

**ARRANGEMENT AGREEMENT & PLAN OF ARRANGEMENT  
AMENDMENT AGREEMENT (NO.1)**

THIS AMENDMENT AGREEMENT made as of the 1<sup>st</sup> day of October, 2015.

AMONG:

**FIRST MINING FINANCE CORP.**, a company existing under the laws of the Province of British Columbia

(hereinafter referred to as “**First Mining**”)

AND:

**GOLD CANYON RESOURCES INC.**, a company existing under the laws of the Province of British Columbia

(hereinafter referred to as “**Gold Canyon**”)

AND:

**Irving Resources Inc. (formerly, 1047431 B.C. Ltd.)**, a company existing under the laws of the Province of British Columbia

(hereinafter referred to as “**SpinCo**”)

WITNESSES THAT:

WHEREAS First Mining, Gold Canyon and SpinCo entered into an arrangement agreement (the “**Arrangement Agreement**”) dated August 31, 2015 wherein First Mining, Gold Canyon and SpinCo propose to effect a business combination by way of a plan of arrangement (the “**Plan of Arrangement**”), attached as Exhibit “A” to the Arrangement Agreement, under the provisions of the *Business Corporations Act* (British Columbia);

AND WHEREAS pursuant to Article 6 of the Arrangement Agreement and Article 5 of the Plan of Arrangement, the Arrangement Agreement and/or Plan of Arrangement may be amended by the mutual written consent of First Mining, Gold Canyon and SpinCo;

NOW THEREFORE the parties hereby agree as follows:

1. Section 4.4 of the Plan of Arrangement be amended by changing the reference to “third anniversary” therein to “sixth anniversary” such that Section 4.4 now reads:

4.4 **Extinction of Rights.** Any certificate which immediately prior to the Effective Time represented outstanding Gold Canyon Common Shares that were exchanged pursuant to Section 2.3(d)(i) and not deposited, with all other instruments required by Section 4.1 on or prior to the sixth anniversary of the Effective Date shall cease to represent a claim or interest of any kind or nature as a shareholder of First Mining or SpinCo. On such date, the First Mining Shares and SpinCo Shares to which the former

registered holder of the certificate referred to in the preceding sentence was ultimately entitled shall be deemed to have been surrendered to First Mining or SpinCo, respectively, together with all entitlements to dividends, distributions and interest thereon held for such former registered holder. None of First Mining, SpinCo, Gold Canyon or the Depository shall be liable to any person in respect of any First Mining Shares or SpinCo Shares (or dividends, distributions and interest in respect thereof) delivered to a public official pursuant to any applicable abandoned property, escheat or similar law.

2. Save and except as herein amended, the Arrangement Agreement and Plan of Arrangement shall be and remain in full force and effect.

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

**FIRST MINING FINANCE CORP.**

*“Patrick Donnelly”*

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Authorized Signatory  
Name: Patrick Donnelly

**GOLD CANYON RESOURCES INC.**

*“Akiko Levinson”*

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Authorized Signatory  
Name: Akiko Levinson

**IRVING RESOURCES INC.**

*“Akiko Levinson”*

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Authorized Signatory  
Name: Akiko Levinson

**AMENDED 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 there is something in the subject matter or context inconsistent therewith, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) **“Arrangement”** means an arrangement under the provisions of Division 5 of Part 9 of the Business Corporations Act, on the terms set forth in the Plan of Arrangement, subject to any amendment or supplement thereto (i) made in accordance with Article 5 of the Plan of Arrangement or (ii) made at the direction of the Court in the Final Order and with the consent of First Mining and Gold Canyon, each acting reasonably or (iii) otherwise made in accordance with Section 6.1 of the Arrangement Agreement;
- (b) **“Arrangement Agreement”** means the agreement made as of August 31, 2015 between First Mining, Gold Canyon and SpinCo as amended, supplemented and/or restated in accordance therewith prior to the Effective Date, providing for, among other things, the Arrangement;
- (c) **“Arrangement Resolution”** means the special resolution approving the Arrangement, to be substantially in the form and content of Exhibit B attached to the Arrangement Agreement, to be considered, and if deemed advisable, passed with or without variation, by the Gold Canyon Shareholders and Gold Canyon Warrantholders voting as a single class at the Meeting;
- (d) **“Business Corporations Act”** means the *Business Corporations Act* (British Columbia), as amended;
- (e) **“Business Day”** means any day other than a Saturday, a Sunday or a day observed as a holiday in Vancouver, British Columbia under the laws of the Province of British Columbia or the federal laws of Canada;
- (f) **“Court”** means the British Columbia Supreme Court;
- (g) **“Depositary”** means Computershare Investor Services Inc., or such other party appointed by First Mining and SpinCo for the purpose of, among other things, exchanging certificates representing First Mining Shares and SpinCo Shares in connection with the Arrangement, at such offices as will be set out in the Letter of Transmittal;
- (h) **“Dissent Procedures”** has the meaning set out in Section 3.1;

