

## AMALGAMATION AGREEMENT

**DATED** as of February 5, 2021

**BETWEEN:**

**HOLLY STREET CAPITAL LTD.**, a company existing under the laws of the Province of British Columbia ("**Holly Street**")

**AND:**

**2812239 ONTARIO INC.**, a company existing under the laws of the Province of Ontario ("**Holly Street Subsidiary**")

**AND:**

**SOUTHERN SKY RESOURCES CORP.**, a company existing under the laws of the Province of Ontario

("Southern Sky")

**WHEREAS:**

- A. Holly Street desires to acquire all of the issued and outstanding shares of Southern Sky pursuant to a three-cornered amalgamation among Holly Street, Holly Street Subsidiary (a wholly-owned subsidiary of Holly Street) and Southern Sky (the "**Transaction**").
- B. Pursuant to the Transaction, Southern Sky and Holly Street Subsidiary intend to amalgamate under the provisions of the *Business Corporations Act* (Ontario) on the terms and conditions described in this Agreement so that the shareholders of Southern Sky become shareholders of Holly Street and Holly Street Subsidiary and Southern Sky continue as one corporation, which shall be a wholly-owned subsidiary of Holly Street.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the mutual agreements and covenants herein contained (the receipt and adequacy of such consideration being mutually acknowledged by each party), the parties covenant and agree as follows:

### **ARTICLE 1 INTERPRETATION**

- 1.1 **Definitions:** In this Agreement the following words and phrases shall have the following meanings:
- (a) "**Amalco**" means the corporation to be formed by the Amalgamation;
  - (b) "**Amalco Shares**" means common shares in the capital of Amalco;
  - (c) "**Amalgamating Corporations**" means, collectively, Holly Street Subsidiary and Southern Sky;

- (d) “**Amalgamation**” means the amalgamation of Holly Street Subsidiary and Southern Sky under Section 174 of the OBCA and in accordance with the terms and conditions of this Agreement;
- (e) “**Assets**” means all property or assets of any nature or kind, whether real or personal, tangible or intangible, corporeal or incorporeal, and includes any interest therein;
- (f) “**Business Day**” means any day other than a Saturday, Sunday or any statutory holiday in the Province of Ontario;
- (g) “**Claim**” means (a) any suit, action, proceeding, dispute, investigation, claim, arbitration, order, summons, citation, directive, charge, demand or prosecution, whether legal or administrative; or (b) any appeal or application for review, at law or in equity or by any Governmental Body;
- (h) “**Closing**” means the closing of the Transaction;
- (i) “**Colombia Subsidiary**” means Minera Cielo Azul S.A.S.;
- (j) “**Consolidation**” has the meaning ascribed to it in section 7.4(e);
- (k) “**Corpoare**” means Corporación Área de Reserva Especial Minera de Quinchía, the underlying vendors of mineral concession LJT-14001X under the Option Agreement with Southern Sky;
- (l) “**Effective Date**” means the effective date indicated upon the Articles of Amalgamation issued pursuant to the Amalgamation, which will be such date on or before April 30, 2021, which is three Business Days after the date on which all conditions precedent hereunder have been satisfied or waived and all necessary approvals are received, or waived, by Holly Street and Southern Sky with respect to the Transaction, to the extent such party has the right hereunder to waive such approval, or such later time or date as may be agreed upon in writing by the parties;
- (m) “**Effective Time**” means the effective time of the Amalgamation indicated on the Articles of Amalgamation issued pursuant to the Amalgamation, which will be 5:00 p.m. (Toronto time) on the Effective Date or such other time as agreed to in writing by the parties;
- (n) “**Encumbrances**” means any lien, claim, charge, pledge, hypothecation, security interest, mortgage, title retention agreement, option, royalty, or encumbrance of any nature or kind whatsoever;
- (o) “**Environmental Laws**” means all applicable international, federal, provincial, state, municipal and local treaties, conventions, laws, statutes, ordinances, by-laws, codes, regulations, and all policies, guidelines, standards, orders, directives and decisions rendered or promulgated by any ministry, department or administrative or regulatory agency or body whatsoever (including international organizations formed by or participated in by any national, provincial or state government or representatives thereof) relating to health and safety, the protection or preservation of the environment or the manufacture, processing, distribution,

use, treatment, storage, disposal, discharge, transport or handling of any product or import of Southern Sky or any Hazardous Substances;

- (p) **“Environmental Permits”** means all permits, licences and authorizations required under Environmental Laws in connection with the conduct and operation of business, as currently conducted;
- (q) **“Filing Statement”** means a filing statement of Holly Street with respect to Southern Sky jointly prepared by the parties in accordance with the requirements of the rules and regulations of the TSXV;
- (r) **“Guyana Subsidiaries”** means Guyana Au Corp Inc. and Southern Sky (Guyana) Inc.;
- (s) **“Governmental Body”** means any domestic or foreign (a) federal, provincial, state, municipal, local or other government, (b) governmental or quasi-governmental authority of any nature, including any governmental ministry, agency, branch, department, commission, court, board, tribunal, bureau or instrumentality, or (c) body exercising or entitled to exercise any administrative, executive, judicial, legislative, regulatory or taxing authority or power of any nature;
- (t) **“Hazardous Substances”** means any contaminant, pollutant, dangerous substance, liquid waste, industrial waste, hauled liquid waste, toxic substance, special waste, hazardous waste, hazardous material or hazardous substance as defined in or pursuant to any Environmental Laws, law, judgment, decree, order, injunction, rule, statute or regulation of any court, arbitrator or governmental authority;
- (u) **“Holly Street”** has the meaning ascribed to it above;
- (v) **“Holly Street Meeting”** means the annual general meeting, including any adjournments or postponements thereof, of the shareholders of Holly Street currently scheduled to be held to consider, and, if deemed advisable, approve the matters described in the management information circular of Holly Street dated December 16, 2020;
- (w) **“Holly Street Shares”** means common shares in the capital of Holly Street;
- (x) **“Holly Street Subsidiary”** has the meaning ascribed to it above;
- (y) **“Losses”** or **“Loss”** in respect of any matter, means any and all costs, expenses, penalties, fines, losses, damages, liabilities and deficiencies (including all amounts paid in settlement, all interest and penalties and all legal and other professional fees and disbursements, including those incurred in defending any Claim) arising directly or indirectly as a consequence of such matter;
- (z) **“Material Contracts”** means those commitments, contracts, instruments, leases and other agreements, oral or written, entered into by a party hereto, by which a party hereto is bound or to which it or its Assets are subject that have total payment obligations on the part of that party that exceed \$25,000;
- (aa) **“OBCA”** means the *Business Corporations Act* (Ontario);

- (bb) **“Option Agreement”** means the option agreement dated June 12, 2020 among Southern Sky and Corpoare pursuant to which Southern Sky has a right to acquire a 100% interest in the Project X Property;
- (cc) **“Option Agreement Amendment”** means the amendment to the Option Agreement that may be entered into subsequent to the date hereof, a draft of which has been provided to Holly Street;
- (dd) **“Person”** includes an individual, corporation, body corporate, partnership, joint venture, association, trust or unincorporated organization or any trustee, executor, administrator or other legal representative thereof;
- (ee) **“Private Placement”** means the private placement of 6,063,750 Subscription Receipts at a price of \$0.40 for aggregate gross proceeds of \$2,425,500, or such other greater amount as determined by Southern Sky, in its sole discretion;
- (ff) **“Project X Property”** means the concession N° LJT-14001X under option with Corpoare, located in Colombia in the Department of Risaralda covering an area of 584.39 hectares;
- (gg) **“Representatives”** means, with respect to any party, its directors, employees, accountants, counsel and other agents and representatives;
- (hh) **“Resulting Issuer”** means Holly Street as it exists upon the Closing;
- (ii) **“Seed Round Issuance”** means the private placement of up to 1,511,153 Southern Sky Shares at a price of \$0.10 per share to be completed by Southern Sky prior to the date that is one (1) month after the date hereof;
- (jj) **“Southern Sky”** has the meaning ascribed to it above;
- (kk) **“Southern Sky Meeting”** means the special meeting, including any adjournments or postponements thereof, of the shareholders of Southern Sky to be held to consider and, if deemed advisable, approve, among other things, the Amalgamation;
- (ll) **“Southern Sky Options”** means the 200,000 options, each exercisable to purchase a Southern Sky Share at \$0.10 per share;
- (mm) **“Southern Sky Mineral Rights”** has the meaning ascribed to it in section 4.1(u);
- (nn) **“Southern Sky Properties”** has the meaning ascribed to it in section 4.1(u);
- (oo) **“Southern Sky Shares”** means common shares in the capital of Southern Sky;
- (pp) **“Subscription Receipts”** means subscription receipts of Southern Sky convertible effective prior to Closing for no additional consideration into common shares in the capital of Southern Sky such that one Subscription Receipt is convertible into one common share;
- (qq) **“Transaction”** has the meaning ascribed to it above; and

(rr) “**TSXV**” means the TSX Venture Exchange.

