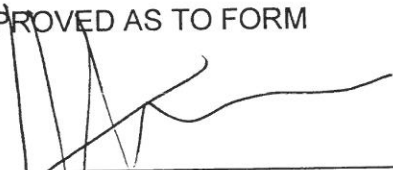




**THIS COURT ORDERS AND DECLARES THAT:**

1. The Plan of Arrangement, as set out in the attached Schedule "A", is authorized and approved pursuant to the provisions of Section 291 of the *Business Corporations Act* (British Columbia) S.B.C. 2002, c.57, as amended.
2. Pursuant to the provisions of Section 291(4)(c) of the Business Corporations Act, S.B.C. 2002, c. 57, as amended, the Arrangement as provided for in a Plan of Arrangement, including the terms and conditions thereof and the issuance and exchange of securities contemplated therein, is fair and reasonable.

APPROVED AS TO FORM



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Counsel for the Petitioner,  
Brigadier Exploration Corp., Lisa Hobman

Bacchus Law Corporation  
Suite 1820, 925 West Georgia St.  
Vancouver, BC V6C 3L2  
Tel: 604.632.1700  
Fax: 604.632.1730

BY THE COURT



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Registrar

*Carb. form*

*Stulen, J*

**Schedule A**

**ARRANGEMENT AGREEMENT**

This **ARRANGEMENT AGREEMENT** is made as of and with effect from November 20, 2014;

AMONG:

**BRIGADE RESOURCE CORP.**, a company existing under the *Business Corporations Act* (British Columbia) and incorporation number BC1015969 with a registered office at Suite 1820 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2;

("Subco-RI")

AND:

**SALIENT CORPORATE SERVICES INC.**, a company existing under the *Business Corporations Act* (British Columbia) and incorporation number BC1007480, with a head office at 3403 – 1011 West Cordova Street, Vancouver, British Columbia V6C 0B2;

("Pubco")

AND:

**BRIGADIER EXPLORATION CORP.**, a company existing under the *Business Corporations Act* (British Columbia), and incorporation number BC0999822, with a registered office at Suite 1820 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2;

("Buyco")

**WHEREAS:**

- A. Subco-RI is or will be a wholly owned subsidiary of Pubco created solely for the purpose of giving effect to this Arrangement Agreement.
- B. Pubco is a reporting issuer in the jurisdictions of British Columbia and Alberta.
- C. The parties have agreed to reorganize their businesses by way of a plan of arrangement to be carried out under the provisions of Part 9, Division 5 of the *Business Corporations Act* (British Columbia) on the terms of the Plan of Arrangement annexed hereto as Schedule A.

**NOW THEREFORE** in consideration of the covenants and agreements herein contained and for other good and valuable consideration, the parties hereby covenant and agree as follows:

## ARTICLE 1 DEFINITIONS, INTERPRETATION AND SCHEDULES

### 1.1 Definitions

All capitalized terms in this Arrangement Agreement have the meaning ascribed to them by Section 1.1 of the Plan of Arrangement, unless otherwise defined herein or the context otherwise requires. In addition, 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.

### 1.2 Interpretation Not Affected by Headings

The division of this Arrangement Agreement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Arrangement Agreement. The terms "this Arrangement Agreement", "hereof", "herein", "hereto", "hereunder" and similar expressions refer to this Arrangement Agreement and the schedules annexed hereto and not to any particular article, section or other portion hereof and include any agreement, schedule or instrument supplementary or ancillary hereto or thereto.

### 1.3 Number, Gender and Persons

In this Arrangement Agreement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter, and the word person and all words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any Governmental Entity, political subdivision or instrumentality thereof) and any other entity of any kind or nature whatsoever.

### 1.4 Date for any Action

If the date on which any action is required to be taken hereunder by any party is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

### 1.5 Statutory References

Any reference in this Arrangement Agreement to a statute includes all regulations and rules 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.

### 1.6 Currency

All references to money in this Arrangement Agreement are expressed in the lawful currency of Canada.

### 1.7 Entire Agreement

This Arrangement Agreement, together with the agreements and documents herein and therein referred to, constitute the entire agreement among the parties pertaining to the subject matter



hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the parties with respect to the subject matter hereof.

#### 1.8 Invalidity of Provisions

Each of the provisions contained in this Arrangement Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. To the extent permitted by applicable Law, the parties waive any provision of Law which renders any provision of this Arrangement Agreement or any part thereof invalid or unenforceable in any respect. The parties shall engage in good faith negotiations to replace any provision hereof or any part thereof which is declared invalid or unenforceable with a valid and enforceable provision or part thereof, the economic effect of which approximates as much as possible the invalid or unenforceable provision or part thereof which it replaces.

#### 1.8 Accounting Matters

Unless otherwise stated, all accounting terms used in this Arrangement Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature required to be made hereunder shall be made in a manner consistent with IFRS.

#### 1.9 Schedules

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

- Schedule A – Plan of Arrangement
- Schedule B – Property Option Agreement

## **ARTICLE 2 THE ARRANGEMENT**

#### 2.1 Implementation Steps

In order to implement the Arrangement, the following steps shall be taken by the parties:

- (a) upon execution of this Arrangement Agreement, Buyco shall forthwith deliver to Pubco payment for the Deposit, which shall be a non-refundable deposit in partial payment of the Purchase Price;
- (b) Buyco covenants in favour of Pubco and Subco-RI that Buyco shall, subject to the terms of this Arrangement Agreement, use commercially reasonable efforts to have the Buyco Shareholders approve the Arrangement either by (i) unanimous consent resolutions, or (ii) convening and holding the Buyco Meeting on a date to be determined by the directors of Buyco, for the purpose of Buyco Shareholders considering and, if deemed advisable, approving the Arrangement and the transactions contemplated thereby by way of the Arrangement Resolution (and for any other proper purpose as may be set out in the notice for such meeting and the Information Statement), for which the requisite approval shall be 2/3 of the votes cast thereon by the Buyco Shareholders present in

person or represented by proxy at the Buyco Meeting, with each holder of Buyco Shares being entitled to one vote for each one Buyco Share held;

- (c) Pubco covenants in favour of Subco-RI and Buyco that Pubco shall work with Subco-RI and Buyco to assist them in meeting the distribution obligations for listing on a Canadian Securities Exchange and that Pubco shall make such introductions to investors, on their behalf, as is necessary;
- (d) Buyco shall proceed with and diligently pursue the application to the Court for the Final Order; and
- (e) upon issuance by the Court of the Final Order and subject to the conditions precedent in Article 5 hereof, the Arrangement shall be carried out substantially on the terms set forth in the Plan of Arrangement, subject to such changes as may be mutually agreed to in writing by the parties on the advice of their respective legal, tax, and financial advisors, and the Closing shall proceed in accordance with Section 2.6 and 2.7 hereof.

## 2.2 Arrangement

The Plan of Arrangement shall, with such other matters as are necessary to give effect to the Arrangement, proceed as set out in Section 2.3 of Schedule A hereto at the Effective Time and in chronological order, without any further act or formality.

## 2.3 Section 3(a)(10) Exemption

The parties agree that, at the option of Buyco, the Arrangement may be carried out so that all Subco-RI Shares issued under the Arrangement by Subco-RI to Buyco Securityholders resident in the United States will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act of 1933 (the "1933 Act") provided by Section 3(a)(10) of the 1933 Act (the "**Section 3(a)(10) Exemption**"). At the option of Buyco, to make the Section 3(a)(10) Exemption available to Buyco Securityholders, the Arrangement may be carried out on the following basis:

- (a) the Arrangement will be subject to the approval of the Court;
- (b) the Court will be advised as to the intention of the parties to rely on the Section 3(a)(10) Exemption prior to the hearing required to approve the Arrangement;
- (c) prior to approving the Arrangement the Court will first:
  - (i) consider the fairness of the terms and conditions of the Arrangement to the Buyco Securityholders who are subject to the Arrangement; and
  - (ii) make a determination that the terms and conditions of the exchange of securities under the Arrangement are fair to the Buyco Securityholders;
- (d) the Final Order will expressly state that the Arrangement is approved by the Court as being fair to the Buyco Securityholders; and
- (e) Buyco will ensure that each Buyco Securityholder entitled to Subco-RI Shares pursuant to the Arrangement will be given adequate notice advising it of its right to attend the

hearing of the Court to give approval of the Arrangement and providing it with sufficient information necessary for it to exercise that right.

#### 2.4 Buyco Information Statement

As promptly as practicable after the execution and delivery of this Arrangement Agreement, Buyco shall prepare the Information Statement, together with any and all other documents required by the BCBCA or other applicable Laws in connection with the Arrangement. As promptly as practicable after the completion of the Information Statement, Buyco shall cause the Information Statement and all other documentation required in connection with the Buyco Meeting to be sent to each Buyco Securityholder and to be filed if required by applicable Laws.

#### 2.5 Preparation of Filings

- (a) Each party hereto shall cooperate in the taking of all such action as may be required under the BCBCA and the policies and requirements of the CSE in connection with the transactions contemplated by this Arrangement Agreement and the Plan of Arrangement.
- (b) Each party hereto shall, on a timely basis, furnish to each other party hereto all such information concerning it and its securityholders as may be required (and, in the case of its securityholders, available to it) to effect the actions described in Article 2 hereof, and each covenants that no information furnished by it (to its knowledge in the case of information concerning its shareholders) in connection with such actions or otherwise in connection with the consummation of the Arrangement and the other transactions contemplated by this Arrangement Agreement will contain any untrue statement of a material fact or omit to state a material fact required to be stated in any such document or necessary in order to make any information so furnished for use in any such document not misleading in light of the circumstances in which it is furnished or to be used.
- (c) Each party hereto shall promptly notify the other parties if at any time before or after the Effective Time it becomes aware that the Information Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Information Statement. In any such event, all parties shall cooperate in the preparation of any supplement or amendment to the Information Statement that may be required, and shall cause the same to be distributed to the Buyco Shareholders, as necessary.
- (d) Buyco shall ensure that the Information Statement complies with all applicable Laws and, without limiting the generality of the foregoing, shall ensure that the Information Statement does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made (other than with respect to any information relating to and provided by Pubco and Subco-RI) and shall ensure that the Information Statement provides Buyco Securityholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters to be placed before them at the Buyco Meeting.

## 2.6 Closing

The parties shall return signed documents to Suite 1820 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2 by 4:00 p.m. (Vancouver time) on the Effective Date, or such other time and date as may be agreed upon, for the purposes of closing and giving effect to the Arrangement. The closing shall be carried out in accordance with the provisions of this Arrangement Agreement. Upon closing, the transactions comprising the Arrangement shall occur and shall be deemed to have occurred without any further act or formality in the order set out in the Plan of Arrangement. On closing, each party shall deliver:

- (a) all 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 set forth in Article 5 herein.