- (i) “**Dissent Rights**” has the meaning set out in Section 3.1;
- (j) “**Dissenting Shareholder**” means a holder of Gold Canyon Common Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Procedures;
- (k) “**Effective Date**” means the date the Arrangement completes, as determined in accordance with Section 2.9 of the Arrangement Agreement;
- (l) “**Effective Time**” means the time when the transactions contemplated herein will be deemed to have been completed, which shall be 12:01 a.m. on the Effective Date or such other time as First Mining, Gold Canyon and SpinCo agree to in writing before the Effective Date;
- (m) “**Encumbrance**” has the meaning set out in the Arrangement Agreement;
- (n) “**Final Order**” means the final order of the Court approving the Arrangement as such order may be amended at any time prior to the Effective Date or, if appealed, then, unless such appeal is abandoned or denied, as affirmed;
- (o) “**First Mining**” means First Mining Finance Corp., a company existing under the laws of the Province of British Columbia;
- (p) “**First Mining Exchange Ratio**” has the meaning set out in Section 2.3(d)(i);
- (q) “**First Mining Option Plan**” means First Mining’s stock option plan approved by the First Mining Shareholders on April 19, 2015;
- (r) “**First Mining Replacement Warrant**” has the meaning set out in Section 2.3(e);
- (s) “**First Mining Share**” means a common share in the authorized share structure of First Mining and any other securities into which such share may be changed;
- (t) “**Gold Canyon**” means Gold Canyon Resources Inc., a company existing under the laws of British Columbia;
- (u) “**Gold Canyon Common Share**” means a common share without par value in the authorized share structure of Gold Canyon outstanding immediately prior to the Effective Time;
- (v) “**Gold Canyon Class A Common Share**” has the meaning set out in Section **Error! Reference source not found.**;
- (w) “**Gold Canyon Option**” means an option to purchase Gold Canyon Common Shares outstanding and unexercised immediately prior to the Effective Time;

- (x) **“Gold Canyon Rights Plan”** means the shareholder rights plan agreement dated as of March 15, 2006 between Gold Canyon and Computershare Investor Services Inc., as rights agent;
- (y) **“Gold Canyon Securities”** means the Gold Canyon Common Shares, the Gold Canyon Class A Common Shares, the Gold Canyon Warrants and the Gold Canyon Options, collectively;
- (z) **“Gold Canyon Shareholder”** means a holder of Gold Canyon Common Shares or Gold Canyon Class A Common Shares, as the context requires;
- (aa) **“Gold Canyon Warrant”** means a common share purchase warrant of Gold Canyon outstanding and unexercised immediately prior to the Effective Time;
- (bb) **“Gold Canyon Warrantholder”** means a holder of Gold Canyon Warrants;
- (cc) **“Governmental Entity”** means any: (i) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank or Tribunal; (ii) subdivision, agent, commission, board, or authority of any of the foregoing; or (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (dd) **“holder”** means, (i) when used with reference to any Gold Canyon Securities, the holder of such Gold Canyon Securities, (ii) when used with reference to any First Mining Shares, means the holder of such First Mining Shares shown from time to time on the register of shareholders maintained by or on behalf of First Mining in respect of such First Mining Shares, and (iii) when used with reference to any SpinCo Shares, means the holder of such SpinCo Shares shown from time to time on the register of shareholders maintained by or on behalf of SpinCo in respect of such SpinCo Shares;
- (ee) **“Interim Order”** means the interim order of the Court made in connection with the process for obtaining shareholder approval of the Arrangement and related matters, as such order may be amended, supplemented or varied by the Court;
- (ff) **“ITA”** means the *Income Tax Act* (Canada);
- (gg) **“Letter of Transmittal”** means the Letter of Transmittal for use by Gold Canyon Shareholders;
- (hh) **“Meeting”** means the special meeting of the Gold Canyon Shareholders and the Gold Canyon Warrantholders (including any adjournment thereof) that is to be convened as provided by the Interim Order to consider and, if deemed advisable, approve the Arrangement;
- (ii) **“Person”** includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal

representative, estate, group, body corporate, corporation, company, unincorporated association or organization, government body, syndicate or other entity, whether or not having legal status;