1.2 **Interpretation:** For the purposes of this Agreement, except as otherwise expressly provided herein:

- (a) “this Agreement” means this Agreement, including the Schedules hereto, as it may from time to time be supplemented or amended;
- (b) all references in this Agreement to a designated Article, section, subsection, paragraph, or other subdivision, or to a Schedule, is to the designated Article, section, subsection, paragraph or other subdivision of, or Schedule to, this Agreement unless otherwise specifically stated;
- (c) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, clause, subsection or other subdivision or Schedule;
- (d) “the parties” means the parties to this Agreement, being Holly Street, Holly Street Subsidiary, Southern Sky, and “a party” means either one of them;
- (e) the singular of any term includes the plural and *vice versa* and the use of any term is equally applicable to any gender and where applicable to a body corporate;
- (f) the word “including” is not limiting (whether or not non-limiting language such as “without limitation”, “but not limited to” and other words of similar import are used with reference thereto);
- (g) the headings to the Articles and clauses of this Agreement are inserted for convenience only and do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof;
- (h) the parties acknowledge that this Agreement is the product of arm’s length negotiation between the parties, each having obtained its own independent legal advice, and that this Agreement shall be construed neither strictly for nor strictly against either party irrespective of which party was responsible for drafting this Agreement;
- (i) the representations, warranties, covenants and agreements contained in this Agreement shall not merge at the Closing and shall continue in full force and effect from and after the Effective Date for the applicable period set out in this Agreement; and
- (j) unless otherwise specifically noted, all references to money in this Agreement are or shall be to lawful money of Canada. If it is necessary to convert money from another currency to lawful money of Canada, such money shall be converted to lawful money of Canada using the exchange rates in effect at the close of business on the Business Day prior to the Effective Date.

1.3 **Schedules:** The following are the schedules to this Agreement:

Schedule 2.1	Articles of Amalgamation
Schedule 4.1(g)	Convertible Securities
Schedule 4.1(j)	Liabilities
Schedule 4.1(k)	Material Contracts
Schedule 4.1(r)	Employment Agreements
Schedule 4.1(u)(i)	Properties
Schedule 4.1(u)	Mineral Rights

## ARTICLE 2 THE AMALGAMATION

### 2.1 Implementation Steps

- (a) Holly Street shall call and convene the Holly Street Meeting.
- (b) Southern Sky shall call and convene the Southern Sky Meeting.
- (c) Holly Street covenants in favour of the other parties hereto that it shall, in its capacity as the sole shareholder of Holly Street Subsidiary, approve and execute a special resolution approving the Amalgamation prior to the Closing Date.
- (d) Following the approval of this Agreement by the shareholders of the Amalgamating Corporations in accordance with the OBCA and with the terms of this Agreement, and subject to the satisfaction or waiver of all conditions precedent set forth in this Agreement the Amalgamating Corporations shall jointly file the Articles of Amalgamation as set out in Schedule 2.1 hereto with the director, as provided under the OBCA.

### 2.2 Effects of the Amalgamation

At the Effective Time, the following shall occur and shall be deemed to occur without any further act or formality:

- (a) Holly Street Subsidiary and Southern Sky shall amalgamate to form Amalco and shall continue as one company under the OBCA in the manner set out in Section 2.6 hereof and with the effect as of the Effective Time; and
- (b) immediately upon the Amalgamation:
  - (i) each one Southern Sky Share shall be exchanged for one fully-paid and non-assessable Holly Street Share (post-Consolidation);
  - (ii) each one Southern Sky Option shall be exchanged for one equivalent option to purchase common shares of the Resulting Issuer with the same exercise price and expiry time as the Southern Sky Option;
  - (iii) all of the property and assets of each of Holly Street Subsidiary and Southern Sky shall be the property and assets of Amalco and Amalco shall be liable for all of the liabilities and obligations of each of Holly Street Subsidiary and Southern Sky; and
  - (iv) Amalco shall be a wholly-owned subsidiary of Holly Street.

### 2.3 Press Releases

Upon execution of this Agreement, Holly Street and Southern Sky shall issue a press release that announces that the parties have entered into this Agreement and providing such further information concerning the Transaction as the parties may agree or as is otherwise required by the TSXV. The parties shall consult with each other in respect to issuing any press release or otherwise making any public statement with respect to this Agreement or the Amalgamation, its business or operations and in making any filing with any Governmental Body, securities regulatory authority or stock exchange with respect thereto. Each of Holly Street and Southern Sky shall use commercially reasonable efforts to enable the other party to review and comment on all such press releases, public statements and filings prior to the release or filing, respectively, thereof, provided, however, that the obligations herein shall not prevent a party from making, after consultation with the other party, such disclosure as is required by applicable laws or the rules and policies of any applicable stock exchange. Reasonable consideration shall be given to any comments made by the other party and its counsel.

### 2.4 Southern Sky Circular

- (a) As promptly as reasonably practicable following execution of this Agreement, Southern Sky, in consultation with the other parties, shall prepare the information circular for the Southern Sky Meeting together with any other documents required by applicable laws. On the date thereof, Southern Sky shall ensure that this information circular complies in all material respects with all applicable laws and that it contains sufficient detail to permit the Southern Sky shareholders to form a reasoned judgment concerning the matters to be placed before them at the Southern Sky Meeting.
- (b) The parties shall also use best efforts to obtain any necessary consents from any of its auditors and any other advisors to the use of any financial, technical or other expert information required to be included in the information circular for the Southern Sky Meeting. The parties shall ensure that any information related to itself does not include any misrepresentation.
- (c) The parties shall each promptly notify each other if at any time before the Effective Date either becomes aware that the information circular for the Southern Sky Meeting contains a misrepresentation, or that otherwise requires an amendment or supplement to the information circular and the parties shall co-operate in the preparation of any amendment or supplement as required or appropriate, and Southern Sky shall promptly mail or otherwise publicly disseminate any amendment or supplement to the Southern Sky shareholders and, if required by applicable laws, file the same with any Governmental Body or stock exchange and as otherwise required.

### 2.5 Filing Statement

- (a) As promptly as reasonably practicable following execution of this Agreement, and in any event no later than April 15, 2021, Southern Sky shall (i) finalize the Filing Statement together with any other documents required by the policies of the TSXV, (ii) file the Filing Statement with the TSXV together with any other documents required by the policies of the TSXV, and (iii) use its commercially reasonable efforts to have the Filing Statement accepted for filing by the TSXV.

- (b) Southern Sky shall ensure that the Filing Statement complies in all material respects with the policies of the TSXV, and, without limiting the generality of the foregoing, will ensure that the Filing Statement will not contain any misrepresentation (except that Southern Sky shall not be responsible for any information relating to Holly Street or its affiliates, which has been provided by Holly Street specifically for inclusion in the Filing Statement or otherwise obtained from Holly Street).
- (c) Holly Street shall provide to Southern Sky all information regarding itself and its affiliates, including but not limited to any: (i) audited and unaudited financial statements; and (ii) information necessary to prepare pro forma financial statements; in accordance with International Financial Reporting Standards and applicable laws as required by TSXV policies for inclusion in the Filing Statement or in any amendments or supplements to such Filing Statement. Each of the parties shall also use commercially reasonable efforts to obtain any necessary consents from any of its auditors and any other advisors to the use of any financial, technical or other expert information required to be included in the Filing Statement and to the identification in the Filing Statement of each such advisor. Each of the parties shall ensure that such information does not include any misrepresentation concerning it.
- (d) Holly Street and its legal counsel shall be given a reasonable opportunity to review and comment on the Filing Statement prior to the Filing Statement being filed with the TSXV, and reasonable consideration shall be given to any comments made by each of Holly Street and its legal counsel, provided, however, that all information relating solely to each of the other parties and their respective affiliates included in the Filing Statement shall be in form and content satisfactory to such party, acting reasonably. Southern Sky shall provide Holly Street with a final copy of the Filing Statement prior to the filing with the TSXV.
- (e) Each of the parties shall promptly notify each of the other parties if at any time before the Effective Date it becomes aware that the Filing Statement contains a misrepresentation, or that otherwise requires an amendment or supplement to the Filing Statement and the parties shall co-operate in the preparation of any amendment or supplement to the Filing Statement as required or appropriate, and the parties shall promptly file any amendment or supplement to the Filing Statement with the TSXV.

## 2.6 **Amalco**

Following the Amalgamation, Amalco shall be organized as follows:

- (a) The name of Amalco shall be such name as may be approved by Southern Sky.
- (b) The registered office of Amalco shall be 82 Richmond Street East, 1st Floor, Toronto, ON M5C 1P1, or such other address as may be approved by Southern Sky.
- (c) There shall be no restrictions on the business that Amalco may carry on or on the powers that Amalco may exercise.
- (d) The authorized capital of Amalco shall be an unlimited number of common shares.



- (e) No securities in the capital of Amalco (other than non-convertible debt securities) shall be transferred without either:
  - (i) the previous consent of the board of directors expressed by a resolution passed by the board of directors or by an instrument or instruments in writing signed by a majority of the directors; or
  - (ii) the previous consent of the holders of at least 51% of the securities of that class for the time being outstanding expressed by a resolution passed by the security holders or by an instrument or instruments in writing signed by such security holders.
- (f) The stated capital account in the records of Amalco for Amalco Shares shall be equal to the stated capital attributed to the shares of the companies amalgamating to create Amalco.
- (g) The board of directors of Amalco shall consist of not less than one and not more than ten directors, until changed in accordance with the OBCA. Until changed by the shareholders of Amalco, or by the directors of Amalco if authorized by the shareholders of Amalco, the number of directors of Amalco shall be two.
- (h) The first director of Amalco shall be Roger Connors, 729 – 45 Lisgar Street, Toronto, Ontario M6J 0B8.
- (i) The director named above shall hold office from the Effective Date until the later of the close of the first annual meeting of shareholders of Amalco and the date on which a successor is elected or appointed.
- (j) The by-laws of Amalco shall be, to the extent not inconsistent with this Agreement, the by-laws of Southern Sky, unless and until repealed or amended.
- (k) The first auditors of Amalco shall be McGovern Hurley LLP, Chartered Accountants. The first auditors of Amalco shall hold office until the first annual meeting of shareholders of Amalco following the Amalgamation, or until their successor is appointed.
- (l) The fiscal year end of Amalco shall be September 30.