## 2.7 Purchase and Sale of Subco-RI

At Closing, Buyco shall pay the balance of the Purchase Price, less the amount of the previously paid Deposit, and the full Property Option Price to Pubco, on the understanding that the Purchase Price represents the full consideration for the acquisition by Buyco of Subco-RI, and that the Property Option Price represents the full consideration for the acquisition by Buyco of the Property Option, inclusive of independent legal fees incurred by Pubco in connection with the Arrangement and the other transactions contemplated by this Arrangement Agreement.

## 2.8 Consultation

Each party shall consult with the other parties hereto in issuing any press release or otherwise making any public statement with respect to this Arrangement Agreement or the Arrangement and in making any filing with any Governmental Entity, Securities Authority or stock exchange with respect thereto. The parties hereto shall use commercially reasonable efforts to enable the other to review and comment on all such press releases and filings prior to the release or filing, respectively, thereof.

# ARTICLE 3 REPRESENTATIONS AND WARRANTIES

## 3.1 Representations and Warranties of Pubco and Subco-RI

Pubco and Subco-RI hereby represent and warrant to Buyco, and hereby acknowledge that Buyco is relying upon such representations and warranties in connection with entering into this Arrangement Agreement and agreeing to complete the Arrangement, as follows:

- (a) *Organization.* Pubco has been incorporated, is validly subsisting, and has full corporate or legal power and authority to own its assets and to conduct its business as currently owned and conducted.

- (b) *Adoption of Arrangement Agreement.* Upon incorporation of Subco-RI, Subco-RI will approve and adopt the Arrangement Agreement and will be bound by all of the terms and conditions thereunder;
- (c) *Capitalization.* Pubco and Subco-RI are or will be at Closing, each authorized to issue an unlimited number of Common Shares without par value. All outstanding Subco-RI Shares will be duly authorized and validly issued and outstanding as fully paid and non-assessable, free of pre-emptive rights at the time of Closing. Subco-RI has no options, warrants or other rights, agreements or commitments of any character whatsoever convertible into, or exchangeable or exercisable for or otherwise requiring the issuance, sale or transfer by Subco-RI of any Subco-RI Shares or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire any Subco-RI Shares, other than pursuant to the Arrangement.
- (d) *Authority.* Pubco has all necessary power, authority and capacity to enter into this Arrangement Agreement and all other agreements and instruments to be executed by each of them as contemplated by this Arrangement Agreement, and to perform their respective obligations hereunder and under such other agreements and instruments. The execution and delivery of this Arrangement Agreement by Pubco and Subco-RI and the completion of the transactions contemplated by this Arrangement Agreement have been authorized by the directors of Pubco and of Subco-RI, and no other corporate proceedings on the part of Pubco or Subco-RI are necessary to authorize this Arrangement Agreement or to complete the transactions contemplated hereby, unless otherwise directed by the Court in an order concerning the Arrangement. This Arrangement Agreement has been duly executed and delivered by Pubco and Subco-RI and constitutes a legal and binding obligation, enforceable against Pubco and Subco-RI in accordance with its terms, subject to bankruptcy, insolvency and other similar Laws affecting creditors' rights generally and to general principles of equity. All documents required to be executed by Pubco and Subco-RI in connection with the transactions contemplated herein will be duly executed and delivered by Pubco and Subco-RI and, when so executed and delivered, will constitute legal, valid and binding obligations, enforceable against Pubco and Subco-RI in accordance with their terms, subject to bankruptcy, insolvency and other similar Laws affecting creditors' rights generally, and to general principles of equity.
- (e) *Reporting Status.* Pubco is a reporting issuer in the jurisdictions of British Columbia and Alberta, and the documents filed by Pubco on SEDAR were, at their respective dates, true and correct in all material respects and did not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.
- (f) *No Cease Trade.* Neither Pubco nor Subco-RI is subject to any cease trade or other order of any applicable stock exchange or Securities Authority and, to the knowledge of Pubco and Subco-RI, no investigation or other proceeding involving either Pubco or Subco-RI which may operate to prevent or restrict trading of any securities of Pubco or Subco-RI is currently in progress or pending before any applicable stock exchange or Securities Authority.
- (g) *No Defaults.* Pubco and Subco-RI are not in default under, and there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute such a default under, any contract, agreement, licence or franchise to which either of



them is a party which would, if terminated due to such default, cause a Material Adverse Effect on Pubco or Subco-RI.

- (h) *Financial Statements.* The audited interim balance sheets, statements of operations, statements of shareholders' equity, and statements of cash flows of Subco-RI to be delivered by Pubco and Buyco will be prepared in accordance with IFRS, consistently applied, and will fairly present in all material respects the financial condition of Subco-RI at the date indicated and the results of operations of Subco-RI for the periods covered and reflect adequate provision for the liabilities of Subco-RI in accordance with IFRS.
- (i) *Corporate Records.* The minute books and corporate records of Subco-RI have been maintained substantially in accordance with all applicable Laws and are complete and accurate in all material respects, except where such incompleteness or inaccuracy would not have a Material Adverse Effect on Subco-RI. Financial books and records and accounts of Subco-RI in all material respects (i) have been maintained in accordance with good business practices, (ii) are stated in reasonable detail and accurately and fairly reflect the transactions and acquisitions and dispositions of assets of Subco-RI, and (iii) accurately and fairly reflect the basis for the financial statements of Subco-RI. Subco-RI has devised and maintains a system of internal accounting controls sufficient to provide reasonable assurances that, in all material respects: (a) transactions are executed in accordance with the general or specific authorization of the management of Subco-RI, and (b) transactions are recorded as necessary (i) to permit the preparation of financial statements in conformity with IFRS or any criteria applicable to such financial statements, and (ii) to maintain accountability for assets and liabilities.
- (j) *Guarantees.* Subco-RI is not a party to or bound by or subject to any guarantee, agreement, contract or commitment providing for such guarantee, indemnification, assumption or endorsement or any like commitment with respect to the obligations, liabilities (contingent or otherwise) or indebtedness of any other Person.
- (k) *Legal Proceedings.* Except as otherwise disclosed herein, there are no actions, suits, investigations or proceedings, whether private, governmental or otherwise, in progress, pending, or to the knowledge of Pubco or Subco-RI, threatened, against or affecting Subco-RI, including actions, suits, investigations or proceedings against any directors, officers or employees of Pubco or Subco-RI that relate to the business, affairs, assets or operations of Subco-RI, at law or in equity. There is no judgment, decree, injunction, ruling, order or award of any Governmental Authority outstanding against or affecting Subco-RI. Pubco and Subco-RI are not aware of any grounds on which any such action, suit, investigation or proceeding might be commenced with any reasonable likelihood of success, and neither Pubco nor Subco-RI has any present plans or intentions for Subco-RI to initiate any litigation, arbitration or other proceedings against any third party.
- (l) *Liabilities.* Buyco shall pay all the expenses of Buyco in advance of the Effective Date, including incorporation fees, CUSIP fees, listing fees, transfer agent fees and any required accounting fees.
- (m) *Disclosure.* As of the date hereof, the representations and warranties of Pubco and Subco-RI contained in this Arrangement Agreement and in any agreement, certificate, affidavit, statutory declaration or other document delivered or given pursuant to this Arrangement Agreement are true and correct in all material respects and do not contain

any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained in such representations not misleading to Pubco.

- (n) *Finder's Fees.* Pubco and Subco-RI have not entered into any agreement that would entitle any person to any valid claim against Subco-RI for a broker's commission, finder's fee or any like payment in respect of the Arrangement or any other matter contemplated by this Arrangement Agreement.
- (o) *Arrangement Shares.* Any securities to be issued by Pubco or Subco-RI to Buyco or any Buyco Securityholders pursuant to the Arrangement will be issued as fully-paid and non-assessable, free of pre-emptive rights.
- (p) *Bankruptcy.* No dissolution, winding up, bankruptcy, liquidation or similar proceedings has been commenced or is pending or proposed in respect of Pubco or Subco-RI.

### 3.2 Representations and Warranties of Buyco

Buyco hereby represents and warrants to Pubco and Subco-RI, and hereby acknowledges that both Pubco and Subco-RI are relying upon such representations and warranties in connection with entering into this Arrangement Agreement and agreeing to complete the Arrangement, as follows:

- (a) *Organization.* Buyco has been incorporated, is validly subsisting and has full corporate or legal power and authority to own its assets and to conduct its business as currently owned and conducted.
- (b) *Capitalization.* Buyco is authorized to issue an unlimited number of Buyco Shares without par value.
- (c) *Authority.* Buyco has all necessary power, authority and capacity to enter into this Arrangement Agreement and all other agreements and instruments to be executed by Buyco as contemplated by this Arrangement Agreement, and to perform its obligations hereunder and under such other agreements and instruments. The execution and delivery of this Arrangement Agreement by Buyco and the completion by Buyco of the transactions contemplated by this Arrangement Agreement have been authorized by the directors of Buyco, and other than the Buyco Shareholder Meeting, no other corporate proceedings on the part of Buyco are necessary to authorize this Arrangement Agreement or to complete the transactions contemplated hereby, unless otherwise directed by the Court in an order concerning the Arrangement. This Arrangement Agreement has been duly executed and delivered by Buyco and constitutes a legal and binding obligation, enforceable against Buyco in accordance with its terms, subject to bankruptcy, insolvency and other similar Laws affecting creditors' rights generally and to general principles of equity. All documents required to be executed by Buyco in connection with the transactions contemplated herein will be duly executed and delivered by Buyco and, when so executed and delivered, will constitute legal, valid and binding obligations, enforceable against Buyco in accordance with their terms, subject to bankruptcy, insolvency and other similar Laws affecting creditors' rights generally, and to general principles of equity.