- (jj) **“Replacement Option”** has the meaning set out in Section 2.3(f);
- (kk) **“Replacement Warrants”** means, collectively, the First Mining Replacement Warrants and the SpinCo Replacement Warrants;
- (ll) **“SpinCo”** means 1047431 B.C. Ltd., a company existing under the laws of the Province of British Columbia;
- (mm) **“SpinCo Exchange Ratio”** has the meaning set out in Section 2.3(c)(ii);
- (nn) **“SpinCo Replacement Warrant”** has the meaning set out in Section 2.3(e)(ii);
- (oo) **“SpinCo Share”** means a common share in the authorized share structure of SpinCo;
- (pp) **“Spin-Out Assets”** means:
  - (i) all direct and indirect right, title and interest of Gold Canyon in and to all of the issued and outstanding shares of Spring Stone Mining Corporation and all of the membership interests in Gold Canyon Kratz Spring, LLC;
  - (ii) all direct and indirect right, title and interest of Gold Canyon in, to and under and the full benefit and advantage of all Japan Oil, Gas And Metals National Corporation (“JOGMEG”) project venture, operation and participation agreements including agreements with respect to Tanzania Projects, Mangochi/Thyolo RE Project and Mulanje RE Project and all business, corporate, legal and accounting books, records and documents used in the conduct of the JOGMEG project venture, operation and participation agreements and related undertakings;
  - (iii) all direct and indirect right, title and interest of Gold Canyon in, to and under and the full benefit and advantage of the office lease with respect to Suite 810 - 609 Granville Street, Vancouver, British Columbia, Canada (the **“Office Space”**) and any sublease, sharing, maintenance agreements, registrations, documentation or correspondence related thereto;
  - (iv) all equipment, hardware, software, office supplies, fixtures, furniture, furnishings and other tangible property located in the Office Space owned, leased or held by or on behalf of Gold Canyon; and
  - (v) cash in the amount of \$500,000 less all cash held as of the Effective Time by Spring Stone Mining Corporation, its subsidiaries and Gold Canyon Kratz Spring, LLC;

- (qq) **“Spin-Out Liabilities”** means:
- (i) all liabilities or obligations (contingent or otherwise) (other than any liability or obligation for Taxes) in respect (but only in respect) of the Spin-Out Assets (including the operations or activities in connection therewith);
  - (ii) all liabilities or obligations for Taxes payable to any Governmental Entity arising from, or in connection with the Spin-Out Transaction;
  - (iii) all liabilities or obligations for Taxes payable but not yet paid or reflected in the contingencies or commitments in the Annual Financial Statements of Gold Canyon, to any Governmental Entity and imposed on, or is in respect of, the Spin-Out Assets and/or any liabilities or obligations referred to in this definition net of all applicable credits, deductions, and other amounts available (including any loss carryforwards) with respect to the Spin-Out Assets; and
  - (iv) all fees and expenses related to the listing of the SpinCo Shares on the TSX-V;
- (rr) **“Spin-Out Transaction”** means the transfer of the Spin-Out Assets and the assignment of the Spin-Out Liabilities to SpinCo and the distribution of SpinCo Shares to Gold Canyon Shareholders, all pursuant to this Plan of Arrangement;
- (ss) **“Taxes”** means with respect to any entity, 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 Pension Plan premiums, excise, severance, social security premiums, workers’ compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, property taxes, production taxes, severance taxes, windfall profits taxes, alternative or add-on minimum taxes, goods and services tax, customs duties, mining duties or other taxes, fees, imports, assessments or charges of any kind whatsoever, together with any interest 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;
- (tt) **“Tribunal”** means: (i) any court (including a court of equity); (ii) any federal, provincial, state, county, municipal or other government or governmental department, ministry, commission, board, bureau, agency or instrumentality; or (iii) any securities commission, Canadian or U.S. stock exchange or other regulatory or self-regulatory body; and (iv) any arbitrator or arbitration tribunal; and

(uu) “**TSX-V**” means the TSX Venture Exchange.

1.2 **Interpretation Not Affected by Headings, etc.** The division of this Plan of Arrangement into sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise indicated, all references in this Plan of Arrangement to a “Section” followed by a number and/or a letter refer to the specified section of this Plan of Arrangement. Unless otherwise indicated, the terms “this Plan of Arrangement”, “hereof”, “herein”, “hereunder” and “hereby” and similar expressions refer to this Plan of Arrangement as amended or supplemented from time to time pursuant to the applicable provisions hereof, and not to any particular section or other portion hereof.

1.3 **Currency.** All sums of money referred to in this Plan of Arrangement are expressed in lawful money of Canada.

1.4 **Number, etc.** In this Plan of Arrangement, unless the context otherwise requires, words importing the singular number include the plural and *vice versa* and words importing any gender include all genders.

1.5 **Construction.** In this Plan of Arrangement:

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

## **ARTICLE 2 ARRANGEMENT**

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

2.2 **Binding Effect.** As of and from the Effective Time, this Plan of Arrangement shall be binding upon the following, without any further act or formality required on the part of any person, except as specified herein: (i) Gold Canyon, (ii) First Mining, (iii) SpinCo and (iv) all holders of Gold Canyon Securities.