## 2.7 Resulting Issuer

- (a) **Name.** The name of the Resulting Issuer shall be “Southern Sky Resources Corp.” or such other name as may be approved by Southern Sky.
- (b) **Registered Office.** The registered office of the Resulting Issuer shall be situated at 400-725 Granville Street Vancouver, BC V7Y 1G5 or such other address as may be approved by Southern Sky.
- (c) **First Directors.** The number of directors of the Resulting Issuer upon Closing shall be four (4). Subject to the receipt of all necessary approvals, the directors of the Resulting Issuer shall be: Roger Connors, Kyle Stevenson, Joel Freudman and such other director determined by Southern Sky. These directors shall hold office

until the first annual meeting of the shareholders of the Resulting Issuer following Closing, or until their successors are duly appointed or elected.

- (d) **Officers.** The officers of the Resulting Issuer, until changed or added to by the board of directors of the Resulting Issuer, shall be as follows: Roger Connors as Chairman, Chief Executive Officer and Victor Hugo as Chief Financial Officer and Corporation Secretary.
- (e) **Auditors.** The Auditors of the Resulting Issuer shall be McGovern Hurley LLP.

## 2.8 Structuring

The parties and their advisors shall in good faith consider and investigate whether the transactions contemplated by this Agreement may be effected in a manner that is more tax efficient than that set out herein. If, following such investigation, the parties deem it necessary or advisable, the parties shall amend this Agreement in order to provide for a more tax efficient structure.

## ARTICLE 3 HOLLY STREET REPRESENTATIONS AND WARRANTIES

3.1 **Representations and Warranties.** In order to induce the other parties to enter into and to consummate the transactions contemplated hereunder, Holly Street represents and warrants to Southern Sky as follows:

- (a) Organization and Good Standing: Each of Holly Street and Holly Street Subsidiary are companies duly incorporated and validly existing under the laws of the Province of British Columbia and the Province of Ontario, respectively.
- (b) Corporate Structure: The authorized capital of Holly Street Subsidiary consists of an unlimited number of common shares. Holly Street owns a 100% interest, on a fully diluted basis, in Holly Street Subsidiary.
- (c) Authority: Each of Holly Street and Holly Street Subsidiary has all necessary corporate power, authority and capacity to complete the Amalgamation and to perform its obligations hereunder, subject to the receipt of requisite regulatory and shareholder approval, pursuant to the terms thereof. The execution and delivery of this Agreement has been duly authorized by all necessary corporate action on the part of Holly Street and Holly Street Subsidiary and this Agreement has been duly executed and delivered by Holly Street and Holly Street Subsidiary and constitutes a valid and binding obligation thereof, except as such enforceability may be limited by general principles of equity and by bankruptcy, insolvency, reorganization or similar laws and judicial decisions affecting the rights of creditors generally.
- (d) Compliance: The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by Holly Street and Holly Street Subsidiary, and the completion of the transactions contemplated hereby, will not conflict with nor constitute or result in a violation or breach of or material default under or cause the acceleration of any obligations of Holly Street or Holly Street Subsidiary under:

- (i) any term or provision of any of its notice of articles, articles or other constating documents of Holly Street or Holly Street Subsidiary or any director or shareholder minutes;
  - (ii) the terms of any indenture, agreement (written or oral), instrument or understanding or other obligation or restriction to which Holly Street and/or Holly Street Subsidiary is a party or by which it is bound; or
  - (iii) any term or provision of any licenses, registrations or qualification of Holly Street or Holly Street Subsidiary or any order of any court, governmental authority or regulatory body or any applicable law or regulation of any jurisdiction.
- (e) Minute Books: The minute books of Holly Street and Holly Street Subsidiary are true and correct in all material respects, contain the duly signed minutes of all meetings of the board of directors, shareholders and board committees of Holly Street, as applicable.
- (f) Absence of Undisclosed Liabilities: Neither Holly Street nor Holly Street Subsidiary have any outstanding indebtedness or any liabilities or obligations (whether accrued, absolute, contingent or otherwise) other than (i) those provided for historically in the financial statements of Holly Street filed on SEDAR, and (ii) any subsequent non-material liabilities incurred by Holly Street in the ordinary course of business, including legal fees relating to the Transaction.
- (g) Material Contracts: Neither Holly Street nor Holly Street Subsidiary is a party to nor bound by any Material Contract, whether oral or written.
- (h) Absence of Guarantees: Neither Holly Street nor Holly Street Subsidiary is subject to any guarantees, indemnities or contingent or indirect obligations with respect to the liabilities or obligations of any other Person (including any obligation to service the debt of or otherwise acquire an obligation of another Person or to supply funds to, or otherwise maintain any working capital or other statement of financial position condition of any other Person).
- (i) Financial Condition The financial statements of Holly Street for its most recently completed financial year and its most recently completed interim period contained on its public disclosure record available at [www.sedar.com](http://www.sedar.com): (i) complied as to form in all material respects with the published rules and regulations under the applicable securities laws; (ii) were reported in accordance with International Financial Reporting Standards; and (iii) present fairly the consolidated financial position of Holly Street and its subsidiaries, on a consolidated basis, as of the respective dates thereof and the consolidated results of operations of Holly Street and its subsidiaries, if any, for the periods covered thereby, and there has been no material adverse change to Holly Street's financial condition since September 30, 2020.
- (j) Filings: Holly Street:
  - (i) has duly filed in a timely manner all income tax returns and election forms in all jurisdictions where such tax returns or election forms are required to be filed and, to the best of Holly Street's knowledge, all such returns and

forms have been completed accurately and correctly in all material respects; and

- (ii) has paid all taxes and all interest and penalties thereon for all previous years and all required quarterly instalments due for the current fiscal year have been paid;

and there is no agreement, waiver or other arrangement providing for an extension of time with respect to the filing of any tax return, or payment of any tax, governmental charge or deficiency, nor is there any action, suit, litigation, arbitration, proceeding, governmental proceeding, investigation or claim, including appeals and applications for review, in progress, or to the best of Holly Street's knowledge, threatened or pending against or in relation to Holly Street or any of its assets in respect of, or discussions underway with any governmental authority relating to, any such tax or governmental charge or deficiency.

- (k) Capitalization: Other than the 7,510,000 common shares and 700,000 stock options to purchase common shares, there are no authorized, outstanding or existing securities of Holly Street outstanding.
- (l) Subsidiary Capitalization: One common share represents all of the issued and outstanding shares in the capital of Holly Street Subsidiary and no Person has any agreement, right or option, present or future, contingent, absolute or capable of becoming an agreement, right or option or which with the passage of time or the occurrence of any event could become an agreement, right or option to acquire Holly Street Subsidiary, or any interest therein.
- (m) Related Party Indebtedness: Neither Holly Street nor Holly Street Subsidiary is indebted to any directors, officers, or consultants of Holly Street or any affiliate or associate of any of them, on any account whatsoever.
- (n) Absence of Contingent Tax Liabilities: There are no contingent tax liabilities against Holly Street or its subsidiaries nor to the best of Holly Street's knowledge, any grounds that could prompt a reassessment.
- (o) Litigation: There is no suit, action, litigation, investigation, claim, complaint or proceeding before any governmental authority in progress or pending or, to Holly Street's knowledge, threatened against or relating to it, any of its subsidiaries or their respective assets that, if determined adversely to Holly Street or its subsidiaries, would prevent it from fulfilling all of its obligations set out in this Agreement or arising from this Agreement or that would be expected to have a materially adverse effect upon Holly Street, its subsidiaries, their respective financial condition, results of operations or business prospects, and, to the best of Holly Street's knowledge, there are no existing grounds on which any such action, suit, litigation or proceeding might be commenced with any likelihood of success.
- (p) Anti-Corruption. Neither Holly Street nor its subsidiaries, nor any of their respective directors, officers, agents, employees or any other Person acting on Holly Street's behalf has, in connection with the operation of its respective business, used any corporate or other funds for unlawful contributions, payments, gifts or entertainment, or made any unlawful expenditures relating to political activity to

government officials, candidates or members of political parties or organizations, or established or maintained any unlawful or unrecorded funds in violation in any material respect of the *Corruption of Foreign Public Officials Act* (Canada) or any other similar applicable law.

- (q) Reporting Issuer. Holly Street is a “reporting issuer” as such term is defined under the securities legislation of British Columbia, Alberta and Ontario and has been a reporting issuer for more than four months prior to the Effective Time and has no reason to believe that it is in default of applicable securities legislation.
- (r) Employment Agreements. There is no change of control payment that is triggered by this transaction, and there are no severance payments or termination payments that Holly Street or Holly Street Subsidiary is obligated to pay, including without limitation, to any consultants, directors, officers, employees or agents.