- (d) *No Cease Trade.* Buyco is not subject to any cease trade or other order of any applicable stock exchange or Securities Authority and, to the knowledge of Buyco, no investigation or other proceeding involving Buyco which may operate to prevent or restrict trading of any securities of Buyco is currently in progress or pending before any applicable stock exchange or Securities Authority.
- (e) *No Defaults.* Buyco is not in default under, and there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute such a default under, any contract, agreement, licence or franchise to which it is a party which would, if terminated due to such default, cause a Material Adverse Effect on Buyco.
- (f) *Financial Statements.* The financial statements of Buyco to be delivered to Pubco and Subco-RI will be prepared in accordance with IFRS, consistently applied, and will fairly present in all material respects the financial condition of Subco-RI at the date indicated and the results of operations of Subco-RI for the periods covered and reflect adequate provision for the liabilities of Subco-RI in accordance with IFRS.
- (g) *Corporate Records.* The minute books and corporate records of Buyco contain complete and accurate minutes of all meetings of, and copies of all resolutions passed by, or consented to in writing by, its directors (and any committees thereof) and shareholders since its incorporation, all such meetings were duly called and held and all such resolutions were duly passed or enacted. The registers of shareholders, registers of transfers, registers of directors and other corporate registers of Buyco are complete and accurate in all material respects. Buyco is not a party to or bound by or subject to any shareholder agreement or unanimous shareholder agreement governing its affairs or the relationships, rights and duties of its shareholders and is not subject to a shareholder rights plan or "poison pill" or similar plan.
- (h) *Guarantees.* Buyco is not a party to or bound by or subject to any guarantee, agreement, contract or commitment providing for such guarantee, indemnification, assumption or endorsement or any like commitment with respect to the obligations, liabilities (contingent or otherwise) or indebtedness of any other Person.
- (i) *Legal Proceedings.* Except as otherwise disclosed herein, there are no actions, suits, investigations or proceedings, whether private, governmental or otherwise, in progress, pending, or to the knowledge of Buyco, threatened, against or affecting Buyco, including actions, suits, investigations or proceedings against any directors, officers or employees of Buyco that relate to the business, affairs, assets or operations of Buyco, at law or in equity. There is no judgment, decree, injunction, ruling, order or award of any Governmental Authority outstanding against or affecting Buyco. Buyco is not aware of any grounds on which any such action, suit, investigation or proceeding might be commenced with any reasonable likelihood of success, and does not have any present plans or intentions to initiate any litigation, arbitration or other proceedings against any third party.
- (j) *Disclosure.* As of the date hereof, the representations and warranties of Buyco contained in this Arrangement Agreement and in any agreement, certificate, affidavit, statutory declaration or other document delivered or given pursuant to this Arrangement Agreement are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained in such representations not misleading to Pubco.



- (k) *Finder's Fees.* No commissions, finder's fees or other compensation is payable in respect of the transactions contemplated hereby, other than normal brokerage commissions or similar fees payable in connection with any financing completed by Buyco prior to the Effective Time. Payment of such fees shall be subject to any required regulatory approvals.
- (l) *Arrangement Securities.* Any securities to be issued by Buyco to Pubco or Subco-RI or any securityholders of each pursuant to the Arrangement will be issued as fully-paid and non-assessable, free of pre-emptive rights.
- (m) *Bankruptcy.* No dissolution, winding up, bankruptcy, liquidation or similar proceedings has been commenced or is pending or proposed in respect of Buyco.

### 3.3 Survival of Representations and Warranties

The representations and warranties contained in this Arrangement Agreement shall survive the Closing Date for a period of six months. Any investigation by Pubco and its advisors shall not mitigate, diminish or affect the representations and warranties of Subco-RI or Buyco contained in this Arrangement Agreement. Any investigation by a party and its advisors shall not mitigate, diminish or affect the representations and warranties of the other party contained in this Arrangement Agreement.

## ARTICLE 4 COVENANTS

### 4.1 Covenants of Pubco and Subco-RI

Pubco and Subco-RI hereby covenant and agree with Buyco as follows:

- (a) *Copy of Documents.* Except for proxies and other non-substantive communications, Pubco and Subco-RI shall furnish promptly to Buyco a copy of each notice, report, schedule, or other document or communication delivered, filed, or received by Pubco or Subco-RI in connection with this Arrangement Agreement, the Arrangement, or any meeting of Pubco Shareholders in respect of the Arrangement, any filings made under any applicable Law and any dealings or communications with any Governmental Entity, Securities Authority or stock exchange in connection with, or in any way affecting, the transactions contemplated by this Arrangement Agreement.
- (b) *Closing Documents.* Pubco and Subco-RI shall execute and deliver, or cause to be executed and delivered, at the closing of the transactions contemplated hereby such customary agreements, certificates, resolutions, opinions or other closing documents as may be required by the other parties, all in form satisfactory to such other parties, acting reasonably.
- (c) *Usual Business.* Other than in contemplation of or as required to give effect to the transactions contemplated by this Arrangement Agreement, Pubco shall conduct the business of Subco-RI only in, and not take any action except in, the ordinary course of business and consistent with past practice. Pubco will use its best efforts to preserve the current capital and assets of Subco-RI and Subco-RI shall immediately prior to the

Effective Time have no material liabilities accrued, other than as provided in this Arrangement Agreement or as may otherwise be pre-approved by Buyco.

- (d) *Satisfaction of Conditions.* Pubco and Subco-RI shall use all commercially reasonable efforts to satisfy, or cause to be satisfied, all conditions precedent to its obligations hereunder to the extent that the same is within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the transactions contemplated by this Arrangement Agreement.
- (e) *Cooperation.* Pubco and Subco-RI shall make, or cooperate as necessary in the making of, all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated hereby and take all reasonable action necessary to be in compliance with such Laws.
- (f) *Representations.* Pubco and Subco-RI shall continue to make available and cause to be made available to Buyco and its agents and advisors all documents, agreements, corporate records and minute books as may be necessary to enable Buyco to effect a thorough examination of Pubco and Subco-RI and the business and financial status thereof and shall cooperate with Buyco in securing access for Buyco to any documents, agreements, corporate records or minute books not in the possession or under the control of Pubco or Subco-RI.
- (g) *Further Actions.* In a timely and expeditious manner, Pubco and Subco-RI shall take all such actions as may be required under the BCBCA in connection with the transactions contemplated by this Arrangement Agreement and the Plan of Arrangement, including obtaining all necessary waivers, consents and approvals required to be taken by it to fulfill their obligations under this Arrangement Agreement and to carry out the Arrangement and other transactions contemplated hereby.

#### 4.2 Covenants of Buyco

Buyco hereby covenants and agrees with Pubco and Subco-RI as follows:

- (a) *Copy of Documents.* Except for proxies and other non-substantive communications, Buyco shall furnish promptly to Pubco and Subco-RI a copy of each notice, report, schedule or other document or communication delivered, filed or received by Buyco in connection with this Arrangement Agreement, the Arrangement, the Final Order, the Buyco Meeting or any other meeting at which Buyco Securityholders are entitled to attend, including the Information Statement and any notice of meeting, any filings made under any applicable Laws and any dealings or communications with any Governmental Entity, Securities Authority, the CSE or any other stock exchange in connection with, or in any way affecting, the transactions contemplated by this Arrangement Agreement.
- (b) *Final Order.* Prior to the Effective Time, Buyco shall file, proceed with and diligently prosecute an application for the Final Order, which application shall be in a form and substance satisfactory to the parties, acting reasonably.
- (c) *Information Statement and Meeting.* In accordance with Section 2.1(b) and Section 2.5 hereof, Buyco shall forthwith prepare the Information Statement, and use commercially reasonable efforts to obtain approval from the Buyco Securityholders for the

Arrangement Resolution by way of either unanimous written consent resolutions or by calling the Buyco Meeting to obtain such approval.

- (d) *CSE Listing.* Buyco shall apply for a listing of the Common Shares of Subco-RI on the CSE.
- (e) *Closing Documents.* Buyco shall execute and deliver, or cause to be executed and delivered, at the closing of the transactions contemplated hereby such customary agreements, certificates, resolutions, opinions and other closing documents as may be required by the other party, all in a form satisfactory to the other party, acting reasonably.
- (f) *Usual Business.* Other than in contemplation of or as required to give effect to the transactions contemplated by this Arrangement Agreement, Buyco shall conduct business only in, and not take any action except in, the ordinary course of its business and consistent with past practice.
- (g) *Satisfaction of Conditions.* Buyco shall use all commercially reasonable efforts to satisfy, or cause to be satisfied, all conditions precedent to its obligations hereunder to the extent that the same is within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the transactions contemplated by this Arrangement Agreement.
- (h) *Cooperation.* Buyco shall make, or cooperate as necessary in the making of, all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated hereby and take all reasonable action necessary to be in compliance with such Laws.
- (i) *Representations.* Buyco shall continue to make available and cause to be made available to Pubco, Subco-RI, and their respective agents and advisors all documents, agreements, corporate records, and minute books as may be necessary to enable Pubco and Subco-RI to effect a thorough examination of Buyco and the business and financial status thereof and shall cooperate with Pubco and Subco-RI in securing access for Pubco and Subco-RI to any documents, agreements, corporate records or minute books not in the possession or under the control of Buyco.
- (j) *Further Actions.* In a timely and expeditious manner, Buyco shall take all such actions as may be required under the BCBCA in connection with the transactions contemplated by this Arrangement Agreement and the Plan of Arrangement, including obtaining all necessary waivers, consents and approvals required to be taken by it to fulfill its obligations under this Arrangement Agreement and to carry out the Arrangement and other transactions contemplated hereby.

## ARTICLE 5 CONDITIONS

### 5.1 Mutual Conditions

The respective obligations of Pubco, Subco-RI, and Buyco to complete the transactions contemplated herein are subject to the fulfillment of the following conditions at or before the Effective Time or such other time as is specified below:

- (a) the Court shall have granted the Final Order, in form and substance satisfactory to the parties acting reasonably, and in the Final Order shall have found that the Arrangement is fair and reasonable to the Buyco Securityholders in accordance with Section 2.3 hereof, and the Final Order shall not have been set aside or modified in a manner unacceptable to such parties, acting reasonably, on appeal or otherwise;
- (b) the Arrangement, with or without amendment, shall have been approved by the Buyco Securityholders in accordance with Section 2.1(b) of this Arrangement Agreement, the provisions of the BCBCA and the requirements of any applicable Securities Authority;
- (c) there being no material actions, suits or proceedings, outstanding, pending or threatened against the other party at law or in equity or before or by any federal, provincial, municipal or other government department, commission, bureau, agency or instrumentality;
- (d) the representations and warranties of the each party being true in all material respects at the Effective Time;
- (e) no material adverse change having occurred in the assets, proprietary technology, liabilities, business, operations or financial condition (contingent or otherwise) of each other party from the date of entry into this Arrangement Agreement until the Effective Time; and
- (f) this Arrangement Agreement shall not have been terminated pursuant to Article 7 hereof.
- (g) each party hereto shall be satisfied in its sole and absolute discretion that the results of its tax, financial and legal due diligence investigation of the other parties have not revealed any adverse material fact regarding such other parties or the assets thereof.

