All of the Reorganization Shares owned by Spinco will be redeemed for their aggregate redemption value, which redemption value will be satisfied in full by the transfer by MLK to Spinco of the Transferred Assets and the Reorganization Shares will be cancelled and the authorized capital of MLK and its notice of articles will be amended by deleting the Reorganization Shares as a class of share of MLK.
- (h) Amendment to Options and Warrants. Each of the Options and Warrants will be deemed to have been amended such that each Option or Warrant, as the case may be, will be exercisable to acquire New Common Shares in place of Shares, but will otherwise remain unchanged; and
- (i) Issuance of Spinco Options and Warrants. Spinco shall issue:
 - (i) to each holder of the Options, an option (a “**Spinco Option**”) to purchase that number of Spinco Shares as is equal to the number of Shares issuable under the Options at an exercise price equal to the original exercise price of the Option. Except as otherwise provided for in this Section 2.3(i)(i), the term to expiry, conditions to and manner of exercising, vesting schedule, status under applicable laws and all other terms and conditions of the Options will apply to the Spinco Options issuable hereunder, unchanged from those that apply to the Options, provided however that any Spinco Options issued to persons who will not be directors, officers, employees or consultants of Spinco on the Effective Date, will expire on the earlier of the original expiry date of the Options or the date which is 90 days following the Effective Date; and
 - (ii) to each holder of the Warrants, a share purchase warrant (a “**Spinco Warrant**”) to purchase that number of Spinco Shares as is equal to the number of Shares issuable under the Warrants at an exercise price equal to the original exercise price of the Warrant. Except as otherwise provided for in this Section 2.3(i)(ii), the term to expiry, conditions to and manner of exercising, vesting schedule, status under applicable laws and all other terms and conditions of the Warrants will apply to the Spinco Warrants issuable hereunder, unchanged from those that apply to the Warrants.

2.4 Deemed Fully Paid and Non-Assessable Shares

All New Common Shares, Reorganization 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.

2.5 Supplementary Actions

Notwithstanding that the transactions and events set out in 2.3 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of MLK 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 Section 2.3, 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, and any necessary additions to or deletions from share registers.

3. CERTIFICATES

3.1 Entitlement to Spinco Share Certificates

As soon as practicable after the Effective Date, Spinco will cause to be delivered to the Depository, to be delivered to the holders of Shares in accordance with the terms hereof, share certificates representing in the aggregate the Spinco Shares to which such holders are entitled following the Arrangement.

3.2 Use of Postal Services

Any certificate which any person is entitled to receive in accordance with this Plan of Arrangement will (unless the Depository has received instructions to the contrary from or on behalf of such person prior to the Effective Date) be forwarded by first class mail, postage prepaid, or in the case of postal disruption in Canada, by such other means as the Depository may deem prudent.

3.3 Options and Warrants

After the Effective Date, certificates representing Options and Warrants shall be deemed to represent right to receive a certificate representing the number of Spinco Options and Spinco Warrants, to which a holder of the Options and Warrants may be entitled to in accordance with Section 2.3(i)(i) and (ii), as the case may be, hereof. Spinco shall deliver the certificates representing the Spinco Options and Spinco Warrants to the holders thereof within 10 Business Days of the Effective Date.

4. RIGHTS OF DISSENT

4.1 Dissent Rights

Pursuant to the Interim Order, registered Shareholders are entitled to exercise rights of dissent in connection with the Arrangement with respect to their Shares, under Part 8, Division 2 of the BCBCA as modified by the Interim Order, the Final Order and this Section 4.1 (the "**Dissent Rights**"); provided that, notwithstanding subsection 242(2) of the BCBCA, the written objection to the resolution approving the Arrangement contemplated by subsection 242(2) of the BCBCA must be received by MLK not later than 4:00 p.m. (Vancouver time) on the date which is two Business Days immediately preceding the date of the Meeting or any date to which the Meeting may be postponed or adjourned and provide further that a Dissenting Shareholder who exercises such Dissent Rights and who:

- (a) is ultimately entitled to be paid fair value for the Shares held by that Person, which fair value shall be the fair value of such shares immediately before the approval by the Shareholders of the Arrangement, shall be paid an amount in cash equal to such fair value by MLK and will not be entitled to any other payment or consideration, including any

payment or consideration that would be payable under the Arrangement had such holders not exercised their Dissent Rights, and will be deemed to be transferred, as of the Effective Date, without any further act or formality, such Shares, to MLK; and

- (b) is ultimately determined not to be entitled, for any reason, to be paid fair value for their Shares shall be deemed to have participated in the Arrangement on the same basis as any non-Dissenting Shareholders as at and from the Effective Time.

4.2 Only Registered Holders

In no circumstances shall MLK, Spinco or any other Person be required to recognize a Person exercising Dissent Rights unless such person is a registered holder of the Shares in respect of which such Dissent Rights are sought to be exercised.

4.3 Recognition of Dissenting Shareholders

In no case shall MLK, Spinco or any other Person be required to recognize a Dissenting Shareholder as a Shareholder after the time that is immediately prior to the Effective Time, and the names of each Dissenting Shareholder shall be deleted from the central securities register as a Shareholder at the Effective Time and MLK shall be recorded as the registered holder of the Shares held by the Dissenting Shareholder and shall be deemed to be the legal owner of such Shares.

5. AMENDMENTS AND WITHDRAWAL

5.1 Amendments

- (a) MLK and Spinco reserve the right to amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Date, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) agreed to in writing by MLK and Spinco, (iii) filed with the Court and, if made following the Meeting, approved by the Court, and (iv) communicated to Shareholders if and as required by the Court.
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by MLK at any time prior to the Meeting provided that Spinco shall have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement may be made by MLK and Spinco without approval of the Shareholders provided that it concerns a matter which, in the reasonable opinion of MLK and Spinco, is of an administrative or ministerial nature required to better give effect to the implementation of this Plan of Arrangement and is not materially adverse to the financial or economic interests of any of the Shareholders.
- (d) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Meeting shall be effective only if: (i) it is consented to in writing by each of MLK and Spinco; and (ii) if required by the Court, it is consented to by the Shareholders voting in the manner directed by the Court.

5.2 Withdrawal

This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

6. TERMINATION

6.1 Termination

This Plan of Arrangement will automatically terminate and be of no further force and effect upon the termination of the Agreement in accordance with its terms.