3.2 **Survival:** The representations and warranties of Holly Street hereunder shall survive the Closing for a period of 24 months, notwithstanding the waiver of any condition by the other parties.

3.3 **Reliance:** Holly Street acknowledges and agrees that the other parties have entered into this Agreement relying on the warranties and representations and other terms and conditions of this Agreement.

#### **ARTICLE 4 SOUTHERN SKY REPRESENTATIONS AND WARRANTIES**

4.1 **Southern Sky Representations and Warranties:** In order to induce the other parties to enter into and to consummate the transactions contemplated hereunder, Southern Sky represents and warrants to the other parties as follows:

- (a) Organization and Good Standing: Southern Sky validly exists under the laws of the Province of Ontario and each of the Colombia Subsidiary and the two Guyana Subsidiaries validly exists under the laws of the jurisdiction in which it is organized and each of Southern Sky, the Colombia Subsidiary and the two Guyana Subsidiaries has all necessary corporate power, authority and capacity to own their respective Assets and to carry on its business as presently conducted.
- (b) Corporate Structure: The authorized capital of Southern Sky consists of an unlimited number of common shares, of which there are 18,988,847 issued and outstanding. Other than the common shares described in subsection 4.1(g), there are no other issued and outstanding securities of Southern Sky. Southern Sky holds a 100% direct interest in the Colombia Subsidiary and the two Guyana Subsidiaries. Other than the Colombia Subsidiary and the two Guyana Subsidiaries, Southern Sky has no other direct or indirect subsidiaries, nor any investment in any Person or any agreement, option or commitment to acquire any such investment.
- (c) Shareholders: The Southern Sky shareholders, a list of which has been provided to Holly Street in writing, are the registered holders of all of the issued and outstanding common shares in the capital of Southern Sky. Each Southern Sky Share has been duly and validly issued and is outstanding as fully paid and non-assessable shares in the capital of Southern Sky.

- (d) Authority: Subject to the receipt of requisite shareholder approval, Southern Sky has all necessary corporate power, authority and capacity to enter into this Agreement and to perform its obligations hereunder including the completion of the Amalgamation and to perform its obligations hereunder. Subject to the receipt of requisite shareholder approval, the execution and delivery of this Agreement has been duly authorized by all necessary corporate action on the part of Southern Sky and this Agreement has been duly executed and delivered by Southern Sky and constitutes a valid, binding and enforceable obligation of Southern Sky, except as such enforceability may be limited by general principles of equity and by bankruptcy, insolvency, reorganization or similar laws and judicial decisions affecting the rights of creditors generally.
- (e) Tax Status: Southern Sky is not a “non-resident” of Canada within the meaning of the *Income Tax Act*.
- (f) Agreement Valid: Southern Sky is not a party to, bound by or subject to any indenture, mortgage, lease, agreement, instrument, statute, regulation, order, judgment, decree or law that would be violated, contravened or breached by, or under which any default would occur as a result of, the authorization, execution and delivery of this Agreement by Southern Sky or the performance by it of any of the terms hereof. None of the authorization, execution or delivery of this Agreement by Southern Sky, nor the performance of its obligations hereunder will violate, conflict with or breach its or the its articles or by-laws or other organizational documents, or any Permit or Material Contract by which Southern Sky, the Colombia Subsidiary or the Guyana Subsidiaries or their respective Assets are bound.
- (g) Convertible Securities: As of the date hereof, other than as described in Schedule 4.1(g) to this Agreement, no Person has any agreement, right or option, present or future, contingent, absolute or capable of becoming an agreement, right or option or which with the passage of time or the occurrence of any event could become an agreement, right or option to acquire Southern Sky, or any interest therein.
- (h) Financial Statements: The financial statements to be delivered by Southern Sky will be prepared in accordance with IFRS and will present fairly the financial position of Southern Sky as at the date set out therein and the results of such company’s operations and the changes in such company’s financial position for the period then ended, and shall reflect any reserves required to be included under IFRS in the preparation of its financial statements.
- (i) Minute Books: The minute books of Southern Sky are true and correct in all material respects; contain the duly signed minutes of all meetings of the board of directors, shareholders and board committees of Southern Sky, as applicable, and all resolutions passed by the board of directors, shareholders and board committees of Southern Sky, as applicable.
- (j) Absence of Undisclosed Liabilities: Except as disclosed in Schedule 4.1(j), Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries do not have any outstanding indebtedness or any liabilities or obligations (whether accrued, absolute, contingent or otherwise) other than those provided for historically in the

financial statements or incurred in the ordinary course of business in accordance with past practice.

- (k) Material Contracts: Except for the Material Contracts set out in Schedule 4.1(k), Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries are not a party to nor bound by any Material Contract, whether oral or written, and the Material Contracts listed in Schedule 4.1(k) are all valid and subsisting, in full force and effect and unamended, no material default exists in respect thereof on the part of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries or, to the best of Southern Sky's knowledge, on the part of any of the other parties thereto. Southern Sky is not aware of any intention on the part of any of the other parties thereto to terminate or materially alter any of such Material Contracts.
- (l) Absence of Guarantees: Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries are not subject to any guarantees, indemnities or contingent or indirect obligations with respect to the liabilities or obligations of any other Person (including any obligation to service the debt of or otherwise acquire an obligation of another Person or to supply funds to, or otherwise maintain any working capital or other statement of financial position condition of any other Person).
- (m) Absence of Approvals Required: No authorization, approval, order, license, permit or consent of any Governmental Body and no registration, declaration or filing by Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries with any such Governmental Body is required to be obtained Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries in order to consummate the transactions contemplated hereunder, to execute and deliver all of the documents and instruments to be delivered by Southern Sky under this Agreement, to duly perform and observe the terms and provisions of this Agreement, or to render this Agreement legal, valid, binding and enforceable.
- (n) Permits and Licences: Each of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries holds all material authorizations, approvals, orders, licences, permits or consents issued by any Governmental Body that are necessary or desirable in connection with the conduct and operation of its business as currently being conducted or pursuant to the execution and fulfillment of any material term of any Material Contract, and the ownership, leasing or use of its Assets as the same are now owned, leased, used, conducted or operated, and Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries are not in material breach of or in default under any of the terms or conditions thereof. Southern Sky is not aware of any intention of any Governmental Body to revoke, rescind or terminate any such authorizations, approvals, orders, licenses, permits or consents.
- (o) Filings: Each of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries except as would not reasonably be expected to have a material adverse effect:
  - (i) has duly filed in a timely manner all income tax returns and election forms in all jurisdictions where such tax returns or election forms are required to be filed and to the best of Southern Sky's knowledge all such returns and forms have been completed accurately and correctly in all material respects; and

- (ii) has paid all taxes and all interest and penalties thereon for all previous years and all required quarterly instalments due for the current fiscal year have been paid;

and there is no agreement, waiver or other arrangement providing for an extension of time with respect to the filing of any tax return, or payment of any tax, governmental charge or deficiency, nor is there any action, suit, litigation, arbitration, proceeding, governmental proceeding, investigation or claim, including appeals and applications for review, in progress, or to the best of Southern Sky's knowledge, threatened or pending against or in relation to Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries or any of their Assets in respect of, or discussions underway with any governmental authority relating to, any such tax or governmental charge or deficiency.

- (p) Absence of Contingent Tax Liabilities. There are no contingent tax liabilities against Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries nor to the best of Southern Sky's knowledge, any grounds that could prompt a reassessment.
- (q) Related Party; Indebtedness: None of the directors or officers of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries or any associate or Affiliate of any of the foregoing has any material interest, direct or indirect, in any material transaction or any proposed material transaction with Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries, other than employment or similar consulting agreements or arrangements entered into in the ordinary course of its business; Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries are not indebted to any directors, officers, consultants or employees of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries or any affiliate or associate of any of them, on any account whatsoever.
- (r) Employment Agreements.
  - (i) Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries are not a party to any written or oral policy, agreement, obligation or understanding providing for severance or termination payments to, or any employment or consulting agreement with, any director or officer of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries that cannot be terminated with payment of no more than one times such individual's monthly salary, recognizing that a court of competent jurisdiction in an action for wrongful dismissal or otherwise has the authority to award damages in an amount greater than one times an individual's monthly salary;
  - (ii) Except as disclosed in Schedule 4.1(r), there are no employees or consultants whose employment or contract with Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries cannot be terminated with delivery of less than one months' notice;
  - (iii) Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries are not: (a) to the best of Southern Sky's knowledge, subject to any application for certification or threatened or apparent union organizing campaigns for