2.3 **Arrangement.** At the Effective Time, the following steps shall occur and shall be deemed to occur in the following order without any further act or formality (except as specified herein):

- (a) the Gold Canyon Rights Plan shall be terminated (and all rights thereunder shall expire) and shall be of no further force or effect;
- (b) all of the Spin-out Assets and Spin-out Liabilities shall be transferred to SpinCo by Gold Canyon in consideration for the issuance by SpinCo of such number of fully-paid and non-assessable SpinCo Shares to Gold Canyon such that immediately after the foregoing issuance Gold Canyon shall hold in the aggregate (together with the SpinCo Shares held immediately prior to the foregoing issuance) that number of SpinCo Shares that is equal to 0.03333 of (i) the total number of Gold Canyon Common Shares issued and outstanding immediately prior to the Effective Time less (ii) the number of Gold Canyon Common Shares held by Dissenting Shareholders;
- (c) Gold Canyon shall undertake a reorganization of capital within the meaning of Section 86 of the ITA as follows, with the following steps occurring in the following order:
  - (i) Gold Canyon's share capital and its Articles will be altered by (A) creating an unlimited number of Class A common shares (the "**Gold Canyon Class A Common Shares**") with the rights, privileges and restrictions as set forth in Schedule I hereto, and (B) amending the rights, privileges and restrictions attaching to the Gold Canyon Common Shares so as to match those set forth in Schedule II hereto;
  - (ii) each issued and outstanding Gold Canyon Common Share, other than those held by Dissenting Shareholders, shall be exchanged free and clear of all Encumbrances for one Gold Canyon Class A Common Share and 0.03333 of one SpinCo Share (the "**SpinCo Exchange Ratio**"); and
  - (iii) the capital of the outstanding Gold Canyon Class A Common Shares shall be an amount equal to the paid-up capital (within the meaning of the ITA) of the Gold Canyon Common Shares, less the paid-up capital (within the meaning of the ITA) of the Gold Canyon Common Shares that is attributable to each issued Gold Canyon Common Share held by Dissenting Shareholders and less the fair market value of the SpinCo Shares distributed to Gold Canyon Shareholders;
- (d) the following steps shall be effected contemporaneously:
  - (i) each issued and outstanding Gold Canyon Common Share held by a Dissenting Shareholder shall be deemed to be transferred by the holder thereof to First Mining, free and clear of all Encumbrances, and First Mining shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Article 4 hereof;

- (ii) each issued and outstanding Gold Canyon Class A Common Share held by a former Gold Canyon Shareholder, other than those held by Dissenting Shareholders and other than Gold Canyon Class A Common Shares beneficially owned by First Mining immediately prior to the Effective Time, shall be deemed to be transferred by the holder thereof to First Mining, free and clear of all Encumbrances, in exchange for one First Mining Common Share (the “**First Mining Exchange Ratio**”);
  - (iii) with respect to each Gold Canyon Common Share and each Gold Canyon Class A Common Share transferred under Section 2.3(d)(i) or (ii) the former holder thereof shall cease to be a registered or beneficial holder of such shares and the name of such holder shall be removed from the central securities register maintained by or on behalf of Gold Canyon in respect thereof and shall cease to have any rights as holders of such shares other than the right to receive the First Mining Common Shares and SpinCo Shares in accordance with this Plan of Arrangement;
  - (iv) each former holder of Gold Canyon Common Shares or Gold Canyon Class A Common Shares that was the registered holder thereof immediately prior to such transfer shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign such shares to First Mining;
  - (v) First Mining shall issue and cause to be delivered to each former holder of Gold Canyon Class A Common Shares the First Mining Common Shares to which such holder is entitled as aforesaid and the name of such holder shall be added to the securities register maintained by or on behalf of First Mining in respect of the First Mining Common Shares showing such holder as the registered holder of the First Mining Common Shares so issued; and
  - (vi) First Mining shall be added to the securities register maintained by or on behalf of Gold Canyon in respect of the Gold Canyon Common Shares and the Class A Common Shares showing First Mining as the sole legal and beneficial owner of such shares free and clear of all Encumbrances;
- (e) each Gold Canyon Warrant, to the extent it has not been exercised as of the Effective Date, will be exchanged by the holder thereof, without any further act or formality and free and clear of all Encumbrances, for:
- (i) a warrant (a “**First Mining Replacement Warrant**”) to purchase a number of First Mining Shares equal to the product of the First Mining Exchange Ratio multiplied by the number of Gold Canyon Common Shares issuable on exercise of such Gold Canyon Warrant immediately prior to the Effective Time for an exercise price per First Mining Share equal to the exercise price per share of such Gold Canyon Warrant immediately prior to the Effective Time divided by the First Mining Exchange Ratio and rounded up to the nearest whole cent (provided that, if the foregoing

calculation results in a First Mining Replacement Warrant being exercisable for a fraction of a First Mining Share, then the number of First Mining Shares subject to such First Mining Replacement Warrant shall be rounded down to the next whole number of First Mining Shares); and