The foregoing conditions are for the mutual benefit of the parties hereto and may be waived, in whole or in part, by a party in writing at any time, insofar as the condition being waived is in favor of such party. If any such conditions are not complied with or waived as aforesaid on or before the date required for the performance thereof, then any party hereto may terminate this Arrangement Agreement by written notice to the other parties in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Arrangement Agreement by such rescinding party.

## 5.2 Pubco and Subco-RI Conditions

The obligations of Pubco and Subco-RI to complete the transactions contemplated herein are subject to the fulfillment of the following additional conditions at or before the Effective Time or such other time as is specified below:

- (a) Buyco shall have obtained the approval of the Buyco Shareholders to complete the Arrangement as contemplated hereby;
- (b) Buyco and Subco-RI shall have complied in all material respects with its covenants herein;
- (c) Buyco shall have complied in all material respects with its covenants and conditions herein;
- (d) the directors of Buyco shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by Buyco to permit the consummation of the Arrangement and other transactions contemplated hereby; and
- (e) all necessary consents and approvals by third parties shall have been obtained to permit the consummation of the Arrangement.

The foregoing conditions are for the benefit of Pubco and Subco-RI and may be waived, in whole or in part, by Pubco and Subco-RI in writing at any time. If any of such conditions shall not be complied with or waived by Pubco or Subco-RI on or before the date required for the performance thereof, then Pubco and Subco-RI may terminate this Arrangement Agreement by delivering written notice to Buyco in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Arrangement Agreement by Pubco or Subco-RI.

## 5.3 Buyco Conditions

The obligation of Buyco to complete the transactions contemplated herein is subject to the fulfillment of the following additional conditions at or before the Effective Time or such other time as is specified below:

- (a) Buyco shall have completed, to its sole satisfaction, its due diligence investigation of Pubco and Subco-RI;
- (b) Subco-RI shall not have incurred any further liabilities or made any payments thereon, other than liabilities and payments in connection with the transactions contemplated herein in respect of regulatory maintenance and filing fees, transfer agent fees, accounting or auditing fees, legal fees and reasonable expenses;
- (c) Subco-RI shall not have issued any securities, other than as contemplated herein or otherwise agreed to by the parties, without the prior written consent of Buyco;
- (d) Pubco and Subco-RI shall have complied in all material respects with their covenants herein;



- (e) the directors of Pubco and Subco-RI shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by Pubco and Subco-RI to permit the consummation of the Arrangement and the other transactions contemplated hereby;
- (f) all necessary consents and approvals shall have been obtained to permit the consummation of the Arrangement;
- (g) Pubco shall have a minimum of 150 shareholders with a board lot of at least 500 Common Shares each so that, upon completion of the Arrangement, Subco-RI will have the required number of shareholders with minimum board lots to qualify for listing on the CSE; and
- (h) the CSE shall have granted approval, conditional approval, or given an indication satisfactory to Buyco that the Common Shares of Subco-RI will be listed on the CSE.

The foregoing conditions are for the benefit of Buyco and may be waived, in whole or in part, by Buyco in writing at any time. If any of such conditions shall not be complied with or waived by Buyco on or before the date required for the performance thereof, then Buyco may terminate this Arrangement Agreement by delivering notice in writing to Pubco and Subco-RI in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Arrangement Agreement by Buyco.

#### 5.4 Notice and Cure Provisions

Each party hereto shall give prompt notice to the other parties hereto of the occurrence, or failure to occur, at any time from the date hereof until the Effective Time, of any event or state of facts which occurrence or failure would, would be likely to or could:

- (a) cause any of the representations or warranties of such party hereto contained herein to be untrue or inaccurate in any respect on the date hereof or on the Effective Date;
- (b) result in the failure to comply with or satisfy any covenant or agreement to be complied with or satisfied by such party hereto prior to the Effective Time; or
- (c) result in the failure to satisfy any of the conditions precedent in favor of the other parties hereto contained in sections 5.1, 5.2 or 5.3 hereof, as the case may be.

Subject as herein provided, a party hereto may elect not to complete the transactions contemplated hereby pursuant to the conditions contained in sections 5.1, 5.2 or 5.3 hereof or exercise any termination right arising therefrom; provided, however, that (i) promptly and in any event prior to the Effective Time, the party intending to rely thereon has delivered a written notice to the other parties hereto specifying in reasonable detail the breaches of covenants or untruthfulness or inaccuracy of representations and warranties or other matters which the party hereto delivering such notice is asserting as the basis for the exercise of the termination right, as the case may be, and (ii) if any such notice is delivered, and a party hereto is proceeding diligently, at its own expense, to cure such matter, if such matter is susceptible to being cured, the party hereto which has delivered such notice may not terminate this Arrangement Agreement until the expiration of a period of 15 days from date of delivery of such notice.

## 5.5 Merger of Conditions

The conditions set out in Section 5.1, 5.2 and 5.3 shall be conclusively deemed to have been satisfied, waived or released at the Effective Time and the depositing of an entered copy of the Final Order with the records office of Buyco and Subco-RI.

## ARTICLE 6 DISSENT RIGHTS

### 6.1 Grant of Dissent Rights

Notwithstanding Article 2 hereof, any of the Buyco Securityholders may exercise Dissent Rights in connection with the Arrangement in the manner set forth in sections 237 to 247 of the BCBCA (collectively, the "**Dissent Procedures**").

### 6.2 Effect of Exercising Dissent Rights

Any Dissenting Buyco Securityholder who duly exercises Dissent Rights with respect to his Dissenting Securities and who:

- (a) is ultimately entitled to be paid fair value for his Dissenting Securities, shall be deemed to have transferred his Dissenting Securities to Buyco for cancellation immediately before the Effective Date; or
- (b) for any reason is ultimately not entitled to be paid fair value for his Dissenting Securities, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Buyco Securityholder and shall receive Subco-RI Shares, or the equivalent warrants or options to acquire Subco-RI Shares, as the case may be, on the same basis as every other non-dissenting Buyco Securityholder in accordance with Section 2.2 hereof and the Plan of Arrangement.

### 6.3 Effect of Dissent on Closing

If a Buyco Securityholder duly exercises their Dissent Rights, Buyco shall immediately before the Effective Date effect the cancellation of such Dissenting Securities, notify Pubco and Subco-RI of the number of Dissenting Securities subject to cancellation, and will pay fair value to Dissenting Buyco Securityholders for their Dissenting Securities, and Pubco and Subco-RI will following such notice from Buyco, adjust the number of shares to be issued to Buyco Shareholders for such Dissenting Securities. If any Dissenting Buyco Securityholder is ultimately not entitled to be paid for their Dissenting Securities, Buyco shall distribute to such Dissenting Buyco Securityholder their pro-rata portion of the Subco-RI Shares, or the equivalent warrants or options to acquire Subco-RI Shares, as the case may be, in accordance with Section 2.2 hereof and the Plan of Arrangement.

### 6.4 Limit on Dissenting Shares

Notwithstanding any other provision of this Arrangement Agreement, Buyco may terminate this Arrangement Agreement without further obligation in the event that Dissent Rights are duly

exercised by Buyco Securityholders holding, in the aggregate, in excess of 1% of the issued and outstanding Buyco Shares on a fully diluted basis.

## **ARTICLE 7 AMENDMENT AND TERMINATION**

### **7.1 Amendment**

This Arrangement Agreement may, at any time and from time to time before or after the holding of the Buyco Meeting, be amended by mutual written agreement of the parties without, subject to applicable Laws and the Final Order, further notice to or authorization on the part of their respective securityholders provided that no such amendment reduces or materially adversely affects the consideration to be received by any of the Buyco Securityholders without prior approval by the Buyco Securityholders, given in the same manner as required for the approval of the Arrangement Resolution or as may be ordered by the Court.

### **7.2 Mutual Understanding Regarding Amendments**

The parties hereto mutually agree that if a party hereto proposes any other amendment or amendments to this Arrangement Agreement or to the Plan of Arrangement, the parties shall act reasonably in considering such amendment and if the other parties and its securityholders are not prejudiced by reason of any such amendment they shall co-operate in a reasonable fashion with the party hereto proposing the amendment so that such amendment can be effected subject to applicable Laws and the Final Order.

### **7.3 Termination**

This Arrangement Agreement may be terminated in accordance with Article 5, or by mutual agreement of the parties at any time prior to the Effective Date, in each case without further action on the part of the Buyco Securityholders. After the Termination Date, if the Arrangement has not yet been effected any party may terminate the Arrangement Agreement by sending 7 days advance notice of termination to the other parties. The right of any party to terminate this Arrangement Agreement shall be extinguished upon the occurrence of the Effective Date.

## **ARTICLE 8 GENERAL**

### **8.1 Time of the Essence**

Time shall be of the essence of this Arrangement Agreement.

### **8.2 Notices**

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Arrangement Agreement by a party to the other party shall be in writing and may be given by delivering such notice by facsimile transmission, courier service or by hand to the party at the address or fax number for delivery of notice set out below or such other address or number as a party may, from time to time, advise the other party of by notice in writing made in accordance with this section. 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 such a day falls on a Business Day, and if not, then on the next succeeding Business Day) and if sent by facsimile transmission shall be deemed to have been given and received: (i) on the day of delivery provided it is received prior to 4:00 p.m. on a Business Day; or (ii) the next Business Day if received after 4:00 p.m. on a Business Day or on a non-Business Day.

If to Pubco:

SALIENT CORPORATE SERVICES INC.  
3403 – 1011 West Cordova Street  
Vancouver, British Columbia V6C 0B2

If to Subco-RI:

BRIGADE RESOURCE CORP.  
Suite 1820 Cathedral Place, 925 West Georgia Street  
Vancouver, British Columbia V6C 3L2

If to Buyco:

BRIGADIER EXPLORATION CORP.  
Suite 1820 Cathedral Place, 925 West Georgia Street  
Vancouver, British Columbia V6C 3L2

8.3 Public Announcements

The parties hereto agree to coordinate the public disclosure made by them with respect to the Arrangement. The parties hereto further agree that there shall be no public announcement or other disclosure with respect to the Arrangement or of the matters dealt with herein unless they have mutually agreed thereto or unless otherwise required by law or by regulatory rule or policy based on the advice of counsel. If any of the parties hereto is required by law or regulatory rule or policy to make a further public announcement with respect to the Arrangement, such party hereto shall provide as much notice to the other parties hereto as is reasonably possible, including the proposed text of the announcement.