- employees not covered under a collective bargaining agreement, or (b) subject to any current, or to the best of Southern Sky's knowledge, pending or threatened strike or lockout;
- (iv) There is no change of control payment that is triggered by this transaction, and there are no severance payments or termination payments that Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries is obligated to pay, including without limitation, to any consultants, directors, officers, employees or agents;
  - (v) Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries are not subject to any claim for wrongful dismissal, constructive dismissal or any tort claim, actual or, to the best of Southern Sky's knowledge, pending or threatened, or any litigation, actual or, to the best of Southern Sky's knowledge, pending or threatened, relating to employment or termination of employment of employees or independent contractors; and
  - (vi) Southern Sky has operated in all material respects in accordance with all applicable law with respect to employment and labour, including, but not limited to, employment and labour standards, occupational health and safety, employment equity, pay equity, workers' compensation, human rights and labour relations and there are no current, or, to the best of Southern Sky's knowledge, pending or threatened, material proceedings before any board or tribunal with respect to any of the above.
- (s) Litigation: Other than as disclosed to Holly Street, there is no suit, action, litigation, investigation, claim, complaint or proceeding before any governmental authority in progress or pending or, to the best of Southern Sky's knowledge, threatened against or relating to any of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries, its Assets that, if determined adversely, would prevent it from fulfilling all of its obligations set out in this Agreement or arising from this Agreement or that would be expected to have a materially adverse effect upon Southern Sky, , the Colombia Subsidiary and the Guyana Subsidiaries their respective financial condition, results of operations or business prospects, and, to the best of Southern Sky's knowledge, there are no existing grounds on which any such action, suit, litigation or proceeding might be commenced with any likelihood of success.
- (t) Anti-Corruption. None of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries has, and none of its respective directors, officers, agents, consultants, employees or any other Person acting on its behalf has, in connection with the operation of its respective business, used any corporate or other funds for unlawful contributions, payments, gifts or entertainment, or made any unlawful expenditures relating to political activity to government officials, candidates or members of political parties or organizations, or established or maintained any unlawful or unrecorded funds in violation in any material respect of the *Corruption of Foreign Public Officials Act* (Canada) or any other similar applicable law.
- (u) Interest in Properties and Mineral Rights. Other than as set out in Schedule 4.1(u) or as disclosed to Holly Street:

- i. All of Southern Sky's mining properties, including the mining properties of the Colombia Subsidiary and the Guyana Subsidiaries (collectively, the "**Southern Sky Properties**") and all of their respective mineral interests and rights therein (including any material claims, mineral leases, concessions, exploration licenses, exploitation licenses and prospecting permits) (collectively, the "**Southern Sky Mineral Rights**"), are set out in Schedule 4.1(u)(i) hereto. Other than the Southern Sky Properties and the Southern Sky Mineral Rights as set out in Schedule 4.1(u)(i) hereto, Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries do not own or have any interest in any material real property or any material mineral interests and rights.
- ii. Southern Sky (or its subsidiaries) are the beneficial holder or have rights to acquire pursuant to legally binding and enforceable contracts, as applicable, the Southern Sky Mineral Rights, free and clear of any Encumbrances.
- iii. All of the Southern Sky Mineral Rights have been properly located and recorded in compliance with applicable law and are comprised of valid and subsisting mineral claims.
- iv. The Southern Sky Properties and the Southern Sky Mineral Rights are in good standing under applicable laws and, all work required to be performed and filed in respect thereof has been performed and filed, all taxes, rentals, penalties, fees, expenditures and other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.
- v. There are not (i) any material liabilities or obligations or liens, encumbrances, charges or security interests related or attaching to any mining concessions, or (ii) any facts, circumstances or events which on the consummation of the Transaction will give rise to any rights in favour of third parties, or will result in any violation or breach of any material contract, licence, agreement, franchise or permit or any mining concessions.
- vi. There is no material adverse claim against or challenge to the title to or ownership of any of the Southern Sky Properties or the Southern Sky Mineral Rights.
- vii. Southern Sky (or its subsidiaries) has the exclusive right to deal with the Southern Sky Properties and all of the Southern Sky Mineral Rights.
- viii. No Person other than Southern Sky, the Colombia Subsidiary or the Guyana Subsidiaries has any interest in the Southern Sky Properties or any of the Southern Sky Mineral Rights or the production or profits therefrom or any royalty in respect thereof or any right to acquire any such interest.
- ix. There are no back-in rights, earn-in rights, rights of first refusal or similar provisions or rights which would affect Southern Sky's or its subsidiaries' interests in the Southern Sky Properties or any of the Southern Sky Mineral Rights.

- x. There are no material restrictions on the ability of Southern Sky or its subsidiaries to use, transfer or exploit the Southern Sky Properties or any of the Southern Sky Mineral Rights, except pursuant to the applicable law.
- xi. Neither Southern Sky nor any of its subsidiaries have received any notice, whether written or oral, from any Governmental Body of any revocation or intention to revoke any interest of Southern Sky or its subsidiaries in any of the Southern Sky Mineral Rights.
- xii. Southern Sky and its subsidiaries have all necessary right to conduct the exploration and development work on the mineral claims appraised in the Southern Sky Mineral Rights currently conducted or contemplated by Southern Sky or its subsidiaries on such mineral claims.
- xiii. Neither Southern Sky nor its subsidiaries are subject to an agreement, arrangement or understanding, whether written or oral, that provides for an area of influence in respect of any of the Southern Sky Properties.

(v) Environmental Matters.

- i. All facilities and operations of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries have been conducted by them, and are now, in compliance with all Environmental Laws.
- ii. Each of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries is in possession of, and in compliance with, all environmental permits that are required to own, lease and operate the properties and mineral rights held by it at its current stage of development and to conduct their respective business as they are now being conducted.
- iii. No environmental, reclamation or closure obligation, demand, notice, work order or other liabilities presently exist with respect to any portion of any currently or formerly owned, leased, used or otherwise controlled property, interests and rights or relating to the operations and business of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries, including but not limited to any such obligations that have arisen due to work conducted pursuant to the Material Contracts, and, to the knowledge of Southern Sky, there is no basis for any such obligations, demands, notices, work orders or liabilities to arise in the future as a result of any activity in respect of such property, interests, rights, operations and business.
- iv. To the knowledge of Southern Sky, Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries are not subject to any proceeding, application, order or directive which relates to environmental, health or safety matters, and which may require any material work, repairs, construction or expenditures.
- v. To the knowledge of Southern Sky, there are no changes in the status, terms or conditions of any environmental permits held by Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries or any renewal, modification, revocation, reassurance, alteration, transfer or amendment of

any such environmental approvals, consents, waivers, permits, orders and exemptions, or any review by, or approval of, any Governmental Entity of such environmental approvals, consents, waivers, permits, orders and exemptions that are required in connection with the execution or delivery of this Agreement, the consummation of the transactions contemplated herein or the continuation of the business of Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries following the Effective Date.

- vi. Southern Sky has made available to Holly Street all material audits, assessments, investigation reports, studies, plans, regulatory correspondence and similar information with respect to environmental matters.
  - vii. To the knowledge of Southern Sky, Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries are not subject to any past or present fact, condition or circumstance that could reasonably be expected to result in liability under any Environmental Laws, including any regulations respecting the use, storage, handling, release, disposal, remediation, treatment or transportation of any substance (including pollutants, contaminant, waste of any nature, hazardous material, toxic substance, dangerous substance or dangerous good as defined in any applicable Environmental Laws).
- (w) Pre-emptive Rights.
- i. No shareholder of Southern Sky is entitled to pre-emptive rights or registration rights;
  - ii. Southern Sky is not a party to any agreement granting registration or anti-dilution rights to any person with respect to any of its equity or debt securities; and
  - iii. Southern Sky is not a party to, and Southern Sky does not have any knowledge of, any agreement restricting the voting or transfer of any its securities.
- (x) Finder's Fees. Other than in respect of the Private Placement or any financings, no person or corporation is entitled to a finder's fee or other form of compensation from Southern Sky with respect to the Transaction.

Each Schedule referenced in this Section shall be deemed to incorporate by reference all information disclosed in any other section of a Schedule referenced in this Section to the extent it is reasonably apparent from reading of the disclosure or through cross-reference that such disclosure is applicable to such other sections or subsections.

4.2 **Survival:** The representations and warranties of Southern Sky hereunder shall survive the Closing for a period of 24 months, notwithstanding the waiver of any condition by the other parties.

4.3 **Reliance:** Southern Sky acknowledges and agrees that the other parties have entered into this Agreement relying on the warranties and representations and other terms and

conditions of this Agreement notwithstanding any independent searches or investigations that have been or may be undertaken by or on behalf of the other parties.

## ARTICLE 5 INTERIM COVENANTS

- 5.1 **Covenants.** From the date of this Agreement until the earlier of (i) the Effective Date, and (ii) the termination of this Agreement in accordance with Article 11, the parties will use their best commercial efforts to: (x) complete the Transaction; and (y) take the following steps in furtherance thereof within the following time periods:
- (a) Southern Sky shall set the record and meeting dates for a meeting of the shareholders of Southern Sky, which meeting shall occur no later than February 28, 2021;
  - (b) Southern Sky shall prepare and mail an information circular in accordance with Section 2.4, in a form mutually acceptable to the parties acting reasonably, to Southern Sky shareholders in respect of the Southern Sky Meeting, such mailing to occur on or before February 15, 2021;
  - (c) the parties shall prepare and file the Filing Statement in accordance with Section 2.5, in a form mutually acceptable to the parties acting reasonably, such filing to occur on or before February 26, 2021;
  - (d) Southern Sky shall recommend that its shareholders vote in favour of the Transaction;
  - (e) the parties shall obtain the requisite regulatory conditional approvals, including but not limited to Holly Street obtaining the conditional approval of the TSXV with respect to listing the common shares of the Resulting Issuer on the TSXV; and
  - (f) closing of the Transaction will occur on or before April 30, 2021.

## ARTICLE 6 CLOSING

- 6.1 **Effective Date and Location:** The transactions contemplated by this Agreement shall be completed in person or by electronic delivery at 5:00 P.M. (Toronto time) on the Effective Date, or at such other time or at such other location as may be mutually agreed upon in writing by the parties.