- (ii) a warrant (a “**SpinCo Replacement Warrant**”) to purchase a number of SpinCo Shares equal to the product of the SpinCo Exchange Ratio multiplied by the number of Gold Canyon Common Shares issuable on exercise of such Gold Canyon Warrant immediately prior to the Effective Time for an exercise price per whole SpinCo Share equal to \$0.30, being the fair market portion of the exercise price per share of such Gold Canyon Warrant assigned to a SpinCo Replacement Warrant rounded up to the nearest whole cent, divided by the SpinCo Exchange Ratio and rounded up to the nearest whole cent (provided that, if the foregoing calculation results in a SpinCo Replacement Warrant being exercisable for a fraction of a SpinCo Share, then the number of SpinCo Shares subject to such SpinCo Replacement Warrant shall be rounded down to the next whole number of SpinCo Shares);

and the Gold Canyon Warrants shall thereupon be cancelled. The term to expiry, conditions to and manner of exercise (provided any Replacement Warrant shall be exercisable at the offices of First Mining and) and other terms and conditions of each of the Replacement Warrants shall be the same as the terms and conditions of the Gold Canyon Warrant for which it is exchanged. Any document previously evidencing the Gold Canyon Warrant shall thereafter evidence and be deemed to evidence such Replacement Warrant and no certificates evidencing the Replacement Warrants shall be issued; and

- (f) each Gold Canyon Option, to the extent it has not been exercised as of the Effective Date, will be exchanged by the holder thereof, without any further act or formality and free and clear of all liens, claims and encumbrances, for a stock option (a “**Replacement Option**”) to purchase a number of First Mining Shares equal to the product of the First Mining Exchange Ratio multiplied by the number of Gold Canyon Common Shares issuable on exercise of such Gold Canyon Option immediately prior to the Effective Time for an exercise price per First Mining Share equal to the exercise price per share of such Gold Canyon Option immediately prior to the Effective Time divided by the First Mining Exchange Ratio and rounded up to the nearest whole cent (provided that, if the foregoing calculation results in a Replacement Option being exercisable for a fraction of a First Mining Share, then the number of First Mining Shares subject to such Replacement Option shall be rounded down to the next whole number of First Mining Shares). The term to expiry, conditions to and manner of exercise and other terms and conditions of each of the Replacement Options shall be the same as the terms and conditions of the Gold Canyon Option for which it is exchanged except that such Replacement shall be governed by the terms and conditions of the First Mining Option Plan and, in the event of any inconsistency or conflict the First Mining Option Plan shall govern. Notwithstanding the foregoing, no such

First Mining Option shall expire due to the holder ceasing to hold office or ceasing to be an employee or consultant and each such First Mining Option shall terminate on the earlier of (i) the date of expiry of the Gold Canyon Option for which it was exchanged and (ii) the date 12 months after the Effective Date. Any document previously evidencing the Gold Canyon Option shall thereafter evidence and be deemed to evidence such Replacement Option and no certificates evidencing the Replacement Options shall be issued and

- (g) the exchanges, cancellations and steps provided for in this Section 2.3 shall be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not completed until after the Effective Time.

#### 2.4 **Post- Effective Time Procedures.**

- (a) Following receipt of the Final Order and prior to the Effective Date, First Mining shall deliver or arrange to be delivered to the Depositary the certificates representing the First Mining Shares and SpinCo shall deliver or arrange to be delivered to the Depositary the SpinCo Shares required to be issued to the former Gold Canyon Shareholders, in either case in accordance with Section 2.3 hereof, which certificates shall be held by the Depositary as agent and nominee for the former Gold Canyon Shareholders for distribution to the former Gold Canyon Shareholders in accordance with the provisions of Article 4 hereof.
- (b) Subject to the provisions of Article 4 hereof, and upon return of a properly completed Letter of Transmittal by a registered former Gold Canyon Shareholder together with certificates, if any, which, immediately prior to the Effective Date, represented Gold Canyon Common Shares and such other documents as the Depositary may require, former Gold Canyon Shareholders shall be entitled to receive delivery of the certificates representing the First Mining Shares and the SpinCo Shares to which they are entitled pursuant to Sections 2.3(c)(ii) and 2.3(d)(i).