8.4 Expenses

Each party shall bear the costs of its own fees and expenses in connection with this Arrangement Agreement and the transactions contemplated hereby, including legal and accounting fees, printing costs, financial advisor fees and all disbursements by advisors.

8.5 Third Party Beneficiaries

The parties intend that this Arrangement Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the parties.

#### 8.6 Further Assurances

Each party shall, from time to time, and at all times hereafter, at the request of any other party, but without further consideration, do, or cause to be done, all such other acts and things and execute and deliver, or cause to be executed and delivered, all such further agreements, transfers, assurances, instruments or documents as shall be reasonably required in order to give effect to the Arrangement and fully perform and carry out the terms and intent hereof, including without limitation, the Plan of Arrangement.

#### 8.7 Governing Laws

This Arrangement Agreement shall be exclusively governed by and be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. Each party hereby irrevocably attorns to the exclusive jurisdiction of the courts of the Province of British Columbia in respect of all matters arising under or in relation to this Arrangement Agreement.

#### 8.8 Enurement and Assignment

This Arrangement Agreement shall enure to the benefit of and be binding upon the parties, their respective successors and permitted assigns, any may not be assigned by any party without the prior written consent of the other party.

#### 8.9 Entire Agreement

This Arrangement Agreement, together with the agreements and other documents herein or therein referred to, constitute the entire agreement between the parties hereto pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties hereto with respect to the subject matter hereof.

#### 8.10 Severability

If any provision of this Arrangement Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Arrangement Agreement and such void or unenforceable provision shall be severed from this Arrangement Agreement.

#### 8.11 Counterparts

This Arrangement Agreement may be executed in counterparts and delivered by electronic transmission, each of which shall conclusively be deemed to be an original and all of which collectively shall constitute one and the same agreement.

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

**BRIGADE RESOURCE CORP.**

**BRIGADIER EXPLORATION CORP.**

**Per:**

**Per:**

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Authorized Signatory

**SALIENT CORPORATE SERVICES INC.**

**Per:**

\_\_\_\_\_  
Authorized Signatory

**Schedule A**

**PLAN OF ARRANGEMENT**

*[inserted as following pages]*

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

**ARTICLE 1  
INTERPRETATION**

1.1 Definitions

In this Plan of Arrangement, unless the context otherwise requires, the following words and phrases shall have the meanings hereinafter set out:

- (a) “**Arrangement**” means the arrangement under the provisions of section 288 of the BCBCA on the terms and conditions set forth in the Plan of Arrangement, which shall include the exchange of each one Buyco Common Share outstanding for one Subco-RI Common Share;
- (b) “**Arrangement Agreement**” means this arrangement agreement, together with the schedules attached hereto, as may be amended, modified or supplemented from time to time in accordance herewith;
- (c) “**Arrangement Resolution**” means the resolution of Buyco Securityholders in respect of the Arrangement;
- (d) “**Balance**” means \$7,000 balance of the Purchase Price to be paid by Buyco to Pubco at Closing;
- (e) “**BCBCA**” means the *Business Corporations Act* (British Columbia);
- (f) “**Business Day**” means any day, other than a Saturday, a Sunday or a statutory holiday in Vancouver, British Columbia;
- (g) “**Buyco**” means Brigadier Exploration Corp., a private company incorporated under the BCBCA;
- (h) “**Buyco Meeting**” means the special meeting of Buyco Shareholders that may be held (if unanimous written shareholder approval is not obtained) to consider and, if deemed advisable, approve the Arrangement, to be held as soon as reasonably practicable on such date as may be deemed advisable by the board of directors of Buyco, and any adjournment(s) or postponement(s) thereof;
- (i) “**Buyco Meeting Date**” means the date of the Buyco Meeting or the date of the written resolutions of Buyco Shareholders in lieu thereof;
- (j) “**Buyco Securityholders**” means the Buyco Shareholders;
- (k) “**Buyco Shares**” means, at any time, the Common Shares in the authorized capital of Buyco as constituted at such time;

- (l) **“Buyco Shareholders”** means, at any time, the holders of Buyco Shares at such time;
- (m) **“Information Statement”** means the management information statement summarizing the transactions under the Arrangement Agreement to be prepared and delivered to each of the Buyco Securityholders;
- (n) **“Closing”** means closing of the Arrangement contemplated by the Arrangement Agreement;
- (o) **“Closing Date”** means the date on which the Arrangement becomes effective, which shall be a date within five Business Days of the date that all conditions precedent contained in Article 5 of the Arrangement Agreement have been fulfilled or waived or such other date as determined by Buyco on providing the other Parties with at least 2 days advance notice;
- (p) **“CSE”** means the Canadian Securities Exchange;
- (q) **“Court”** means the Supreme Court of British Columbia;
- (r) **“Deposit”** means a deposit of \$5,000 against the Purchase Price payable from Buyco to Pubco upon execution of the Arrangement Agreement;
- (s) **“Dissent Procedures”** has the meaning set out in Section 6.1 of the Arrangement Agreement and Section 3.1 of this Plan of Arrangement;
- (t) **“Dissent Rights”** means the dissent rights granted to Buyco Securityholders pursuant to Article 6 of the Arrangement Agreement and exercised in accordance with Article 3 of the Plan of Arrangement;
- (u) **“Dissenting Buyco Securityholder”** means a Buyco Securityholder who has duly exercised a Dissent Right pursuant to Article 6 of the Arrangement Agreement and Article 3 of the Plan of Arrangement and who is ultimately entitled to be paid fair value for the Buyco Shares held by such holder in accordance with the Plan of Arrangement;
- (v) **“Dissenting Securities”** means the Buyco Shares in respect of which Dissenting Buyco Securityholders have exercised a right of dissent;
- (w) **“Distribution Shares”** means the shares which shall be distributed to the Pubco securityholders on a pro-rata basis as a stock dividend;
- (x) **“Effective Date”** means the date on which the Arrangement becomes effective, which date shall be the Closing Date;
- (y) **“Effective Time”** means 11:00 a.m. (Vancouver time) on the Effective Date;
- (z) **“Final Order”** means the order of the Court approving the Arrangement granted pursuant to section 291 of the BCBCA, as such order may be amended at any

time prior to the Effective Date or, if appealed, then unless such appeal is abandoned, withdrawn or denied, as affirmed;

- (aa) **“Governmental Entity”** means any
- a. multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal (judicial, quasi-judicial, administrative or quasi-administrative), arbitral body, commission, board, bureau or agency, domestic or foreign;
  - b. any subdivision, agency, commission, board or authority of any of the foregoing; or
  - c. any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority in respect of or for the account of any of the foregoing;
- (bb) **“IFRS”** means the International Financial Reporting Standards;
- (cc) **“Laws”** means all statutes, regulations, statutory rules, principles of law, orders, published policies and guidelines, and terms and conditions of any grant of approval, permission, authority or licence of any court, Governmental Entity, statutory body or self-regulatory authority, and the term "applicable" with respect to such Laws and in the context that refers to one or more Persons means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities;
- (dd) **“Material Adverse Effect”**, when used in connection with Pubco, Subco-RI or Buyco, means any matter or action that has an effect that is, or would reasonably be expected to be, material and adverse to the business, properties, assets, operations, condition (financial or otherwise) or prospects of such party;
- (ee) **“Person”** includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government, regulatory authority or other entity;
- (ff) **“Plan of Arrangement”** means this plan of arrangement annexed as Schedule A to the Arrangement Agreement, as may be amended, varied, modified or supplemented from time to time in accordance with the Arrangement Agreement, the Plan of Arrangement, or by order of the Court;
- (gg) **“Property Option”** has the meaning set out in Section 2.3(1)(ii) of the Plan of Arrangement;

- (hh) **"Property Option Agreement"** means the agreement attached hereto as Schedule B;
- (ii) **"Property Option Price"** has the meaning set out in Section 2.3(1)(ii) of the Plan of Arrangement;
- (jj) **"Pubco"** means Salient Corporate Services Inc., a reporting issuer in British Columbia and Alberta, incorporated under the BCBCA;
- (kk) **"Pubco Shareholders"** means, at any time, the holders of Pubco Shares at such time;
- (ll) **"Pubco Distribution Shares"** means 1,000 Common Shares of Pubco;
- (mm) **"Pubco Shares"** means, at any time, the Common Shares in the authorized capital of Pubco as constituted at such time;
- (nn) **"Purchase Price"** means the aggregate purchase price to be paid by Buyco to Pubco as consideration for the acquisition of Subco-RI of \$12,000 (twelve thousand dollars), comprised of the Deposit to be paid on execution of the Arrangement Agreement and the Balance to be paid at Closing;
- (oo) **"Purchase Shares"** means the 10,000 shares in Subco-RI that were issued to Pubco immediately after incorporation of Subco-RI;
- (pp) **"Record Date"** means the date which shall be set by Pubco, as a date at or prior to the Closing date, which shall be the date that establishes the Pubco securityholders who will be entitled to receive the Distribution Shares pursuant to this Plan of Arrangement.
- (qq) **"Registrar"** means the Registrar of Companies for the Province of British Columbia duly appointed under the BCBCA;
- (rr) **"Section 3(a)(10) Exemption"** has the meaning set out in Section 2.3 of the Arrangement Agreement;
- (ss) **"Securities Authorities"** means the British Columbia Securities Commission and the other securities regulatory authorities in the provinces and territories of Canada and the Securities and Exchange Commission of the United States of America, collectively;
- (tt) **"SEDAR"** means the System for Electronic Disclosure and Analysis and Retrieval;
- (uu) **"Subco-RI"** means Brigade Resource Corp., a company incorporated under the BCBCA as a wholly-owned subsidiary of Pubco;
- (vv) **"Subco-RI Distribution Shares"** means 400,000 Common Shares of Subco-RI;



- (ww) “**Subco-RI Shares**” means, at any time, the Common Shares in the authorized capital of Subco-RI as constituted at such time;
- (xx) “**Subco-RI Shareholders**” means, at any time, the holders of Subco-RI Shares at such time;
- (yy) “**Tax Act**” means the *Income Tax Act* (Canada);
- (zz) “**Taxes**” means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Entity, including, without limitation, all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings, profits or selected items of income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes, sales taxes, use taxes, ad valorem taxes, value added taxes, transfer taxes, franchise taxes, license taxes, withholding taxes, payroll taxes, employment taxes, Canada and Quebec Pension Plan premiums, employer health taxes, excise, severance, social security, workers' compensation, employment insurance or compensation taxes or premium, stamp taxes, occupation taxes, premium taxes, property taxes, windfall profits taxes, alternative or add-on minimum taxes, goods and services tax, customs duties or other taxes, fees, imports, assessments or charges of any kind whatsoever, together with any interest, fines and any penalties or additional amounts imposed by any taxing authority (domestic or foreign) on such entity, and any interest, penalties, additional taxes and additions to tax imposed with respect to the foregoing or that may become payable in respect thereof; and liability for any of the foregoing as a transferee or successor, guarantor or surety or in a similar capacity under any contract, arrangement, agreement, understanding or commitment (whether written or oral);
- (aaa) “**Termination Date**” means January 1, 2015 or such later date as may be agreed upon in writing by the parties. After such date, either party may terminate this Arrangement Agreement by giving notice of such intention to the other party in accordance with Article 7.3; and
- (bbb) “**Transfer Agent**” means the registrar and transfer agent for the Subco-RI Shares.