## ARTICLE 7 CONDITIONS

- 7.1 **Mutual Conditions:** The respective obligations of the parties hereto to consummate the transactions contemplated hereunder are subject to the satisfaction, on or prior to the Effective Date, of the following conditions, any of which may be waived only by the mutual consent of the parties without prejudice to their rights to rely on any other or others of such conditions:
- (a) the receipt of all necessary prior regulatory approvals, specifically TSXV conditional approval with respect to the Transaction;
  - (b) Southern Sky having received the approval of its shareholders for the Amalgamation; and

- (c) no injunction or restraining order of any court or administrative tribunal of competent jurisdiction shall be in effect prohibiting the transactions contemplated by this Agreement and no action or proceeding shall have been instituted or be pending before any court or administrative tribunal to restrain or prohibit the transactions between the parties contemplated by this Agreement.

7.2 **Holly Street's Conditions:** The obligations of Holly Street to complete the transactions contemplated hereunder shall be subject to the satisfaction of, or compliance with, at or before the Effective Time, each of the following conditions precedent:

- (a) Initial Deliveries: Southern Sky will have delivered, as soon as practicable after the date of this Agreement:
  - (i) certificates of good standing or equivalent for Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries duly issued by the authorized government corporate registry in the applicable jurisdiction of incorporation;
  - (ii) a National Instrument 43-101 compliant technical report in respect of the Project X Property;
  - (iii) audited consolidated financial statements of Southern Sky for the most recently completed financial years ending December 31, 2019 and 2020, and any other interim financial statements of Southern Sky requested by the TSXV; and
  - (iv) such other documents as may be required by Holly Street, acting reasonably;
- (b) Truth and Accuracy of Representations: The representations and warranties of Southern Sky made under this Agreement shall be true and correct at the Effective Time and with the same effect as if made at and as of the Effective Time;
- (c) Performance of Obligations: Southern Sky shall have performed and complied with all the obligations and covenants contained in this Agreement to be performed and complied with by it, other than those conditions which are waived by Holly Street;
- (d) Absence of Material Adverse Change: There will have been no material adverse changes, adverse change of material fact or any development that could reasonably result in an adverse material impact on the business, financial results, operations or affairs of Southern Sky, the Colombia Subsidiary or the Guyana Subsidiaries;
- (e) Absence of Change of Conditions: No event shall have occurred or condition or situation shall have arisen or legislation (whether by statute, rule, regulation, by-law or otherwise) shall have been introduced that might reasonably be expected to have a materially adverse effect upon Southern Sky, the Colombia Subsidiary or the Guyana Subsidiaries or the financial condition, results of operations or business prospects of Southern Sky, the Colombia Subsidiary or the Guyana Subsidiaries;

- (f) **Closing Documentation:** Holly Street shall have received the following closing documentation:
- (i) certificates of good standing or equivalent for Southern Sky, the Colombia Subsidiary and the Guyana Subsidiaries duly issued by the authorized government corporate registry in the applicable jurisdiction of incorporation on the Effective Date dated no later than two days prior to Effective Date;
  - (ii) a certificate of Southern Sky addressed to Holly Street and dated the Effective Date, signed on behalf of Southern Sky by a senior officer, confirming that the conditions in Sections 7.2(b), (c) and (d) have been satisfied;
  - (iii) certified copies of the resolutions of the directors and shareholders of Southern Sky approving the transactions contemplated hereunder and authorizing the execution of this Agreement;
  - (iv) all other necessary consents waivers, and authorizations required approve the Amalgamation as provided for in this Agreement;
  - (v) corporate legal opinions concerning Southern Sky and the Colombia Subsidiary, in customary form, satisfactory to Holly Street, acting reasonably;
  - (vi) a title opinion concerning the Southern Sky Properties, in customary form, satisfactory to Holly Street, acting reasonably, and
  - (vii) such other documents as may be required by Holly Street, acting reasonably;
- (g) **Private Placement.** Southern Sky (or the subscription receipt agent in respect of the Subscription Receipts, as applicable) shall have received subscriptions for at least \$1,000,000 in Subscription Receipts by February 26, 2021 and Southern Sky shall have completed the Private Placement by no later than March 31, 2021; and
- (h) **Absence of Additional Liabilities:** Southern Sky will not have incurred any liabilities other than those which are:
- (i) described in Schedule 4.1(j);
  - (ii) reasonably incurred in the ordinary course of business; or
  - (iii) incurred with the consent of Holly Street, not to be unreasonably withheld.

7.3 **Waiver:** The conditions set forth in Section 7.2 are for the exclusive benefit of Holly Street and may be waived by Holly Street in writing in whole or in part on or before the Effective Date.

7.4 **Southern Sky's Conditions:** The obligations of Southern Sky to complete the transactions contemplated hereunder shall be subject to the satisfaction of, or compliance with, at or before the Effective Time, each of the following conditions precedent:

- (a) Truth and Accuracy of Holly Street Representations at Closing: The representations and warranties of Holly Street made hereunder shall be true and correct at Closing and with the same effect as if made at and as of Closing;
- (b) Performance of Obligations: Holly Street shall have performed and complied with all the obligations and covenants contained in this Agreement to be performed and complied with by it;
- (c) Absence of Material Adverse Change: There will have been no material adverse changes, adverse change of material fact or any development that could reasonably result in an adverse material impact on the business, financial results, operations or affairs of Holly Street;
- (d) Closing Documentation: Southern Sky shall have received from Holly Street the following closing documentation:
  - (i) a certificate of good standing for Holly Street and Holly Street Subsidiary duly issued by the authorized government corporate registry in the applicable jurisdiction of incorporation on the Effective Date dated no later than two days prior to the Effective Date;
  - (ii) certificates or other satisfactory evidence of the issuance of the applicable Holly Street Shares registered in the name of Southern Sky shareholders as directed by Southern Sky in writing;
  - (iii) a certificate of Holly Street addressed to Southern Sky and dated the Effective Date, signed on behalf of Holly Street by a senior officer, confirming that the conditions in Sections 7.2(a), (b) and (b) have been satisfied;
  - (iv) a certified copy of a resolution of the directors of Holly Street approving the transactions contemplated hereunder and authorizing the execution of this Agreement;
  - (v) a corporate legal opinion concerning Holly Street, in customary form, satisfactory to Southern Sky, acting reasonably;
  - (vi) such other documents as may be required by Southern Sky, acting reasonably.
- (e) Consolidation. Holly Street shall have completed a consolidation on the basis of one (1) post-consolidation Holly Street Share for each two (2) pre-consolidation Holly Street Shares (the “**Consolidation**”), or such other ratio as agreed upon by the parties.
- (f) Name Change. Holly Street shall have completed a name change to “Southern Sky Resources Corp.” or such other name approved by Southern Sky.
- (g) Board Reconstitution. Holly Street shall appoint Roger Connors, Kyle Stevenson, Joel Freudman and a director approved by Southern Sky to its board of directors.



- (h) Auditor. Holly Street shall appoint McGovern Hurley LLP as auditor of the Resulting Issuer.

7.5 **Waiver:** The conditions set forth in Section 7.4 are for the exclusive benefit of Southern Sky and may be waived by it in writing in whole or in part on or before the Effective Date.

## ARTICLE 8 CONDUCT OF BUSINESS PRIOR TO CLOSING

8.1 **Southern Sky Conduct:** Except as otherwise contemplated or permitted by this Agreement, during the period from the date of this Agreement to the Effective Time, Southern Sky shall and/or shall cause the Colombia Subsidiary and Guyana Subsidiaries, as applicable, to do the following:

- (a) Conduct Business in Ordinary and Usual Course: Conduct the business of Southern Sky, the Colombia Subsidiary and Guyana Subsidiaries in the ordinary and usual course thereof and not, without the prior written consent of Holly Street, enter into any transaction which would constitute a breach of any of their respective representations, warranties or agreements contained herein. Without limiting the generality of the foregoing:
- (i) Southern Sky, the Colombia Subsidiary and Guyana Subsidiaries will not, without Holly Street's prior written consent, acting reasonably, terminate, amend, vary or enter into any Material Contracts other than with respect to the Private Placement and the Option Agreement Amendment;
  - (ii) Southern Sky, the Colombia Subsidiary and Guyana Subsidiaries will not, without Holly Street's prior written consent, not to be unreasonably withheld, grant any bonuses, benefits or other forms of direct or indirect compensation or approve any change of control or other termination benefits to any employee, officer, director or consultant of Southern Sky, the Colombia Subsidiary or Guyana Subsidiaries;
  - (iii) Southern Sky, the Colombia Subsidiary and Guyana Subsidiaries will not, without Holly Street's prior written consent, not to be unreasonably withheld, issue any equity securities, from treasury or otherwise, or options, warrants, rights or convertible securities other than with respect to the Seed Round Issuance and the Private Placement;
  - (iv) Southern Sky will not, without Holly Street's prior written consent, pay any dividends, redeem any securities, or otherwise cause assets to be distributed; and
  - (v) Southern Sky, the Colombia Subsidiary and Guyana Subsidiaries will not, without Holly Street's prior written consent, borrow any funds, under existing credit lines or otherwise, except as specifically contemplated in this Agreement;
- (b) Perform Obligations: Southern Sky, the Colombia Subsidiary and Guyana Subsidiaries will comply, in all material respects, with all laws affecting the operation of their respective business and pay all required taxes;