2.5 **No Fractional Shares.** In no event shall any holder of Gold Canyon Common Shares be entitled to a fractional First Mining Share or a fractional SpinCo Share. Where the aggregate number of First Mining Shares to be issued to a former Gold Canyon Shareholder as consideration under this Arrangement would result in a fraction of a First Mining Share being issuable, the number of First Mining Shares to be received by such Gold Canyon Shareholder shall be rounded down to the nearest whole First Mining Share and no Person will be entitled to any compensation in respect of a fractional First Mining Share. Where the aggregate number of SpinCo Shares to be issued to a former Gold Canyon Shareholder as consideration under this Arrangement would result in a fraction of a SpinCo Share being issuable, the number of SpinCo Shares to be received by such Gold Canyon Shareholder shall be rounded down to the nearest whole SpinCo Share and no Person will be entitled to any compensation in respect of a fractional SpinCo Share and any remaining SpinCo shares held by Gold Canyon as a result will be returned by Gold Canyon and will be deemed to be cancelled.

2.6 **Adjustments to Exchange Ratios.** The First Mining Exchange Ratio shall be adjusted to reflect fully the effect of any stock split, reverse split, stock dividend (including any

dividend or distribution of securities convertible into First Mining Shares or Gold Canyon Common Shares), reorganization, recapitalization or other like change with respect to First Mining Shares or Gold Canyon Common Shares occurring after the date of the Arrangement Agreement and prior to the Effective Time. The SpinCo Exchange Ratio shall be adjusted to reflect fully the effect of any stock split, reverse split, stock dividend (including any dividend or distribution of securities convertible into SpinCo Shares or Gold Canyon Common Shares), reorganization, recapitalization or other like change with respect to SpinCo Shares or Gold Canyon Common Shares occurring after the date of the Arrangement Agreement and prior to the Effective Time.

2.7 **Paramountcy.** From and after the Effective Time:

- (a) this Plan of Arrangement shall take precedence and priority over any and all Gold Canyon Common Shares, Gold Canyon Warrants and Gold Canyon Options issued prior to the Effective Time;
- (b) the rights and obligations of the Gold Canyon Common Shares, Gold Canyon Warrants and Gold Canyon Options shall be solely as provided in this Plan of Arrangement; and
- (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Gold Canyon Common Shares, Gold Canyon Warrants and Gold Canyon Options shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

### **ARTICLE 3 RIGHTS OF DISSENT**

3.1 **Rights of Dissent.**

- (a) Registered holders of Gold Canyon Common Shares may exercise rights of dissent (“**Dissent Rights**”) with respect to such shares pursuant to and in the manner set forth in Section 237 to 247 of the Business Corporations Act and this Section 3.1 (the “**Dissent Procedures**”) in connection with the Arrangement; provided that, notwithstanding subsection 242(a) of the Business Corporations Act, the written objection to the Arrangement Resolution referred to in subsection 242(a) of the Business Corporations Act must be received by Gold Canyon not later than 5:00 p.m. (Vancouver time) on the business day that is two business days before the date of the Meeting or any date to which the Gold Canyon Meeting may be postponed or adjourned and provided further that Dissenting Shareholders who:
  - (i) are ultimately entitled to be paid fair value for their Gold Canyon Common Shares shall be deemed to have transferred such Gold Canyon Common Shares to First Mining 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 First Mining of the fair value thereof, in cash; or

- (ii) are ultimately not entitled, for any reason, to be paid fair value for their Gold Canyon Common Shares shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Gold Canyon Common Shares and shall receive First Mining Shares and SpinCo Shares on the basis determined in accordance with Sections 2.3(c)(ii) and 2.3(d)(i);

but in no case shall First Mining, Gold Canyon or any other Person be required to recognize such Persons as holders of Gold Canyon Common Shares or Gold Canyon Class A Common Shares after the Effective Time, and the names of such Persons shall be deleted from the applicable shareholder registers at the Effective Time.

- (b) In addition to any other restrictions set forth in the Business Corporations Act, none of the following shall be entitled to exercise Dissent Rights:
  - (i) Holders of Gold Canyon Options;
  - (ii) Gold Canyon Warrantholders; and
  - (iii) Gold Canyon Shareholders who vote in favour of the Arrangement Resolution.