In addition, 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.

## 1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Plan of Arrangement. Unless otherwise indicated, any reference in this Plan of Arrangement to a section or an exhibit refers to the specific section of or exhibit to this Plan of Arrangement.

### 1.3 Number, Gender and Persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter, and the word person and all words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture, or government (including any Governmental Entity, political subdivision or instrumentality thereof) and any other entity of any kind or nature whatsoever.

### 1.4 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.

### 1.5 Currency

All references to money in this Plan of Arrangement are expressed in the lawful currency of Canada.

## ARTICLE 2 THE ARRANGEMENT

### 2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, and is subject to the provisions of and forms a part of the Arrangement Agreement, as amended in accordance with its terms or by order of the Court.

### 2.2 Effective Date

The Plan of Arrangement shall become effective at, and be binding on the parties and the Buyco Securityholders at and after the Effective Time.

### 2.3 Arrangement Procedure

Commencing at the Effective Time, the following shall occur and be deemed to occur in the following chronological order without any further act or formality:

- (1) Buyco shall acquire the following from Pubco:
  - i. all issued and outstanding Subco-RI Shares (the "**Purchase Shares**") for consideration of the Purchase Price, comprised of the Deposit to be paid on execution of the Arrangement Agreement and the Balance to be paid at Closing; and
  - ii. an option to purchase certain mining claims which are filed with the Ontario Ministry of Northern Development and Mines (the "**Property Option**") as more particularly described in the Property Option Agreement attached hereto as Schedule B, for the amount of \$12,500 in cash,

payable at Closing, and 1,700,000 Buyco Shares, to be issued upon signing the Arrangement Agreement (collectively, the “**Property Option Price**”);

- (2) Buyco and Subco-RI shall exchange of securities on a 1:1 basis, as follows:
- i. each Buyco Share, other than a Buyco Share for which Dissent Rights have been validly exercised by the holder thereof who is a Dissenting Buyco Shareholder and who is ultimately entitled to be paid fair value for his Buyco Shares, will be exchanged by the holder thereof without any further act or formality and free and clear of all liens, claims and encumbrances, for one (1) fully paid and non-assessable Subco-RI Share, and the name of each holder will be removed from the central securities register of Buyco and added to the central securities register of Subco-RI;
  - ii. the Buyco Shareholder thereof shall be deemed, without any further action on his or her part, to have executed and delivered any necessary transfer form, power of attorney or assignment required to transfer his or her Buyco Shares to Subco-RI; and
  - iii. the certificates representing the Buyco Shares held by the former Buyco Shareholders will be deemed to have been cancelled subsequent to their transfer to Subco-RI and will be replaced by a single share certificate registered in the name of Subco-RI and Subco-RI will be and will be deemed to be the lawful owner and transferee of all such Buyco Shares; thereafter, any director of Subco-RI will be authorized to execute any such further documents and assurances as may be required by any transfer agent or depositary to fully give effect to the transfer and cancellations contemplated hereby;
- (3) Pubco and Subco-RI shall exchange securities as follows: Pubco shall issue the Pubco Distribution Shares to Subco-RI and Subco-RI shall issue the Subco-RI Distribution Shares to Pubco;
- (4) the Subco-RI Distribution Shares shall then be distributed to the Pubco Shareholders holding shares as of the Record Date on a pro rata basis;
- (5) the Purchase Shares shall be cancelled; and
- (6) the central securities register of each of Pubco, Buyco and Subco-RI shall be updated accordingly.

#### 2.4 Certificates of Subco-RI Securities

Subco-RI shall, as soon as practicable following the Effective Time, arrange for the delivery to holders of Buyco Shares of one or more certificates representing that number of Subco-RI Shares determined in accordance with Section 2.3 of this Plan of Arrangement. Buyco shall arrange for the cancellation on its books and records of all previously issued certificates for Buyco Shares. In the event of a transfer of ownership

of Buyco Shares that is not registered in the transfer records of Buyco, one or more certificates representing the proper number of Subco-RI Shares may be issued to the transferee if the certificates representing such Buyco Shares are presented to the Transfer Agent, accompanied by all documents required to evidence and effect such transfer to the transferee. Until surrendered as contemplated by this Section 2.4, each certificate which immediately prior to the Effective Time represented one or more outstanding Buyco Shares shall be deemed at all times after the Effective Time to represent only the right to receive upon such surrender the certificates representing Subco-RI Shares, as contemplated by this Section 2.4.

## 2.5 Fractional Shares

No fractional shares shall be issued to the Buyco Securityholders in connection with the foregoing procedure (after aggregating all fractional entitlements for a particular Buyco Securityholder) and fractions shall be rounded down to the next nearest whole share.

## 2.6 Further Acts

Notwithstanding that the transactions or events set out in this Article 2 occur and shall be deemed to occur in the order herein set out without any further act or formality, each of Pubco, Subco-RI, and Buyco agree to make, do and execute or cause to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required by it in order to further document or evidence any of the transactions or events set out in this Article 2 including, without limitation, any resolutions of directors authorizing the issuance, transfer or cancellation of shares, any powers of attorney evidencing the transfer of securities and any receipt therefor and any necessary additions to or deletions from the central securities register.

# ARTICLE 3 RIGHTS OF DISSENT

## 3.1 Buyco Rights of Dissent

Each Buyco Securityholder may exercise Dissent Rights with respect to his Buyco securityholdings pursuant to and in the manner set forth in Sections 237 to 247 of the BCBCA, Article 6 of the Arrangement Agreement, and this Section 3.1 (the "**Dissent Procedures**") in connection with the Arrangement, provided that, notwithstanding Subsection 242(1)(a) of the BCBCA, the written objection to the Arrangement Resolution referred to in Subsection 242(1)(a) of the BCBCA must be received by Buyco not later than 5:00 p.m. (Vancouver Time) on the last Business Day preceding the Buyco Meeting Date. Each Buyco Securityholder who duly exercises such Dissent Rights and who is ultimately:

- (a) entitled to be paid fair value for his Buyco Shares, shall be deemed to have transferred such Buyco Shares to Buyco as of the Effective Time without any further act or formality and free and clear of all liens, claims and encumbrances, in consideration for the payment by Buyco of the fair value thereof, in cash; or

- (b) not entitled, for any reason, to be paid fair value for his Buyco Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Buyco Securityholder and shall receive Subco-RI Shares on the basis determined in accordance with Section 2.3(5);

but in no case shall Buyco or any other Person be required to recognize each such holder as a Buyco Securityholder after the Effective Time, and the name of each such Buyco Securityholder duly exercising Dissent Rights shall be removed from the central securities register of Buyco at the Effective Time.

## **ARTICLE 4 AMENDMENT**

### **4.1 Documentation**

Pubco, Subco-RI, and Buyco reserve the right to collectively amend, modify and/or supplement this Plan of Arrangement and the Property Option Agreement at any time and from time to time, provided that any such amendment, modification or supplement must be contained in a written document which is filed with the Court and, if made following the dates on which the Arrangement is approved by the Buyco Securityholders:

- (a) is approved by the Court; and
- (b) if the Court so directs, is approved by the Buyco Securityholders;

and, in any event, is communicated to the Buyco Securityholders in the manner required by the Court, if so directed.

### **4.2 Timing**

Any amendment, modification or supplement to this Plan of Arrangement, if agreed to by the parties, may be made at any time and, and shall become part of this Plan of Arrangement for all purposes, unless it materially affects the rights or entitlements of the Buyco Securityholders, in which case it must also be accepted by the Buyco Securityholders.

### **4.3 Consent**

Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court shall be effective only if consented to by each of Pubco, Subco-RI, or Buyco, if the Court so directs.

## ARTICLE 5 TERMINATION

### 5.1 Termination

Pubco, Buyco, and Subco-RI reserve the right to collectively determine not to proceed with this Plan of Arrangement, or to terminate this Plan of Arrangement, notwithstanding the prior approval thereof by the Buyco Shareholders, at any time prior to the granting of the Final Order. In addition to the foregoing, this Plan of Arrangement shall terminate automatically, without notice, immediately and be of no further force or effect upon the termination of the Arrangement Agreement in accordance with the terms thereof.

**Schedule B**

**PROPERTY OPTION AGREEMENT**

*[inserted as following pages]*

## OPTION AGREEMENT

This option agreement (this "**Agreement**") is dated the 20 day of November, 2014

### **BETWEEN:**

**SALIENT CORPORATE SERVICES INC.**  
3403 – 1011 West Cordova Street  
Vancouver, British Columbia V6C 0B2

(the "**Optionor**")

### **AND:**

**BRIGADIER EXPLORATION CORP.**  
#3403, 1011 West Cordova Street  
Vancouver, British Columbia V6C 0B2

(the "**Optionee**")

**WHEREAS** the Optionor has the sole, exclusive, irrevocable and immediate right to acquire an interest in certain unpatented mining claims ("Paterson Lake" claims) which are filed with the Ontario Ministry of Northern Development and Mines (the "**Ministry**"), which claims are situated in Paterson Lake Area, in the District of Kenora, in the Province of Ontario, as more particularly described in Schedule "A" attached hereto;

**AND WHEREAS** the Optionor has agreed to grant an option to the Optionee to acquire a one hundred percent (100%) undivided interest in the unpatented mining claims associated with the Property (as defined herein) (the "**Option**"), subject to the Production Royalty (as defined herein) and upon the terms and conditions set forth herein.