- (c) Pay Liabilities: Southern Sky, the Colombia Subsidiary and Guyana Subsidiaries will pay and discharge all of their respective liabilities or obligations in the ordinary and usual course of business consistent with past business practice, except for such liabilities or obligations as may be contested by each of them in good faith;
- (d) No Breach: Not take any action or omit to take any action which would, or would reasonably be expected to, result in a breach of or render untrue any of Southern Sky's representations, warranties, covenants, or other obligations contained herein;
- (e) Preserve Business: Preserve intact Southern Sky, the Colombia Subsidiary and Guyana Subsidiaries' business and its Assets, and promote and preserve for Holly Street the goodwill of consultants, suppliers, and others having business relations with Southern Sky, the Colombia Subsidiary and Guyana Subsidiaries and the Assets;
- (f) Actions Contrary to the Transaction. Not knowingly take any action, refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with this Agreement or which is or could reasonably be expected to impede or delay the completion of the Transaction and the transactions contemplated under this Agreement except as specifically permitted by this Agreement, including but not limited to, engaging in any discussions or taking any action relating to a going public, reverse take-over, public listing, or other similar transaction or series of transactions, except with respect to the Transaction; and
- (g) Actions Supporting the Transaction. Take, or cause to be taken, all action and to do, or cause to be done, all other things necessary, proper or advisable to complete the Transaction, including:
  - (i) use its reasonable commercial efforts to obtain all necessary consents, assignments, waivers and amendments to or terminations of any agreements and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated hereby;
  - (ii) not take any action that would render, or may reasonably be expected to render, any representation or warranty made by Southern Sky in this Agreement untrue in any material respect;
  - (iii) to effect all necessary registrations, filings and submissions required to be effected by it in connection with the Amalgamation;
  - (iv) furnish to Holly Street such information, in addition to the information contained in this Agreement, relating to its financial condition, business, properties and affairs as may reasonably be requested by Holly Street, which information shall be true and complete in all material respects; and
  - (v) use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions precedents to Closing as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of Southern Sky.

8.2 **Holly Street Conduct:** Except as otherwise contemplated or permitted by this Agreement, during the period from the date of this Agreement to the Effective Time, Holly Street shall do the following:

- (a) Conduct Business in Ordinary and Usual Course: Conduct the Holly Street business in the ordinary and usual course thereof and not, without the prior written consent of Southern Sky, enter into any transaction which would constitute a breach of any of its representations, warranties or agreements contained herein. Without limiting the generality of the foregoing:
- (i) Holly Street will not, without Southern Sky's prior written consent, acting reasonably, dispose, option, encumber or transfer rights to any assets with a value exceeding \$5,000, except for ordinary course cash payments of trade payables owing to arm's length third party service providers;
  - (ii) Holly Street will not, without Southern Sky's prior written consent, acting reasonably, terminate, amend, vary or enter into any Material Contracts of which it is a party, other than amendments to the TSXV Form 2F CPC Escrow Agreement dated November 29, 2019 as described in Holly Street's Management Proxy Circular dated December 16, 2020;
  - (iii) Holly Street will not, without Southern Sky's prior written consent, grant any bonuses, benefits or other forms of direct or indirect compensation or approve any change of control or other termination benefits to any employee, officer, director or consultant of Holly Street;
  - (iv) Holly Street will not, without Southern Sky's prior written consent, issue any equity securities, from treasury or otherwise, or options, warrants, rights or convertible securities;
  - (v) Holly Street will not, without Southern Sky's prior written consent, pay any dividends, redeem any securities, or otherwise cause assets to be distributed; and
  - (vi) Holly Street will not, without Southern Sky's prior written consent, borrow any funds, under existing credit lines or otherwise, except as specifically contemplated in this Agreement.
- (b) Actions Contrary to the Transaction. Holly Street shall not knowingly take any action, refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with this Agreement or which is or could reasonably be expected to impede or delay the completion of the Transaction and the transactions contemplated under this Agreement.
- (c) Actions Supporting the Transaction. Take, or cause to be taken, all action and to do, or cause to be done, all other things necessary, proper or advisable to complete the Transaction, including:
- (i) use its reasonable commercial efforts to obtain all necessary consents, assignments, waivers and amendments to or terminations of any agreements and take such measures as may be appropriate to fulfill its

obligations hereunder and to carry out the transactions contemplated hereby;

- (ii) not take any action that would render, or may reasonably be expected to render, any representation or warranty made by Holly Street in this Agreement untrue in any material respect;
- (iii) to effect all necessary registrations, filings and submissions required to be effected by it in connection with the Amalgamation;
- (iv) furnish to Southern Sky such information, in addition to the information contained in this Agreement, relating to its financial condition, business, properties and affairs as may reasonably be requested by Southern Sky, which information shall be true and complete in all material respects; and
- (v) use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions precedents to Closing as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of Holly Street.

8.3 **Post-Closing Period:** Promptly after the Closing, the Resulting Issuer shall make, or cause to be made, all filings, required to be given or made to the TSXV in order to obtain final approval of the TSXV for the transactions contemplated by this Agreement, including the issuance and listing of the Holly Street Shares to be issued and delivered to Southern Sky pursuant to Section 2.2.

## ARTICLE 9 INDEMNITIES

9.1 **General Indemnification by Holly Street:** Holly Street agrees to indemnify and hold harmless Southern Sky from and against any Loss suffered or incurred by Southern Sky in connection with (i) any incorrectness in or breach of any representation or warranty of Holly Street, or (ii) any breach or non-performance by Holly Street of any covenant to be performed by it, in either case, contained herein or any other agreement or instrument delivered by it as contemplated hereunder.

9.2 **General Indemnification by Southern Sky:** Southern Sky agrees to indemnify and hold harmless Holly Street from and against any Loss suffered or incurred by Holly Street in connection with (i) any incorrectness in or breach of any representation or warranty of Southern Sky, or (ii) any breach or non-performance by Southern Sky of any covenant to be performed by it, in either case, contained herein or any other agreement or instrument delivered by it as contemplated hereunder.

## ARTICLE 10 CONFIDENTIALITY

10.1 **No Disclosure:** No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated hereby will be made by either party or any of its representatives without the prior approval of the other party as to timing, content and method, provided that the provisions of this paragraph will not prevent any party from making, after consultation with the other party, such disclosure as its counsel advises is required by applicable law or the rules and policies of the TSXV.

10.2 **Hold Information in Confidence:** Unless and until the transactions contemplated in this Agreement have been completed, or until the termination of this Agreement, except with

the prior written consent of the other party, each of the parties and their respective representatives will hold all information received from the other party in the strictest confidence, except such information and documents as are available to the public or as are required to be disclosed by applicable law or regulation.

## ARTICLE 11 TERMINATION

11.1 **Termination:** Notwithstanding any other provision in this Agreement, this Agreement may be terminated at any time prior to the Effective Date as follows:

- (a) by mutual written agreement by the parties;
- (b) by Southern Sky if:
  - (i) Holly Street materially breaches any of its representations or warranties or fails to comply with any covenants contained herein, and such default is not remedied within five Business Days of written notice provided to Holly Street of such default; or
  - (ii) any of the conditions precedent contained herein for the benefit of Southern Sky has not been complied with or waived by Southern Sky.
- (c) by Holly Street if:
  - (i) Southern Sky materially breaches any of its representations or warranties or fails to comply with any covenants contained herein, and such default is not remedied within five Business Days of written notice provided to Southern Sky of such default; and
  - (ii) any of the conditions precedent contained herein for the benefit of Holly Street have not been complied with or waived by Holly Street; or
- (d) by either Holly Street or Southern Sky if the Transaction has not been completed by April 30, 2021.

Any party desiring to terminate this Agreement pursuant to this Section 11.1 shall give written notice of such termination to the other party.

11.2 **Post-Termination Obligations:** Upon the termination of this Agreement, the parties shall be released from their obligations hereunder other than as expressly contemplated hereby, excepting those under Article 9, Article 10, Article 11, Article 12 and Article 13, provided that nothing herein shall relieve a party from liability arising prior to such termination.

## ARTICLE 12 DISPUTE RESOLUTION

12.1 **Disputes:** Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof and any claim or request that may be made under any of the provisions of the *Business Corporations Act* (Ontario) shall be determined by arbitration in Toronto before one arbitrator. The parties agree that the arbitrator has the jurisdiction to make any interim or final awards that may be made by a judge of the Ontario Superior Court of Justice. The arbitration shall be

conducted in Toronto in accordance with the *Arbitration Act, 1991* (Ontario). The arbitrator's decision will be final and binding on the parties, enforceable in any court of competent jurisdiction, and will not be subject to appeal, except in the circumstances in which a party to an arbitration could appeal to a court under the *Arbitration Act, 1991* (Ontario).