#### **ARTICLE 4 DELIVERY OF CERTIFICATES**

4.1 **Exchange of Share Certificates.** As soon as practicable following the later of the Effective Date and the surrender to the Depositary for cancellation of certificates that, immediately before the Effective Time, represented a holder's Gold Canyon Common Shares, together with a duly completed Letter of Transmittal and such other documents and instruments as would have been required to effect the transfer of the shares formerly represented by such certificates under the Business Corporations Act and the Articles of Gold Canyon and such additional documents and instruments as the Depositary may reasonably require, (a) First Mining shall cause the Depositary to deliver to such holder a certificate representing that number of First Mining Shares which such holder has the right to receive and (b) SpinCo shall cause the Depositary to deliver to such holder a certificate representing that number of SpinCo Shares which such holder has the right to receive (together, in either case, with any dividends or distributions with respect thereto pursuant to Section 4.2) and the certificate so surrendered shall forthwith be cancelled. In the event of a transfer of ownership of Gold Canyon Common Shares which is not registered in the transfer records of Gold Canyon, certificates representing the proper number of First Mining Shares and SpinCo Shares may be issued to the transferee if the certificate representing such Gold Canyon Common Shares is presented to the Depositary, accompanied by all documents required to evidence and effect such transfer to the transferee. Until surrendered as contemplated by this Section 4.1, each certificate which immediately prior to the Effective Time represented one or more outstanding Gold Canyon Common Shares shall

be deemed at all times after the Effective Time to represent only the right to receive upon such surrender (i) the certificates representing First Mining Shares and SpinCo Shares as contemplated by this Section 4.1, and (ii) any dividends or distributions with a record date after the Effective Time theretofore paid or payable with respect to First Mining Shares and SpinCo Shares as contemplated by Section 4.2.

4.2 **Distributions with Respect to Unsurrendered Certificates.** No dividends or other distributions declared or made after the Effective Time with respect to First Mining Shares and SpinCo Shares with a record date after the Effective Time shall be paid to the holder of any unsurrendered certificate which immediately prior to the Effective Time represented outstanding Gold Canyon Common Shares that were exchanged pursuant to Section 2.3(d)(i), unless and until the holder of record of such certificate shall surrender such certificate in accordance with Section 4.1. Subject to applicable law, at the time of such surrender of any such certificate (or in the case of clause (ii) below, at the appropriate payment date), there shall be paid to the holder of record of the certificates formerly representing whole Gold Canyon Common Shares, without interest, (i) the amount of dividends or other distributions with a record date after the Effective Time theretofore paid with respect to such whole First Mining Share or SpinCo Share and (ii) on the appropriate payment date, the amount of dividends or other distributions with a record date after the Effective Time but prior to surrender and a payment date subsequent to surrender payable with respect to such whole First Mining Share or SpinCo Share.

4.3 **Lost Certificates.** In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Gold Canyon Common Shares that were exchanged pursuant to Section 2.3(d)(i) shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, one or more certificates representing one or more First Mining Shares and SpinCo Shares (and any dividends or distributions with respect thereto) deliverable in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom certificates representing First Mining Shares and SpinCo Shares are to be issued shall, as a condition precedent to the issuance thereof, give a bond satisfactory to First Mining, SpinCo and the Depositary in such sum as they may direct or otherwise indemnify First Mining, SpinCo and the Depositary in a manner satisfactory to each of them against any claim that may be made against them with respect to the certificate alleged to have been lost, stolen or destroyed.

4.4 **Extinction of Rights.** Any certificate which immediately prior to the Effective Time represented outstanding Gold Canyon Common Shares that were exchanged pursuant to Section 2.3(d)(i) and not deposited, with all other instruments required by Section 4.1 on or prior to the sixth anniversary of the Effective Date shall cease to represent a claim or interest of any kind or nature as a shareholder of First Mining or SpinCo. On such date, the First Mining Shares and SpinCo Shares to which the former registered holder of the certificate referred to in the preceding sentence was ultimately entitled shall be deemed to have been surrendered to First Mining or SpinCo, respectively, together with all entitlements to dividends, distributions and interest thereon held for such former registered holder. None of First Mining, SpinCo, Gold Canyon or the Depositary shall be liable to any person in respect of any First Mining Shares or

SpinCo Shares (or dividends, distributions and interest in respect thereof) delivered to a public official pursuant to any applicable abandoned property, escheat or similar law.