**NOW THEREFORE THIS AGREEMENT WITNESSETH** that, in consideration of the mutual covenants, the payment of funds and the issuance of shares set forth herein, the parties agree as follows:

#### **1. Interpretation.**

- (a) **Definitions.** The following terms, wherever used in this Agreement, shall have the meanings set forth below:
- (i) "**Effective Date**" means the date that is 60 days from the date of execution of this Agreement;
  - (ii) "**Environmental Standards**" means all laws, orders, rules and regulations of whatever authority, as they may apply to and affect environmental and pollution control standards in effect, whether federal, provincial or municipal;
  - (iii) "**Minerals**" means the end products recovered, produced or derived from the Property;



- (iv) “**Mining Act**” means the *Mining Act, R.S.O. 1990, c.M-14*, together with any amendments thereto and all the regulations promulgated thereunder;
  - (v) “**Mining Operations**” means every kind of work done on or in respect of the Property or any product derived from the Property by or under the direction of the Optionee including, without limiting the generality of the foregoing, the work of assessment, geophysical, geochemical and geological surveys, studies and mapping, investigating, drilling, designing, examining, equipping, improving, surveying, shaft-sinking, raising, cross-cutting, searching for, drifting, trucking, sampling, working and procuring minerals, ores and metals, surveying and bringing any mining claims to lease or patent, and all other work usually considered to be prospecting, exploration, development and mining work; in paying wages and salaries of workers engaged in the work and in supplying food, lodging, transportation and other reasonable needs of the workers; in paying assessments or premiums for workers’ compensation insurance, contributions for unemployment insurance or other pay allowances or benefits customarily paid in the district to those workers; in paying rentals, licence renewal fees, taxes and other governmental charges required to keep the Property in good standing; in purchasing or renting plant, buildings, machinery, tools, appliances, equipment or supplies and in installing, erecting, detaching and removing them; mining, milling, concentrating, rehabilitation, reclamation, and environmental protections and in the management of any work which may be done on the Property or in any other respect necessary for the due carrying out of the prospecting, exploration and development work;
  - (vi) “**Mining Rights**” includes mineral rights and the right to conduct Mining Operations on the Property and further includes the meanings and rights attributed to Mining Rights under the Mining Act;
  - (vii) “**Net Smelter Returns**” means the actual proceeds derived from any mint, mill, smelter, refinery or purchaser for the sale of ores, metals or concentrates produced from the Property and sold, after deducting from such proceeds the following charges to the extent that they were not deducted by the purchaser in computing payment: reasonable smelting and refining charges; costs of transporting ores, metals or concentrates from the Property to any mint, mill, smelter, refinery or purchaser; and insurance of such ores, metals or concentrates;
  - (viii) “**Property**” means all of the unpatented mining claims or other mineral tenure as more particularly described in Schedule “A” attached hereto, including all Mining Rights thereunder; and
  - (ix) “**Production Royalty**” means the payments required to be made pursuant to section 12.
- (b) **Headings.** The headings of this Agreement and the schedules are solely for convenience of reference and do not affect the interpretation of it or define, limit or construe the contents of any provision of this Agreement.

- (c) **Number and Gender.** Words importing the singular number shall include the plural and vice versa, words importing the neuter gender shall include the masculine and feminine genders, and words importing persons shall include firms and corporations and vice versa.
  - (d) **Governing Law.** This Agreement and the rights and obligations and relations of the parties shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein (but without giving effect to any conflict of law rules). The parties agree that the courts of British Columbia shall have jurisdiction over any action or other legal proceedings based on any provisions of this Agreement. Each party attorns to the jurisdiction of the courts of the Province of British Columbia.
  - (e) **Currency.** All references to currency in this Agreement are references to Canadian currency.
  - (f) **Further Assurances.** Each party agrees from time to time, subsequent to the date hereof, to execute and deliver or cause to be executed and delivered such instruments or further assurances as may, in the reasonable opinion of either party, be necessary or desirable to give effect to the provisions of this Agreement or as may be reasonably required for registering or recording changes in ownership interests in the Property.
  - (g) **Schedules.** The following are schedules attached and incorporated in this Agreement by reference and are deemed to be a part hereof:  
  
Schedule "A" - Property
  - (h) **References.** Unless otherwise stated, a reference to a numbered or lettered paragraph refers to the paragraph bearing that number or letter in this Agreement. A reference to this Agreement or in this Agreement means this Agreement including the schedules, together with any amendments.
2. **Optionor's Representations and Warranties.** The Optionor hereby represents and warrants to the Optionee on the date hereof that:
- (a) it has the sole, exclusive, irrevocable and immediate right to acquire a one hundred percent (100%) interest in the Property;
  - (b) the Property is in good standing, free and clear of all encumbrances;
  - (c) the Property has been duly and validly located and recorded pursuant to the applicable legislation of the Province of Ontario constituting valid and subsisting Mining Rights and the Property is in good standing with respect to property or mineral tax requirements;
  - (d) the Optionor has the full and undisputed right to deal with the Property as provided for in this Agreement; and
  - (e) the Property is not subject to any pending or threatened claims by any third party or any governmental agency.

3. **Grant of Option to Earn Interest.**

- (a) The Optionor hereby grants to the Optionee the sole, exclusive, irrevocable and immediate right to acquire a one hundred percent (100%) interest in the Property from the Optionor (subject to the Production Royalty) by making the payments and share issuances described herein and by complying with the other terms and conditions of this Agreement.
- (b) Upon the full amount of the cash payments and shares set forth in section 4 having been paid and issued to the Optionor, the Optionor shall deliver to the Optionee a signed transfer in proper registrable form (the "**Transfer**") conveying all of the Optionor's right, title and interest in and to the Property (other than the Production Royalty) to the Optionee. The Transfer shall be prepared by and at the expense of the Optionee.
- (c) Upon execution of this Agreement, the Optionee may register this Agreement or notice of this Agreement against title to the Property.

4. **Exercise of Option.** In order to maintain the Option in good standing, the Optionee must, upon completion of normal and reasonable due diligence (and approval of any stock exchange on which any of the securities of the Optionee are listed, and any securities commission having jurisdiction over the Optionee, as applicable, such approvals hereinafter referred to as "**Regulatory Approval**"):

- (a) **Cash Payments:** make six (6) cash payments to the Optionor totalling **\$150,000** in accordance with the following schedule:
  - (i) **\$12,500** upon the closing of the Plan of Arrangement entered into on October 23, 2014 between the Optionor, the Optionee and Brigade Resource Corp. (the "**Closing**");
  - (ii) an additional \$12,500 **six (6) months** following the Closing;
  - (iii) an additional **\$25,000** on the **first** anniversary of the Effective Date;
  - (iv) an additional **\$25,000** on the **second** anniversary of the Effective Date;
  - (v) an additional **\$25,000** on the **third** anniversary of the Effective Date; and
  - (vi) an additional **\$50,000** on the **fourth** anniversary of the Effective Date.
- (b) **Share Deliveries:** complete two (2) issuances of common shares of the Optionee (each, a "**Share**") to the Optionor totalling **2,300,000** Shares in accordance with the following schedule:
  - (i) **1,700,000 Shares** upon the execution of this Agreement;
  - (ii) an additional **150,000 Shares** on the **first** anniversary of the Effective Date;
  - (iii) an additional **150,000 Shares** on the **second** anniversary of the Effective

Date;

- (iv) an additional **150,000 Shares** on the **third** anniversary of the Effective Date; and
- (v) an additional **150,000 Shares** on the **fourth** anniversary of the Effective Date.

For greater certainty, if any of the cash payments or Share issuances as set out in this section 4 are not made or completed on the dates as set out herein, the Optionor may, in its sole discretion, immediately terminate the Option and this Agreement in accordance with section 7.

5. **Notice of Regulatory Approval.** Upon the Optionee receiving Regulatory Approval of the terms of this Agreement, the Optionee shall forthwith provide written notice thereof to the Optionor.
6. **Registration of Transfer.** Upon the full amount of the cash payments and Share issuances set forth in section 4 having been made and completed, the Optionee shall be entitled, without further notice, to register the Transfer, vesting a one hundred percent (100%) interest in the Property to the Optionee.
7. **Termination of Option.** Except for the payment and Share issuance described in sections 4(a)(i) and 4(b)(i), respectively, the Optionee does not, and will not at any time hereafter, have any obligation to make any cash payments or complete any Share issuances pursuant to section 4 or to exercise the Option and nothing in this Agreement shall be construed as creating any such obligation. The Optionor will retain all cash payments and Shares made or issued to it by the Optionee under section 4, and if the Optionee fails to comply with any of its obligations under this Agreement the Optionor may, in its sole discretion, immediately terminate the Option and this Agreement by providing written notice to the Optionee and the Optionee will not retain any interest in the Property.
8. **Acceleration.** The Optionee at its sole discretion may make any of the payments or complete any of the Share issuances described in section 4 on dates that are earlier in time from the dates specified in section 4.
9. **Working Rights.** During the currency of the Option, the Optionee shall have the sole and exclusive right to enter on and conduct such Mining Operations on the Property as the Optionee in its sole discretion may decide. The Optionee shall have quiet and exclusive possession of the Property from the date of this Agreement and thereafter while the Option remains in good standing, with full power and authority to the Optionee, its servants, agents, workers or contractors, to carry on Mining Operations in searching for Minerals in such manner as the Optionee in its discretion may determine, including the right to erect, bring and install on the Property all buildings, plant, machinery, equipment, tools, appliances or supplies as the Optionee shall deem necessary and proper and the right to remove therefrom reasonable quantities of rocks, ores and Minerals and to transport them for the purposes of sampling, metallurgical testing and assaying. All Mining Operations conducted by the Optionee shall be in accordance with good exploration, development and mining practice, and in compliance with all applicable legislation, including without limitation, the Mining Act, and health safety

standards. The Optionee shall maintain adequate insurance coverage in respect of the Property at all times.

10. **Indemnity.** The Optionee shall indemnify and save the Optionor harmless from and against all losses, liabilities, claims, demands, damages, expenses, suits, injury or death in any way referable to Mining Operations conducted on the Property or any other actions of the Optionee made in connection with this Agreement, provided that the Optionor shall not be indemnified for any loss, liability, claim, demand, damage, expense, injury or death resulting from the negligence or wilful misconduct of the Optionor or its employees, agents or contractors.