### ARTICLE 13 GENERAL

- 13.1 **Expenses:** All costs and expenses incurred in connection with the preparation of this Agreement shall be paid by Southern Sky and all costs and expenses incurred after the date hereof in respect of the transactions contemplated by this Agreement shall be paid by the party incurring such expenses. Southern Sky will be responsible for all costs associated with obtaining the requisite regulatory approvals for the Transaction, including costs related to: (i) TSXV filing fees, (ii) a valuation report, if required, (iii) a sponsor report, if required, (iv) the technical report in respect of the Project X Property, and (v) legal and title opinions in respect of Southern Sky and its Assets.
- 13.2 **Time:** Time shall be of the essence hereof.
- 13.3 **Notices:** Any notice or other writing required or permitted to be given hereunder or for the purposes hereof shall be sufficiently given if delivered, telecopied or electronically transmitted to the party to whom it is given or, if mailed, by prepaid registered mail addressed to such party as set out on the first page of this Agreement, or at such other address as the party to whom such writing is to be given shall have last notified to the party giving the same in the manner provided in this clause. Any notice mailed shall be deemed to have been given and received on the fifth Business Day next following the date of its mailing unless at the time of mailing or within five Business Days thereafter there occurs a postal interruption which could have the effect of delaying the mail in the ordinary and usual course, in which case any notice shall only be effectively given if actually delivered or sent by telecopy or electronic transmittal. Any notice delivered, telecopied or electronically transmitted to the party to whom it is addressed shall be deemed to have been given and received on the Business Day next following the day it was delivered, telecopied or electronically transmitted.
- 13.4 **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and, save and except for matters that are subject to binding decision by an arbitrator as contemplated under Article 12 herein, the parties submit and attorn to the exclusive jurisdiction of the courts of the Province of Ontario.
- 13.5 **Assignment:** The rights of the parties hereunder may not be assigned by any party without the prior written consent of the other party.
- 13.6 **Severability:** If a court or other tribunal or arbitrator of competent jurisdiction determines that any one or more of the provisions contained in this Agreement is invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless in either case as a result of such determination this Agreement would fail in its essential purpose.

- 13.7 **Further Assurances:** The parties shall with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereunder, and each party shall provide such further documents or instruments required by the other party as may be reasonably necessary or desirable to give effect to the purpose of this Agreement and carry out its provisions whether before or after the Effective Date. Without limiting the generality of the foregoing, each of the parties shall co-operate and use their reasonable commercial efforts in good faith to take, or cause to be taken, all reasonable actions, including the preparation of any applications for regulatory approvals and other orders, registrations, consents, filings, rulings, exemptions, no-action letters, circulars and approvals required in connection with this Agreement and the Transaction and the preparation of any required documents, in each case as reasonably necessary to discharge their respective obligations under this Agreement and the Transaction, and to complete any of the transactions contemplated by this Agreement, including their obligations under applicable laws.
- 13.8 **Enurement:** This Agreement and each of the terms and provisions hereof shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.
- 13.9 **Amendments and Waiver:** No modification of or amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all of the parties and no waiver of any breach of any term or provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same, and unless otherwise provided, will be limited to the specific breach waived.
- 13.10 **Entire Agreement:** This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, oral or written, by and between the parties with respect to the subject matter hereof, including without limitation the letter of intent dated September 10, 2020 between Southern Sky and Holly Street, and all subsequent amendments thereto.
- 13.11 **Counterparts:** This Agreement may be executed in as many counterparts as may be necessary or by facsimile or electronic transmission and each such counterpart agreement or facsimile so executed shall be deemed to be an original and such counterparts and facsimile copies or copies of electronic transmissions together shall constitute one and the same instrument.

*[signature pages follow]*

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the day and year first above written.

**HOLLY STREET CAPITAL LTD.**

Per: "Joel Freudman"  
*Joel Freudman, Chief Executive Officer*

**2812239 ONTARIO INC.**

Per: "Joel Freudman"  
*Joel Freudman, Chief Executive Officer*

**SOUTHERN SKY RESOURCES CORP.**

Per: "Roger Connors"  
*Roger Connors, Chief Executive Officer*



**SCHEDULE 2.1**

**Articles of Amalgamation**

**(please see attached)**



5. Method of amalgamation, check A or B  
 Méthode choisie pour la fusion – Cocher A ou B :

A - **Amalgamation Agreement / Convention de fusion :**

The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176 (4) of the *Business Corporations Act* on the date set out below.

Les actionnaires de chaque société qui fusionne ont dûment adopté la convention de fusion conformément au paragraphe 176(4) de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

or  
ou

B - **Amalgamation of a holding corporation and one or more of its subsidiaries or amalgamation of subsidiaries / Fusion d'une société mère avec une ou plusieurs de ses filiales ou fusion de filiales :**

The amalgamation has been approved by the directors of each amalgamating corporation by a resolution as required by section 177 of the *Business Corporations Act* on the date set out below.

Les administrateurs de chaque société qui fusionne ont approuvé la fusion par voie de résolution conformément à l'article 177 de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

The articles of amalgamation in substance contain the provisions of the articles of incorporation of  
 Les statuts de fusion reprennent essentiellement les dispositions des statuts constitutifs de

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and are more particularly set out in these articles.  
 et sont énoncés textuellement aux présents statuts.

Names of amalgamating corporations Dénomination sociale des sociétés qui fusionnent	Ontario Corporation Number Numéro de la société en Ontario	Date of Adoption/Approval Date d'adoption ou d'approbation		
		Year année	Month mois	Day jour

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.  
Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.

7. The classes and any maximum number of shares that the corporation is authorized to issue:  
Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

9. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:  
L'émission, le transfert ou la propriété d'actions est/n'est pas restreint. Les restrictions, s'il y a lieu, sont les suivantes :

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

11. The statements required by subsection 178(2) of the *Business Corporations Act* are attached as Schedule "A".  
Les déclarations exigées aux termes du paragraphe 178(2) de la *Loi sur les sociétés par actions* constituent l'annexe A.

12. A copy of the amalgamation agreement or directors' resolutions (as the case may be) is/are attached as Schedule "B".  
Une copie de la convention de fusion ou les résolutions des administrateurs (selon le cas) constitue(nt) l'annexe B.

These articles are signed in duplicate.  
Les présents statuts sont signés en double exemplaire.

Name and **original signature** of a director or authorized signing officer of each of the amalgamating corporations. Include the name of each corporation, the signatories name and description of **off** (e.g. president, secretary). **Only a director or authorized signing officer can sign on behalf of the corporation.** / Nom et **signature originale** d'un administrateur ou d'un signataire autorisé de chaque société qui fusionne. Indiquer la dénomination sociale de chaque société, le nom du signataire et sa fonction (p. ex. : président, secrétaire). **Seul un administrateur ou un dirigeant habilité peut signer au nom de la société.**

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Names of Corporations / Dénomination sociale des sociétés

**By / Par**

---

**Signature / Signature**

---

Print name of signatory /  
Nom du signataire en lettres moulées

---

Description of Office / Fonction

---

Names of Corporations / Dénomination sociale des sociétés

**By / Par**

---

**Signature / Signature**

---

Print name of signatory /  
Nom du signataire en lettres moulées

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Description of Office / Fonction

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Names of Corporations / Dénomination sociale des sociétés

**By / Par**

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**Signature / Signature**

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

**By / Par**

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Print name of signatory /  
Nom du signataire en lettres moulées

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Description of Office / Fonction

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Names of Corporations / Dénomination sociale des sociétés

**By / Par**

---

**Signature / Signature**

---

Print name of signatory /  
Nom du signataire en lettres moulées

---

Description of Office / Fonction

**SCHEDULE "A" TO THE ARTICLES OF AMALGAMATION**

**OF**

**2812239 ONTARIO INC. AND SOUTHERN SKY RESOURCES CORP. TO CONTINUE AS  
SOUTHERN SKY RESOURCES CORP.**

**STATEMENT OF DIRECTOR AND OFFICER**

*Pursuant to section 178(2) of the Business Corporations Act (Ontario)*

I, Roger Connors, state that:

1. I am the director and officer, holding the positions of President and Secretary of Southern Sky Resources Corp., one of the amalgamating corporations referred to in the attached Articles of Amalgamation.
2. I have conducted such examinations of the books and records of Southern Sky Resources Corp., one of the amalgamating corporations and have made such enquiries and investigations as are necessary to enable me to make this statement.
3. I have satisfied myself that there are reasonable grounds for believing that:
  - (a) the amalgamating corporations are and the amalgamated corporation will be able to pay its liabilities as they become due;
  - (b) the realizable value of the amalgamated corporations' assets will not be less than the aggregate of its liabilities and stated capital of all classes of shares; and
  - (c) no creditor will be prejudiced by the amalgamation.

**DATED** the \_\_\_\_\_ day of February, 2021.

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Roger Connors



**SCHEDULE "A" TO THE ARTICLES OF AMALGAMATION**

**OF**

**2812239 ONTARIO INC. AND SOUTHERN SKY RESOURCES CORP. TO CONTINUE AS  
SOUTHERN SKY RESOURCES CORP.**

**STATEMENT OF DIRECTOR**

*Pursuant to section 178(2) of the Business Corporations Act (Ontario)*

I, Joel Freudman, state that:

1. I am the director of 2812239 Ontario Inc., one of the amalgamating corporations referred to in the attached Articles of Amalgamation.
2. I have conducted such examinations of the books and records of 2812239 Ontario Inc., one of the amalgamating corporations and have made such enquiries and investigations as are necessary to enable me to make this statement.
3. I have satisfied myself that there are reasonable grounds for believing that:
  - (a) the amalgamating corporations are and the amalgamated corporation will be able to pay its liabilities as they become due;
  - (b) the realizable value of the amalgamated corporations' assets will not be less than the aggregate of its liabilities and stated capital of all classes of shares; and
  - (c) no creditor will be prejudiced by the amalgamation.

**DATED** the \_\_\_\_\_ day of February, 2021.

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Joel Freudman