4.5 **Withholding and Sale Rights.** Each of First Mining, SpinCo and the Depositary shall be entitled to deduct and withhold from (i) any First Mining Shares, SpinCo Shares or other consideration otherwise issuable or payable pursuant to this Plan of Arrangement to any holder of Gold Canyon Common Shares, or (ii) any dividend or consideration otherwise payable to any holder of Gold Canyon Common Shares, First Mining Shares or SpinCo Shares such amounts as First Mining, SpinCo or the Depositary, respectively, is required to deduct and withhold with respect to such issuance or payment, as the case may be, under the ITA, the United States Internal Revenue Code of 1986 or any provision of provincial, state, local or foreign tax law, in each case as amended. To the extent that the amount so required to be deducted or withheld from the First Mining Shares, SpinCo Shares, dividends or consideration otherwise issuable or payable to a holder exceeds the cash portion of the consideration otherwise payable to such holder, each of First Mining, SpinCo and the Depositary is hereby authorized to sell or otherwise dispose of, at such times and at such prices as it determines, in its sole discretion, such portion of the First Mining Shares or SpinCo Shares otherwise issuable or payable to such holder as is necessary to provide sufficient funds to First Mining, SpinCo or the Depositary, as the case may be, to enable it to comply with such deduction or withholding requirement, and shall notify the holder thereof and remit to such holder any unapplied balance of the net proceeds of such sale or disposition (after deducting applicable sale commissions and any other reasonable expenses relating thereto) in lieu of the First Mining Shares, SpinCo Shares or other consideration so sold or disposed of. To the extent that amounts are so withheld or First Mining Shares or SpinCo Shares or other consideration are so sold or disposed of, such withheld amounts, or shares or other consideration so sold or disposed of, shall be treated for all purposes as having been paid to the holder of the shares in respect of which such deduction, withholding, sale or disposition was made, provided that such withheld amounts, or the net proceeds of such sale or disposition, as the case may be, are actually remitted to the appropriate taxing authority. None of First Mining, SpinCo or the Depositary shall be obligated to seek or obtain a minimum price for any of the First Mining Shares, SpinCo Shares or other consideration sold or disposed of by it hereunder, nor shall any of them be liable for any loss arising out of any such sale or disposition.

## **ARTICLE 5 AMENDMENTS**

5.1 This Plan of Arrangement may be amended, modified and/or supplemented at any time and from time to time prior to the Effective Date, provided that each such amendment, modification and/ or supplement must be (i) set out in writing, (ii) approved by First Mining and Gold Canyon (on its own behalf and on behalf of SpinCo), (iii) filed with the Court and, if made following the Meeting, approved by the Court, and (iv) communicated to holders of Gold Canyon Securities if and as required by the Court.

5.2 Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Gold Canyon at any time prior to the Meeting (provided that First Mining shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

5.3 Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Meeting shall be effective only if (i) it is consented to by each of Gold Canyon (on its own behalf and on behalf of SpinCo) and First Mining, and (ii) if required by the Court, it is consented to by the Gold Canyon Shareholders and the Gold Canyon Warrantholders voting in the manner directed by the Court.

5.4 Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by First Mining, provided that it concerns a matter which, in the reasonable opinion of First Mining, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any holder of Gold Canyon Securities.

5.5 This Plan of Arrangement may be withdrawn prior to the occurrence of any of the events in Section 2.3 in accordance with the terms of the Arrangement Agreement.

## **ARTICLE 6 FURTHER ASSURANCES**

6.1 Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done or executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out herein

## SCHEDULE I

### RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHED TO CLASS A COMMON SHARES OF GOLD CANYON RESOURCES INC.

The Class A Common Shares shall have the following rights, privileges, restrictions and conditions:

1. **Voting.** The holders of the Class A Common Shares are entitled to receive notice of and attend all meetings of the shareholders of the Company and to cast one vote for each share held, except meetings to which only holders of specified classes or series of shares are entitled to vote.
2. **Dividends.** Subject to the rights attaching to any other shares of the Company, the holders of the Class A Common Shares shall be entitled to receive dividends, as and when declared by the directors in their absolute discretion from time to time.
3. **Participation.** Subject to the rights attaching to any other shares of the Company, in the event of the liquidation, dissolution or winding-up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs or upon a reduction of capital, the holders of the Class A Common Shares shall be entitled to receive a pro rata portion of the remaining property of the Company.

## SCHEDULE II

### RIGHTS, PRIVILEGES, RESTRICTIONS AND CONDITIONS ATTACHED TO COMMON SHARES OF GOLD CANYON RESOURCES INC.

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

1. **Voting.** The holders of the Common Shares shall not as such be entitled to receive notice of or to attend any meetings of the shareholders of the Company or to cast any vote thereat, except for meetings at which only holders of that class of shares are entitled to vote.
2. **Dividends.**
  - (a) Holders of the Common Shares shall be entitled to receive in priority to any other shares of the Company, if, as and when declared thereon by the board of directors of the Company, a non-cumulative preferential dividend in the amount (if any) declared by the board of directors of the Company.
  - (b) No dividends shall be declared or paid in any year on any other shares of the Company unless all dividends which shall have been declared and which remain unpaid on the Common Shares then issued and outstanding shall have been paid or provided for at the date of such declaration.
  - (c) The rights of the holders of the Common Shares to dividends in any year shall be limited to the non-cumulative, preferential dividend specified in this Section 2.
3. **Participation.** Subject to the rights attaching to any other shares of the Company, in the event of the liquidation, dissolution or winding-up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs or upon a reduction of capital, the holders of the Common Shares shall be entitled to receive a pro rata portion of the remaining property of the Company.