11. **Covenants of the Optionee.**

During the term of this Agreement, the Optionee shall:

- (a) comply with all applicable laws, regulations, by-laws, rules, orders and ordinances whether federal, provincial or municipal, with respect to Mining Operations hereunder, including discharging the duty to consult with or provide notice to all Aboriginal communities;
- (b) comply with the provisions of the Mining Act, including without limitation, any duty or requirement to consult with or provide notice to Aboriginal communities, particularly during the early exploration stage of the mining process and the requirements to submit to the Ministry an exploration plan and obtain from the Ministry an exploration permit prior to carrying out certain early exploration activities in respect of the Property;
- (c) keep a detailed record of any and all efforts taken by the Optionee to notify and/or consult with Aboriginal communities, and to provide such records to the Ministry upon request;
- (d) conduct all Mining Operations in accordance with Environmental Standards;
- (e) conduct all Mining Operations and supervise the operation of all contractors and or sub-contractors in, on and under the Property in a careful manner and in accordance with good mining practice and in compliance with all applicable laws and, without limiting the generality of the foregoing, the Optionee shall on the completion of its work or the termination or expiration of this Agreement leave the Property in a safe condition with any and all openings safeguarded in accordance with the provisions of all applicable legislation, regulations and other laws affecting them;
- (f) subject to the other provisions of this Agreement, the Optionee shall have complete discretion and control with respect to all Mining Operations carried out on the Property provided, however, that all Mining Operations on the Property shall be conducted in a manner which will cause the least damage and defacement practicable under the circumstances. All access roads shall be set out in consultation with the Optionor and both parties will make their best efforts to co-operate so as to enable the Optionee to conduct its operations in a reasonable manner while minimizing the damage and interference to the Property and to any timber resources thereon. The Optionee shall reimburse the



Optionor or compensate it for all actual physical damage to the Property and actual damages to improvements, roads, wells, crops, timber, grass and livestock resulting from the Optionee's operations. Upon completion of its work or the termination or expiration of this Agreement the Optionee shall restore and remediate the Property in accordance with good mining practices so as to minimize permanent damage or interference with the Property;

- (g) pay or cause to be paid all workmen's wages and for all materials, supplies and services delivered to or performed on or in respect of the Property, so as to avoid any woodsman, builders, or construction liens from arising;
  - (h) pay all timber dues or other assessments or charges which may be levied or imposed under any statutory provision or otherwise arising, as a consequence of the harvesting of any timber resources from the Property;
  - (i) maintain the Property in good standing by doing all assessment work, recording all exploration and development work done on the Property in accordance with the requirements of the Mining Act, paying all exploration licenses fees and by doing all other acts and things that may be necessary in that regard until the termination or expiration of the Agreement or the abandonment of rights and options granted hereunder;
  - (j) abide by all directions of the relevant Minister or any other governmental authority having jurisdiction over its operations hereunder; and
  - (k) maintain adequate liability and other insurance and if requested by Optionor, to provide evidence of same.
12. **Production Royalties.** If the Optionee acquires the Property and begins commercial production on any part of the Property, the Optionee shall pay to the Optionor a royalty (the "**Production Royalty**") calculated at two percent (2%) of the Net Smelter Returns as defined, calculated and set forth herein.
13. **Accounting and Payment of Production Royalty.**
- (a) While the Production Royalty remains payable hereunder, the Optionee shall not later than 30 days after the end of each quarter of each calendar year render to the Optionor an interim statement of account in reasonable detail which statement shall be accompanied by the payment of the Production Royalty payable pursuant to this Agreement for the previous quarter.
  - (b) When all Minerals in any calendar year in which the Production Royalty remains payable have been sold and the revenues and expenditures determined, the Optionee shall, within 60 days after the termination of such calendar year, render a final statement of account in reasonable detail together with the payment of the balance, if any, of the Production Royalty for such previous year.
  - (c) If any amounts have been paid in excess of those to which the Optionor is entitled under the terms of this Agreement in any year, the equivalent amounts shall be deducted from the next Production Royalty payment. All payments not made to the Optionor within the time periods set forth herein shall bear interest at



the prime rate plus one percent (1%).

14. **Production Royalty Buy-Back.** The Optionee or its assigns shall have the right at any time to purchase from the Optionor one-half (1/2) of the Production Royalty by way of a one-time payment to the Optionor of \$1,000,000. Upon such payment being made, the Production Royalty shall thereafter be calculated as being reduced to one percent (1%) of the Net Smelter Returns.
15. **Abandonment.** Subject to section 16, the Optionee may at any time, prior to exercise of the Option, abandon any one or more of the mining claims which comprise the Property, and such claims shall upon notice to the Optionor be deemed to be thereafter excluded from the Property. After the Option is exercised and the Property is transferred into the name of the Optionee, the Optionee shall, subject to section 16, have the unfettered right at any time to surrender all or any of the mining claims comprising the Property (the "**Surrendered Property**") by delivering a notice in writing of its intention to do so to the Optionor at least 45 days prior to the proposed surrender, such notice to list the proposed Surrendered Property. If, within 30 days of receipt of such notice, the Optionor delivers to the Optionee a notice in writing (the "**Reacquisition Notice**") stating its desire to reacquire one or more of the mining claims comprising the Surrendered Property, the Optionee will transfer the mining claims comprising such of the Surrendered Property to the Optionor as the Optionor has set forth in the Reacquisition Notice. Upon surrender of any of the Surrendered Property not reacquired by the Optionor, the Optionee will have no further obligations in respect of such Surrendered Property, save and except under Environmental Standards and all applicable laws.
16. **Property in Good Standing.** If the Optionee wishes to abandon any one or more of the claims which comprise the Property in accordance with section 15, the Optionee shall have performed sufficient assessment work on such claims, recorded all exploration and development work done on such claims in accordance with the requirements of the Mining Act, paid all necessary fees and done all other acts and things necessary to maintain such claims in good standing for a period of at least one (1) year after the date of abandonment.
17. **Assignment.** While this Agreement remains in effect, either party may sell, assign or otherwise transfer all or part of its rights and obligations under this Agreement and the Property upon the written consent of the other, not to be unreasonably withheld, provided that if a party wishes to sell, assign or otherwise transfer all or part of its rights under this Agreement, including any interest in the Property (in any case, an "**Assignment**") to a purchaser, assignee or transferee that is not a party to this Agreement (in any case, an "**Assignee**"), then such Assignee shall enter into an Agreement with the other party to this Agreement concurrent with such Assignment containing:
  - (a) a covenant of such Assignee to be bound by this Agreement to the same extent as if this Agreement had been originally executed by the assigning party; and
  - (b) a provision subjecting any further Assignment to the restrictions contained in this section 17;

and the assigning party shall thereupon be relieved from all obligations in respect of its assigned interest which thereafter accrue under this Agreement.

18. **Buildings and Equipment.** In the event that this Agreement is terminated by either the Optionor or the Optionee, all buildings, plant, equipment, machinery, tools, appliances and supplies which the Optionee may have brought onto the Property, either before or during the Option period, may be removed by the Optionee at any time not later than nine (9) months after such termination. Any buildings, plant, equipment, machinery, tools, appliances or supplies left on the Property during the nine (9) month period shall be at the Optionee's sole risk and, if not removed after the nine (9) month period, shall become the Property of the Optionor. During the currency of the Option, the Optionor shall not remove from the Property any of the Optionee's buildings, plant, equipment, machinery, tools, appliances or supplies.
19. **Information.** If the Optionee terminates this Agreement, the Optionee shall, on request, provide the Optionor with a copy of all non-interpreted reports, maps, plans, drill logs and surveys of all work pertaining to the Property provided that the Optionee does not warrant the accuracy of such reports, maps, plans, drill logs and surveys and shall not be liable for any inaccuracies contained in them. The Optionee agrees that the Optionor may disclose the details of this Agreement to its advisors, governmental and regulatory authorities and Aboriginal communities.
20. **Press Releases.** The Optionee shall review any press release that refers to this Agreement or the subject matter of this Agreement with the Optionor prior to its release by sending a copy of the press release to:

Karl Antonius: [karl@brandenburgfincorp.com](mailto:karl@brandenburgfincorp.com)

Fax: (604) 563-3155

and for clarity, shall not issue any press release that refers to this Agreement, the subject matter of this Agreement or Rubicon Minerals Corporation without the prior written approval of the Optionor. The Optionor will use all reasonable efforts to send any comments that it may have regarding any press release received from the Optionee to the Optionee by email within 48 hours. If the Optionee does not receive any such comments from the Optionor within 72 hours, the Optionor will be deemed to have consented to the language in the press release.

21. **Notices.** All payments and communications which may be or are required to be given by either party to the other shall (in the absence of any specific provision to the contrary) be in writing and delivered, faxed, emailed or sent by courier or prepaid registered mail to the parties, at their following respective addresses and fax numbers:

**Optionee:** Brigadier Exploration Corp.  
Attention: Chief Executive Officer  
#3403, 1011 West Cordova Street  
Vancouver, British Columbia V6C 0B2

Fax No: (604) 563-3155  
e-mail: [kantonius@antoniuscapital.com](mailto:kantonius@antoniuscapital.com)

**Optionor:** Salient Corporate Services Inc.  
Attention: Corporate Secretary  
3403 – 1011 West Cordova Street  
Vancouver, B.C. V6C 0B2

Fax No: 604-563-3155  
e-mail: [nancy@brandenburgfincorp.com](mailto:nancy@brandenburgfincorp.com)

**With a copy to:** Karl Antonius

Fax No: 604-563-3155  
e-mail: [karl@antoniuscapital.com](mailto:karl@antoniuscapital.com)

And if any payment or communication is sent by courier or prepaid registered mail, it shall, be conclusively deemed to have been received on the third business day following the mailing of it and, if delivered, faxed or emailed, it shall be conclusively deemed to have been received at the time of delivery or transmission. Notwithstanding the foregoing provisions with respect to mailing, in the event that it may be reasonably anticipated that, due to any strike, lock-out or similar event involving an interruption in postal service, any payment or communication will not be received by the addressee by no later than the third business day following the mailing of it, then the mailing of any payment or communication must then be sent by an alternative means of transportation which it may reasonably be anticipated will cause the payment or communication to be received reasonably expeditiously by the addressee. Either party may from time to time change its address by notice to the other in accordance with this section 21.

22. **Time of the Essence.** Time shall be the essence in the performance of this Agreement.
23. **Benefit of Successors.** This Agreement shall enure to the benefit of and be binding on the parties and their respective heirs, executors, administrators, successors and assigns.
24. **Counterparts.** This Agreement may be executed in counterparts (by original or electronic signature), each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

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

**BRIGADIER EXPLORATION CORP.**

**SALIENT CORPORATE SERVICES INC.**

Per:

Per:

\_\_\_\_\_  
Nancy La Couvee

\_\_\_\_\_  
Karl Antonius

SCHEDULE "A"

Paterson Lake Property

Claim Name	Township / Area	Mining District	Tenure Number	Owner	Map Number	Good to Date	Area
4277911	Paterson Lake	Kenora					
4277912	Paterson Lake	Kenora					
4277913	Paterson Lake	Kenora					
4277914	Paterson Lake	Kenora					
4277915	Paterson Lake	Kenora					

